



# KGATELOPELE LOCAL MUNICIPALITY

KLM2019/20/012

## REVIEW OF ANNUAL FINANCIAL STATEMENTS

NAME OF BIDDER: .....

ADDRESS OF BIDDER: .....

.....

TEL NUMBER: .....

FAX NUMBER: .....

CSD SUPPLIER NO: .....

TENDER AMOUNT: .....

**CONTENTS**

**PART T: THE TENDER**

**SECTION 1**

**T1. TENDERING PROCEDURES**

T1.1. TENDER NOTICE AND INVITATION TO TENDER

T.1.1.1. INVITATION TO BID (MBD1)

T1.2. STANDARD CONDITIONS OF TENDER

T1.2.1 GENERAL

T1.2.2 TENDERER’S OBLIGATIONS

**T2. RETURNABLE DOCUMENTS**

T2.1. DOCUMENTS TO BE COMPLETED FOR TENDER EVALUATION

T2.1.1. COMPLETED CONTRACT SCHEDULES

T2.1.2. DAY WORK SCHEDULE

T2.1.3. PRICING SCHEDULE – FIRM PRICES (MBD3.1)

T2.1.4. DECLARATION OF INTEREST(MBD4)

T2.1.5. CERTIFICATE OF INDEPENDENT TENDER DETERMINATION

T2.1.6. PREFERENTIAL PROCUREMENT DOCUMENT IN TERMS OF PREFERENTIAL PROCUREMENT REGULATIONS, 2017 (PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, ACT NO 5 OF 2000) (MBD6.1)

T2.1.7. DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

T2.1.8. DECLARATION OF TENDERER’S PAST SUPPLY CHAIN MANAGEMENT PRACTICES (MBD8)

**Tenderer:**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

T2.2.9. CERTIFICATE OF INDEPENDENT BID DETERMINATION (MBD9)

T2.2. OTHER DOCUMENTS REQUIRED FOR TENDER EVALUATION

T2.2.1. TAX CLEARANCE CERTIFICATE

T2.2.2. CSD REGISTRATION REPORT

T2.2.3. MUNICIPAL RATES ACCOUNT

T2.2.4. CERTIFIED IDENTITY DOCUMENTS OF DIRECTORS/MANAGERS

T2.2.5. COMPANY REGISTRATION CERTIFICATESs

T2.2.6. VALID/CERTIFIED BBBEE CERTIFICATE OR A SWORN AFFIDAVIT

**PART C: THE CONTRACT** \_\_\_\_\_

**SECTION 2** \_\_\_\_\_

**C1. AGREEMENT AND CONTRACT INFORMATION**

C1.1. FORM OF OFFER AND ACCEPTANCE

C1.2. CONTRACT FORM (MBD7.1)

**C2. CONDITIONS OF CONTRACT**

C2.1. SPECIAL CONDITIONS OF CONTRACT, 2015

**Tenderer:**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

## PART T: THE TENDER

**Tenderer:**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

# SECTION 1

**Tenderer:**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

**T1. TENDERING PROCEDURES**

**INVITATION FOR PROSPECTIVE BIDDERS – ADVERT**

Prospective service providers are hereby invited to tender for the following project:

**INVITATION TO BID**

Kgatelopele Local Municipality invites suitable service providers to bid for the following project(s):

Bid No.	Bid description	SITE BRIEFING	Contract period	Availability of documents	Closing date and Time	Points System
KLM2019/20/012	REVIEW OF ANNUAL FINANCIAL STATEMENTS	N/A	ONCE-OFF	10 FEBRUARY 2020	24 FEBRUARY 2020	80/20

Bid documents with detailed specifications and information are obtainable from the municipal website [www.kgatelopele.gov.za](http://www.kgatelopele.gov.za) and e-tender portal at [www.etenders.gov.za](http://www.etenders.gov.za) from Monday, **10 February 2020**.

All sealed bids clearly marked with the Project name and Bid number must be placed in the Tender Box at the offices of the Kgatelopele Local Municipality, 222 Barker Street, Danielskuil, 8405, on or before **12:00 pm on the specified date** at which time bids will be opened in public. No emailed or faxed documents will be accepted.

**Bid documents submitted after 12:00 pm on the specified date will not be accepted.**

Please note that it is a prerequisite of the Municipality that all service providers are to be registered on the **National Treasury Central Supplier Database (CSD)**. The submissions of valid and up to date SARS tax clearance certificates are compulsory. Registration on CSD can be done at [www.csd.gov.za](http://www.csd.gov.za) or at your nearest Treasury and Kgatelopele Local Municipal Offices.

Bids will be evaluated according to the Kgatelopele Local Municipality’s Supply Chain Management Policy, Preferential Procurement Policy Framework Act (Act 5 of 2005) and the Preferential Procurement Regulations, 2017, and Broad Base Black Economic Empowerment Act (Act 53 of 2003).

Kgatelopele Local Municipality is under no obligation to accept the lowest or any bid and reserves the right to accept the whole or part of any bid. Kgatelopele Local Municipality further reserves the right to re-advertise if it so wishes. No reasons for the acceptance or rejection of any bid will be given.

**N.B: suppliers are advised NOT to make any alterations or additions to the tender documents, except to comply with instructions issued by the employer.**

Enquiries : 053 384 8646  
 Procurement : Mr Bolokang Moeng (Email: [assets@kgatelopele.gov.za](mailto:assets@kgatelopele.gov.za))

.....  
**Mr M. January**  
 Municipal manag

**Tenderer :**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_  
 Witness 2 \_\_\_\_\_

1 \_\_\_\_\_  
 2 \_\_\_\_\_

**INVITATION TO BID**

**MBD1**

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE  
(KGATELOPELE LOCAL MUNICIPALITY)**

**BID NUMBER:** KLM2019/20/012

**CLOSING DATE:** 24 FEBRUARY 2020

**CLOSING TIME:** 12:00

**DESCRIPTION:** REVIEW OF ANNUAL FINANCIAL STATEMENTS

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

BID DOCUMENTS MAY BE POSTED TO:

**(We urge suppliers to submit their documents to avoid late arrival or documents not reaching its destination. The municipality will not be held responsible or accountable for not accepting late submission)**

The Municipal Manager  
Kgatelopele Local Municipality  
P. O. Box 43  
Danielskuil  
8405

OR

DEPOSITED IN THE TENDER BOX SITUATED AT

Kgatelopele Municipal Offices, Barker Street, Danielskuil, 8405  
Wooden Tender Box at Municipal Offices Entrance on the left hand side near the cashier's Counter

**Bidders should ensure that bids are delivered timeously to the correct address. If the bid is**

**Tenderer:**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

late, it will not be accepted for consideration.

The bid box is generally open from 07h30 until 16h45 Monday to Friday weekdays, and 08h00 until 12h00 midday Saturdays.

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS – (NOT TO BE RE-TYPED)

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

**NB: NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE (as defined in Regulation 1 of the Local Government: Municipal Supply Chain Management Regulations)**

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

NAME OF BIDDER .....

POSTAL ADDRESS .....

STREET ADDRESS .....

TELEPHONE NUMBER CODE.....NUMBER.....

CELLPHONE NUMBER .....

FACSIMILE NUMBER CODE ..... NUMBER.....

E-MAIL ADDRESS .....

VAT REGISTRATION NUMBER .....

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

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

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

Tenderer:

Kgatelopele Local Municipality:

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_



**(Tick applicable box)**

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

**(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE)**

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS/SERVICES/WORKS OFFERED?

**YES/NO**

(IF YES ENCLOSE PROOF)

SIGNATURE OF BIDDER .....

DATE .....

CAPACITY UNDER WHICH THIS BID IS SIGNED .....

TOTAL BID PRICE .....

TOTAL NUMBER OF ITEMS OFFERED .....

**ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:**

**Municipality / Municipal Entity:** Kgatelopele Local Municipality

**Department:** Supply Chain Management Unit

**Contact Person:** Bolokang Moeng

**Tel:** 053 384 8600

**Tenderer:**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

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

**Contact Person:** WILFRRED VAN WYK

**Tel:** 053 384 8600

**Fax:**

---

<b>T.1.2.</b>	<b>STANDARD CONDITIONS OF TENDER</b>
---------------	--------------------------------------

<b>T1.2.1.</b>	<b>GENERAL</b>
----------------	----------------

**ACTIONS**

The Employer and each Tenderer submitting a Tender offer shall comply with these conditions of Tender. In their dealings with each other, they shall discharge their duties and obligations timeously and with integrity, and behave equitably, honestly and transparently.

**TENDER DOCUMENTS**

The documents issued by the Employer for the purpose of a Tender offer are listed in the Tender Data.

**INTERPRETATION**

The Tender Data and additional requirements contained in the Tender schedules that are included in the returnable documents are deemed to be part of these conditions of Tender.

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

For the purpose of these conditions for the calling of expressions of interest, the

**Tenderer:**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

following conditions apply:

- a. **Comparative Offer** means the Tenderers financial offer after the factors of non-firm prices, all unconditional discounts and any other Tendered parameters that will affect the value of the financial offer have been taken into consideration;
- b. **Corrupt Practice** means the offering, giving, receiving or soliciting of anything of value to influence The Action of the Employer or his staff or agents in the Tender process; and
- c. **Fraudulent Practice** means misrepresentation of the facts in order to influence the Tender process or the award of a contract arising from a Tender offer to the detriment of the Employer, including collusive practices intended to establish prices at artificial levels quality (functionality) means the totality of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs.

**COMMUNICATION AND EMPLOYER’S AGENT**

All communication between the Employer and a Tenderer shall be between the employer and the tenderer, and in a form, that can be read, copied and recorded. Writing shall be in the English language. Such communication shall be for the purpose of this tender only.

**THE EMPLOYER’S RIGHT TO ACCEPT OR REJECT ANY TENDER OFFER**

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

After the cancellation of a Tender process or the rejection of all Tender offers the Employer may abandon the proposed procurement and re-issue a similar Tender notice and invitation to Tender not less than six months after the closing date for Tender offers or have it performed in another manner at any time.

<b>T1.2.2.</b>	<b>TENDERER’S OBLIGATIONS</b>
----------------	-------------------------------

**Tenderer:**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

**ELIGIBILITY**

Submit a Tender offer only if the Tenderer complies with the criteria stated in the Tender document and the Tenderer, or any of his principals, is not under any restriction to do business with Employer.

**COST OF TENDERING**

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

**CHECK DOCUMENTS**

Check the Tender documents on receipt for completeness and notify the Employer’s agent of any discrepancy or omission.

**CONFIDENTIALITY AND COPYRIGHT OF DOCUMENTS**

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

**SITE VISIT AND CLARIFICATION MEETING**

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

**SEEK CLARIFICATION**

Request clarification of the Tender documents, if necessary, by notifying the Employer at least five working days before the closing time stated in the Tender Document.

**INSURANCE**

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

**Tenderer:**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

**PRICING THE TENDER OFFER**

- Include in the rates, prices, and the Tendered total of the prices (if any) all duties, taxes (except Value Added Tax (VAT)), and other levies payable by the successful Tenderer, such duties, taxes and levies being those applicable 14 days before the closing time stated in the Tender Document.
- Show VAT payable by the Employer separately as an addition to the Tendered total of the prices.
- Provide rates and prices that are fixed for the duration of the contract and not subject to adjustment except as provided for in the conditions of contract identified in the Contract Document.
- State the rates and prices in ZAR Rand unless instructed otherwise in the Tender Document. The conditions of contract identified in the Contract Data may provide for part payment in other currencies.

**ALTERATIONS TO DOCUMENTS**

Not make any alterations or additions to the Tender documents, except to comply with instructions issued by the Employer, or necessary to correct errors made by the Tenderer. All signatories to the Tender offer shall initial all such alterations. Erasures and the use of Tippex are prohibited.

**SUBMITTING A TENDER OFFER**

- Submit a Tender offer to provide the whole of the Works, services or supply identified in the Contract Document, unless stated otherwise in the Tender Document.
- Return all returnable documents to the Employer after completing them in their entirety, either electronically (if they were issued in electronic format) or by writing in **BLACK INK**.
- Submit the parts of the Tender offer communicated on paper as an original plus the number of copies stated in the Tender Document, with an English translation of any documentation in a language other than English, and the parts communicated electronically in the same format as they were issued by the Employer.
- Sign the original and all copies of the Tender offer where required in terms of the Tender Document. The Employer will hold all authorized signatories liable on behalf of the Tenderer.
- Seal the original and each copy of the Tender offer as separate packages marking the packages as "ORIGINAL" and "COPY". Each package shall state on the outside

**Tenderer:**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

the Employer's address and identification details stated in the Tender Data, as well as the Tenderer's name and contact address. Only the original is to be submitted.

- Seal the original Tender offer in an outer package that states on the outside only the Employer's address and identification details as stated in the Tender Document.
- Accept that the Employer shall not assume any responsibility for the misplacement or premature opening of the Tender offer if the outer package is not sealed and marked as stated.

**INFORMATION AND DATA TO BE COMPLETED IN ALL RESPECTS**

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

**CLOSING TIME**

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

Accept that, if the Employer extends the closing time stated in the Tender Document for any reason, the requirements of these conditions of Tender apply equally to the extended deadline.

**TENDER OFFER VALIDITY**

Hold the Tender offer(s) valid for acceptance by the Employer at any time during the validity period stated in the Tender Document after the closing time stated in the Tender Document.

If requested by the Employer, consider extending the validity period stated in the Tender Document for an agreed additional period.

**CLARIFICATION OF TENDER OFFER AFTER SUBMISSION**

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

**Tenderer:**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

**PROVIDE OTHER MATERIAL**

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

Dispose of samples of materials provided for evaluation by the Employer, where required.

**INSPECTIONS, TESTS AND ANALYSES**

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

**CERTIFICATES**

Include in the Tender submission or provide the Employer with any certificates as stated in the Tender Data.

**THE EMPLOYER’S UNDERTAKINGS**

**RESPOND TO CLARIFICATION**

Respond to a request for clarification received up to **five working days** prior to the Tender closing time stated in the Tender Document and notify all Tenderers who drew procurement documents.

**ISSUE ADDENDA**

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

**RETURN LATE TENDER OFFERS**

**Tenderer:**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

Return Tender offers received after the closing time stated in the Tender Document, **unopened**, (unless it is necessary to open a Tender submission to obtain a forwarding address), to the Tenderer concerned.

### OPENING OF TENDER SUBMISSIONS

Unless the two-envelope system is to be followed, open valid Tender submissions in the presence of Tenderers' agents who choose to attend at the time and place stated in the Tender Document. Tender submissions for which acceptable reasons for withdrawal have been submitted will not be opened.

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

Make available the record outlined above to all interested persons upon request.

### TWO-ENVELOPE SYSTEM

Where stated in the Tender Document that a two-envelope system is to be followed, open **only** the **technical proposal** of valid Tenders in the presence of Tenderers' agents who choose to attend at the time and place stated in the Tender Document and announce the **name** of each Tenderer whose technical proposal is opened.

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

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

### NON-DISCLOSURE

**Tenderer:**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_



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

**GROUNDS FOR REJECTION AND DISQUALIFICATION**

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

**TEST FOR RESPONSIVENESS**

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

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

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

- a. Detrimentially affect the scope, quality, or performance of the Works, services or supply identified in the Scope of Work,
- b. Change the Employer's or the Tenderer's risks and responsibilities under the contract, or
- c. Affect the competitive position of other Tenderers presenting responsive Tenders, if it were to be rectified.
- d. Reject a non-responsive Tender offer, and not allow it to be subsequently made responsive by correction or withdrawal of the non-conforming deviation or reservation.

**ARITHMETICAL ERRORS**

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

- a. Where there is a discrepancy between the amounts in figures and in words, the amount in words shall govern.

**Tenderer:**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

- b. If a Bill of Quantities (or Bill of Quantities or schedule of rates) applies and there is an error in the line item total resulting from the product of the unit rate and the quantity, the line item total shall govern and the rate shall be corrected. Where there is an obviously gross misplacement of the decimal point in the unit rate, the line item total as quoted shall govern, and the unit rate will be corrected.
- c. 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 a Bill of Quantities applies) to achieve the Tendered total of the prices.
- d. Consider the rejection of a Tender offer if the Tenderer does not correct or accept the correction of his arithmetical errors in the manner described above.

**CLARIFICATION OF A TENDER OFFER**

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

**EVALUATION OF TENDER OFFERS**

**General**

Appoint an evaluation panel of not less than three persons. Reduce each responsive Tender offer to a comparative offer and evaluate it using the Tender evaluation method that is indicated in the Tender Data and described below:

<b>Method 1:</b> FINANCIAL OFFER	<ol style="list-style-type: none"> <li>1. Rank Tender offers from the most favourable to the least favourable comparative offer.</li> <li>2. Recommend highest ranked Tenderer for the award of the contract, unless there are compelling and justifiable reasons not to do so.</li> </ol>
<b>Method 2:</b> FINANCIAL OFFER AND PREFERENCES	<ol style="list-style-type: none"> <li>1. Score Tender evaluation points for financial offer.</li> <li>2. Confirm that Tenderers are eligible for the preferences claimed and if so, score Tender evaluation points for preference.</li> <li>3. Calculate total Tender evaluation points.</li> <li>4. Rank Tender offers from the highest number of Tender evaluation points to the lowest.</li> <li>5. Recommend Tenderer with the highest number of Tender evaluation points for the award of the contract, unless there are compelling and justifiable reasons not to do so.</li> </ol>
<b>Method 3:</b>	<ol style="list-style-type: none"> <li>1. Score quality, rejecting all Tender offers that fail to score the minimum number of points for quality stated in the Tender Document.</li> </ol>

**Tenderer:**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

FINANCIAL OFFER AND QUALITY	<ol style="list-style-type: none"> <li>2. Score Tender evaluation points for financial offer.</li> <li>3. Calculate total Tender evaluation points.</li> <li>4. Rank Tender offers from the highest number of Tender evaluation points to the lowest.</li> <li>5. Recommend Tenderer with the highest number of Tender evaluation points for the award of the contract, unless there are compelling and justifiable reasons not to do so.</li> </ol>
<b>Method 4:</b> FINANCIAL OFFER, QUALITY AND PREFERENCES	<ol style="list-style-type: none"> <li>1. Score quality, rejecting all Tender offers that fail to score the <b>minimum number of points</b> for quality stated in the Tender Data.</li> <li>2. Score Tender evaluation points for <b>financial offer</b>.</li> <li>3. Confirm that Tenderers are <b>eligible</b> for the <b>preferences claimed</b>, and if so, score Tender evaluation points for preference.</li> <li>4. Calculate total <b>Tender evaluation points</b>.</li> <li>5. Rank Tender offers from the <b>highest</b> number of Tender evaluation points to the <b>lowest</b>.</li> <li>6. Recommend Tenderer with the highest number of Tender <b>evaluation points</b> for the award of the contract, <b>unless</b> there are <b>compelling</b> and <b>justifiable</b> reasons not to do so.</li> </ol>

**INSURANCE PROVIDED BY THE EMPLOYER**

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

**ACCEPTANCE OF TENDER OFFER**

Accept Tender offer only if the Tenderer satisfies the legal requirements stated in the Tender Data.

Notify the successful Tenderer of the Employer's acceptance of his Tender offer by completing and returning one copy of the form of offer and acceptance before the expiry of the validity period stated in the Tender Data, or agreed additional period. Providing the form of offer and acceptance does not contain any qualifying statements, it will constitute the formation of a contract between the Employer and the successful Tenderer as described in the form of offer and acceptance.

**PREPARE CONTRACT DOCUMENTS**

**Tenderer:**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

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

- a. Addenda issued during the Tender period,
- b. Inclusion of some of the returnable documents,
- c. Other revisions agreed between the Employer and the successful Tenderer, and
- d. The schedule of deviations attached to the form of offer and acceptance, if any.

**ISSUE FINAL CONTRACT**

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

**COMPLETE ADJUDICATOR'S CONTRACT**

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

**PROVIDE COPIES OF THE CONTRACTS**

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

**Tenderer:**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

<b>T2.</b>	<b>RETURNABLE DOCUMENTS</b>
------------	-----------------------------

The following documents are to be completed and returned as they constitute the Tender. Whilst many of the returnable are required for the purpose of evaluating the Tenders, some will form part of the subsequent contract, as they form the basis of the Tender offer. For this reason, it is very important that all Tenderers return all information.

**T2.1. SECTIONS TO BE COMPLETED**

- T2.1.1. Completed Contract Schedules
- T2.1.2. Day Work Schedule
- T2.1.3. Pricing Schedule – Firm Prices
- T2.1.4. Declaration of Interest
- T2.1.5. Certificate of Independent Tender Determination
- T2.1.6. Preferential Procurement document in terms of Preferential Procurement Regulations, 2017 (Preferential Procurement Policy Framework act, act no 5 of 2000)
- T2.1.7. Declaration Certificate for Local Production and Content for Designated Sectors
- T2.1.8. Declaration of Tenderer’s Past Supply Chain Management Practices
- T2.1.9. Certificate of Independent Bid Determination

**T2.2. RETURNABLES THAT MUST BE ATTACHED TO THE TENDER DOCUMENT**

- T2.2.1. Tax Clearance Certificate
- T2.2.2. CSD Registration Report
- T2.2.3. Municipal Rates Account
- T2.2.4. Certified Identity Documents of Directors/Managers
- T2.2.5. Company Registration Certificates
- T2.2.6. Valid/Certified BBBEE Certificate or a Sworn Affidavit

**Tenderer:**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_  
 Witness 2 \_\_\_\_\_

1 \_\_\_\_\_  
 2 \_\_\_\_\_

**T2.2.2. SCHEDULES OF CONTRACTS SUCCESSFULLY COMPLETED BY THE TENDERER**

I/We, of \_\_\_\_\_ certify hereby that the following is a list representing contracts successfully completed by me/us in the recent past and that it is of a similar nature as the Works described in this document.

NATURE OF WORKS	VALUE OF WORKS	DURATION AND DATE OF COMPLETION	EMPLOYER AND CONTACT PERSON WITH TEL NO

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

\_\_\_\_\_  
SIGNATURE OF TENDERER

\_\_\_\_\_  
WITNESS

**Tenderer:**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_  
Witness 2 \_\_\_\_\_

1 \_\_\_\_\_  
2 \_\_\_\_\_

**T2.2.3. DAY WORK SCHEDULE (IF APPLICABLE)**

This day work schedule shall be completed by the Contractor as fully detailed as possible since it is to be used to put a valuation upon additional or substituted work which by their nature cannot now conveniently be valued at the rates Tendered by the Contractor and where the Contractor has been instructed to carry out such work on a day work basis.

The Contractor is required to fill in the schedule listed below with prices for labour, plant and materials for the work which shall be executed in terms of *Clause 6.5* of the *GCC 2010*, forming portion of the Contract Documents.

ITEM	DESCRIPTION	UNIT	RATE
	<p><b>LABOUR:</b></p> <p>In the rates Tendered, the Contractor shall allow for the use of all small tools, e.g. picks, shovels, hammers, etc.</p> <p>Unskilled labourers</p> <p>Skilled tradesmen</p> <p>Gangers</p> <p>Plant Operators</p> <p><b>MATERIALS:</b></p> <p>For the supply and use including delivery charges on the site where the material is built into the permanent works.</p> <p><b>PLANT:</b></p> <p>Under this heading, the Contractor is required to list the operating and standing charges for all the plant he proposes to use in terms of this Contract on day work and shall insert the rates for the use of such plant in terms of this Contract on a plant hire basis, priced per hour inclusive of all fuel, equipment, etc., but excluding the plant operator's cost which will be taken as listed above.</p>	<p>Hour</p> <p>Hour</p> <p>Hour</p> <p>Hour</p>	<p>Cost plus</p> <p>.....</p> <p>...%</p>

**Tenderer:**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

ITEM	DESCRIPTION	UNIT	RATE
	<p><b>GENERAL:</b></p> <p>Under this item, the Contractor may list such other items of plant, labour, materials, etc. which have not been provided for in the items hereinbefore and which the Contractor considers he may require to properly execute work on a day work basis.</p>		
	<p><b>SUPERVISION AND OVERHEADS:</b></p> <p>Under this item, the Contractor must allow for all charges, inclusive to allow for proper supervision and all overheads, in connection with day work and this allowance shall be calculated on the percentage basis which must be indicated by the Contractor in the Schedule. The Contractor is to note that for the purpose of calculating the percentage, the value of materials as listed under Item 0 (above) shall not be included in the total hereunder for establishing such percentage as aforesaid.</p> <p>Supervision and overheads</p>		<p>..... ...%</p>

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

\_\_\_\_\_  
SIGNATURE OF TENDERER

AS WITNESSES:

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

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

**Tenderer:**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_  
Witness 2 \_\_\_\_\_

1 \_\_\_\_\_  
2 \_\_\_\_\_



**MBD 3.1**

**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**

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of Bidder.....	Bid Number.....
Closing Time .....	Closing Date .....

OFFER TO BE VALID FOR 90 DAYS FROM THE CLOSING DATE OF BID: 28 AUGUST 2019

**PROJECT SPECIFICATION:**

**1.1. SCOPE OF WORK AND PARAMETERS**

**1.1.1. Purpose**

Review annual financial statements for financial year 2019/2020

**1.1.2. Scope of work and parameters**

The bidders will have to compile a proposal in response to the scope of work as outlined below. The proposal should include a comprehensive and firm pricing schedule that covers the entire project period.

The bidders, in their proposal will have to give detail on how each task will be executed and show time lines on the assumption that appointment will commence from 01 June 2020 until 31 August 2020.

Scope of work consist of the review of the 2019/2020 Annual Financial Statements by ensuring that:

- the Annual Financial Statements (AFS) complies with Municipal Finance Manage Act (At No. 56 of 2003) (MFMA), Municipal Standard Chart of Accounts (mSCOA) and Generally Recognised Accounting Practice (GRAP) Standards.

**Tenderer:**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

- the AFS agrees to prior year audited AFS and Annual report.
- Prior year Auditor General findings raised were correctly addressed during the preparation of the AFS.
- the AFS are correctly casted and cross-casted.
- the notes to the AFS are properly numbered and correctly linked to the AFS.
- Review of information in the audit file to ensure that the information provided to Auditor General are accurate and adequate.
- Consistency and alignment of accounting policies in the AFS with the standards of GRAP and policies adopted by council.
- Preparation of accounting policy documents to align with current year GRAP amendments where necessarily.
- the AFS agrees to the fixed assets register, debtor’s age analysis and other supporting documentation.
- the AFS balance with the financial system generated Trail balance.
- all Financial Performance items reconcile.
- Perform any other action that will ensure that the quality of the annual financial statements is enhanced prior to submission to the Auditor General on 31 August 2020.
- The bidder should have access to Caseware and an expedient person should be available on site for the period 10/08/2020 till 28/08/2020.

Knowledge of SAMRAS system for the extraction of reports, data table and MSCOA alignment of transactions group mapping will be an advantage.

**1.1.3. Monitoring**

A steering committee will be established and the service provider will have to report to that forum on a regular basis

*3.7.2. Close Out Report*

**Tenderer:**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_  
 Witness 2 \_\_\_\_\_

1 \_\_\_\_\_  
 2 \_\_\_\_\_

The bidder will be required to compile a comprehensive report detailing but not limited to their work performed, findings and recommendations. The report should also outline the quality of the annual financial statements and the supporting schedules.

## 1.2. FUNCTIONALITY

The bid will be evaluated on functionality with the following criterion:

Qualification and expertise of the bidder including membership with relevant professional bodies i.e SAICA, SAIPA, IRBA for the main directors and partners of the bidder (proof to be furnished).  
Proposed project team CV's and proof of professional registration with relevant professional bodies i.e. SAICA and SAIPA.

Quality criteria	Description	Maximum number of points
Previous experience with similar projects	Submit referral letters from municipalities / entities / government departments where reviews were satisfactory performed. <ul style="list-style-type: none"> <li>• 5 and more (30 points)</li> <li>• 3 and less (20 points)</li> <li>• 1 (One) (10 points)</li> </ul>	30
The qualification of the team to be involved in the project:	Proof of qualifications and memberships. <ul style="list-style-type: none"> <li>• Qualification: <ul style="list-style-type: none"> <li>➢ NQF Level 8 (15 points)</li> <li>➢ NQF Level 7 (10 points)</li> <li>➢ NQF Level 6 (5 points)</li> </ul> </li> <li>• Membership (5 points)</li> </ul>	20
The expertise of the senior team members to be involved in the project.	Senior person that will be onsite: <ul style="list-style-type: none"> <li>• 10 and more years (20 points)</li> <li>• 5-9 years (15 points)</li> <li>• 1-4 years (5 points)</li> </ul>	20
Methodology	Detail proposal that address scope of work. <ul style="list-style-type: none"> <li>• Project approach (10 points)</li> </ul>	

**Tenderer:**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

	<ul style="list-style-type: none"> <li>• Understanding of mSCOA (10 points)</li> <li>• Understanding of GRAP (10 points)</li> </ul>	30
<b>Maximum possible score</b>		<b>100</b>

**NB: Bidders must score a minimum of 70% or more will qualify for final stage for final evaluation (80/20)**

**PRICING SCHEDULE:**

ITEM NO	QTY	DESCRIPTION	TOTAL COST
01		Review of annual financial statements	
		Any other (specify)	
<b>SUB-TOTAL (EXCLUDING VAT)</b>			R

Any discounts based on quantities: \_\_\_\_\_

**NB: THE TOTAL SHOULD BE TAKEN TO FRONT PAGE OF THE DOCUMENT INCLUSIVE OF VAT:**

- Required by: .....  
**Tenderer:** Kgatelopele Local Municipality:

Initial: Authorized Signatories 1 \_\_\_\_\_ 1 \_\_\_\_\_  
 Witness 2 \_\_\_\_\_ 2 \_\_\_\_\_

- At: .....
- .....
- Brand and Model .....
- Country of Origin .....
- Does the offer comply with the specification(s)?  
**\*YES/NO**
- If not to specification, indicate deviation(s) .....
- Period required for delivery .....
- Firm/Not firm**
- Delivery basis .....

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

\*\* "all applicable taxes" includes value- added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

**MBD 4**

**DECLARATION OF INTEREST**

1. No bid will be accepted from persons in the service of the state<sup>1</sup>.
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: .....

**Tenderer:**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

1 \_\_\_\_\_

2 \_\_\_\_\_

3.3 Position occupied in the Company (director, trustee, hareholder<sup>2</sup>):.....

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. ....

.....

<sup>1</sup>MSCM Regulations: "in the service of the state" means to be –

(a) a member of –

- (i) any municipal council;
- (ii) any provincial legislature; or
- (iii) the national Assembly or the national Council of provinces;

(b) a member of the board of directors of any municipal entity;

(c) an official of any municipality or municipal entity;

(d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);

(e) a member of the accounting authority of any national or provincial public entity; or

**Tenderer:**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

(f) an employee of Parliament or a provincial legislature.

<sup>2</sup> 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.

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

3.9.1 If yes, furnish particulars.....

.....

**Tenderer:**

**Kgatelopele Local Municipality:**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

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.  
 .....  
 .....

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:

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_ 1 \_\_\_\_\_  
 Witness 2 \_\_\_\_\_ 2 \_\_\_\_\_



.....  
.....

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

Full Name	Identity Number	State Employee Number

.....  
**Signature**

.....  
**Date**

.....  
**Capacity**

.....  
**Name of Bidder**

**MBD6.1**

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

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_ 1 \_\_\_\_\_  
Witness 2 \_\_\_\_\_ 2 \_\_\_\_\_

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

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

**1. GENERAL CONDITIONS**

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

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

- 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**

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_ 1 \_\_\_\_\_  
 Witness 2 \_\_\_\_\_ 2 \_\_\_\_\_

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

**3. POINTS AWARDED FOR PRICE**

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

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

<b>80/20</b>	<b>or</b>	<b>90/10</b>
$P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$	or	$P_s = 90 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$

Where

$P_s$  = Points scored for price of bid under consideration

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_ 1 \_\_\_\_\_  
 Witness 2 \_\_\_\_\_ 2 \_\_\_\_\_

Pt = Price of bid under consideration

Pmin = Price of lowest acceptable bid

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

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

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

**5. BID DECLARATION**

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

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

6.1 B-BBEE Status Level of Contributor: . = .....(maximum of 10 or 20 points)

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

**7. SUB-CONTRACTING**

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

(Tick applicable box)

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

7.1.1 If yes, indicate:

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

Tenderer:

Kgatelopele Local

Municipality:

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE

**(Tick applicable box)**

YES		NO	
-----	--	----	--

- 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 last 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		
<b>OR</b>		
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**

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_ 1 \_\_\_\_\_  
 Witness 2 \_\_\_\_\_ 2 \_\_\_\_\_

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

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 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 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 –

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories	1 _____	1 _____
Witness	2 _____	2 _____

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

WITNESSES

1. ....

2. ....

.....

SIGNATURE(S) OF BIDDERS(S)

DATE: .....

ADDRESS .....

.....

.....

**MBD 6.2**

**DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS**

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

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the **Preferential Procurement Regulations, 2011** and the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

**1. General Conditions**

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_ 1 \_\_\_\_\_  
 Witness 2 \_\_\_\_\_ 2 \_\_\_\_\_

- 1.1. Preferential Procurement Regulations, 2011 (Regulation 9) makes provision for the promotion of local production and content.
- 1.2. Regulation 9.(1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for bids referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 65$$

Where

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

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

**The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial\\_development/ip.jsp](http://www.thedti.gov.za/industrial_development/ip.jsp) at no cost.**

- 1.6. A bid may be disqualified if this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation;

**2. Definitions**

- 2.1. **“bid”** includes written price quotations, advertised competitive bids or proposals;
- 2.2. **“bid price”** price offered by the bidder, excluding value added tax (VAT);
- 2.3. **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_ 1 \_\_\_\_\_  
Witness 2 \_\_\_\_\_ 2 \_\_\_\_\_



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

**3. The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:**

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

**4. Does any portion of the services, works or goods offered have any imported content?**

*(Tick applicable box)*

YES		NO	
-----	--	----	--

4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by the SARB for the specific currency at 12:00 on the date of advertisement of the bid.

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_ 1 \_\_\_\_\_  
 Witness 2 \_\_\_\_\_ 2 \_\_\_\_\_

The relevant rates of exchange information is accessible on [www.reservebank.co.za](http://www.reservebank.co.za)

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

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

- Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the Accounting Officer / Accounting Authority provide directives in this regard.

**LOCAL CONTENT DECLARATION**  
**(REFER TO ANNEX B OF SATS 1286:2011)**

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

**IN RESPECT OF BID NO. ....**

**ISSUED BY:** (Procurement Authority / Name of Municipality / Municipal Entity):  
.....

NB

- The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.
- Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on [http://www.thedti.gov.za/industrial\\_development/ip.jsp](http://www.thedti.gov.za/industrial_development/ip.jsp). Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_ 1 \_\_\_\_\_  
Witness 2 \_\_\_\_\_ 2 \_\_\_\_\_

bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, ..... (full names),

do hereby declare, in my capacity as .....

of .....(name of bidder entity), the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that:
  - (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011;
- (c) The local content percentages (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C;

Bid price, excluding VAT (y)	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286:2011	

**If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above. The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.**

- (d) I accept that the Procurement Authority / Municipality /Municipal Entity has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.
- (e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011,

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_ 1 \_\_\_\_\_  
 Witness 2 \_\_\_\_\_ 2 \_\_\_\_\_

may result in the Procurement Authority / Municipal / Municipal Entity imposing any or all of the remedies as provided for in Regulation 13 of the Preferential Procurement Regulations, 2011 promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

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

**WITNESS No. 1** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**WITNESS No. 2** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**MBD 8**

**DECLARATION OF BIDDER’S PAST SUPPLY CHAIN MANAGEMENT PRACTICES**

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

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_ 1 \_\_\_\_\_  
 Witness 2 \_\_\_\_\_ 2 \_\_\_\_\_

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p><b>The Database of Restricted Suppliers now resides on the National Treasury's website(<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>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)?</p> <p><b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	<p>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?</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
Item	Question	Yes	No
4.4	<p>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?</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	<p>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?</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_ 1 \_\_\_\_\_  
 Witness 2 \_\_\_\_\_ 2 \_\_\_\_\_

**CERTIFICATION**

I, THE UNDERSIGNED (FULL NAME) .....CERTIFY THAT THE INFORMATION FURNISHED ON THISDECLARATION 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**

Tenderer:  
Municipality:

Kgatelopele Local

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

**MBD 9**

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1 This Municipal Bidding Document (MBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
  - a. take all reasonable steps to prevent such abuse;
  - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
  - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

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

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories	1 _____	1 _____
Witness	2 _____	2 _____

\_\_\_\_\_  
\_\_\_\_\_  
(Bid Number and Description)

in response to the invitation for the bid made by:

\_\_\_\_\_  
\_\_\_\_\_  
(Name of Municipality / Municipal Entity)

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

I certify, on behalf

of: \_\_\_\_\_ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_ 1 \_\_\_\_\_  
Witness 2 \_\_\_\_\_ 2 \_\_\_\_\_



- 7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
- 8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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

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

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_  
Witness 2 \_\_\_\_\_

1 \_\_\_\_\_  
2 \_\_\_\_\_

## PART C: THE CONTRACT

Tenderer:  
Municipality:

Kgatelopele Local

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

## SECTION 2

Tenderer:  
Municipality:

Kgatelopele Local

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

**C1. AGREEMENT AND CONTRACT INFORMATION**

**C1.1. FORM OF OFFER AND ACCEPTANCE**

SHORT DESCRIPTION OF SERVICE/WORK:

**REVIEW OF ANNUAL FINANCIAL STATEMENTS**

The Employer, identified in the acceptance signature block, has solicited offers to enter into a contract for the procurement of:

\_\_\_\_\_  
\_\_\_\_\_

The Tenderer, identified in the offer signature block, has examined the documents listed in the Tender Data thereto as listed in the Tender schedules and by submitting this offer has accepted the conditions of Tender.

By the representative of the Tenderer, deemed to be duly authorized, signing this part of this form of offer and acceptance, the Tenderer offers to perform all of the obligations and liabilities of the contractor under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the conditions of contract identified in the Contract.

**THE OFFERED TOTAL OF THE PRICES INCLUSIVE OF VALUE ADDED TAX IS**

\_\_\_\_\_ Rand (In words)

R \_\_\_\_\_ in figures (or other suitable wording).

This offer may be accepted by the Employer by signing the acceptance part of this form of offer and acceptance and returning one copy of this document to the Tenderer before the end of the period of validity stated in the Tender date, whereupon the Tenderer becomes the party named as the contractor/supplier in the conditions of contract identified in the Contract.

Signature(s)

\_\_\_\_\_

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

Name(s) \_\_\_\_\_  
 Capacity \_\_\_\_\_  
 for the Tenderer \_\_\_\_\_

\_\_\_\_\_  
 (Name and address of organization)

\_\_\_\_\_  
 (Name and signature of witness)

Date \_\_\_\_\_

**ACCEPTANCE**

By signing this part of this form of offer and acceptance, the Employer identified below accepts the Tenderer’s offer. In consideration thereof, the Employer shall pay the contractor the amount due in accordance with the conditions of contract identified in the Contract Document. Acceptance of the Tenderer’s offer shall form an agreement between the Employer and the Tenderer upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

The terms of the contract are contained in:

C1 AGREEMENT AND CONTRACT

**GENERAL Error! Reference source not found.**

**Error! Reference source not found.**

and documents or part thereof, which may be incorporated by reference into the above.

Deviations from and amendments to the documents listed in the Tender Information and any addenda thereto as listed in the Tender document as well as any changes to the terms of the offer agreed by the Tenderer and the Employer during this process of offer and acceptance, are contained in the schedule of deviations attached to and forming part of this agreement. No amendments to or deviations from said documents are valid unless contained in this schedule, which must be signed by the authorised representative(s) of both parties.

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_ 1 \_\_\_\_\_  
 Witness 2 \_\_\_\_\_ 2 \_\_\_\_\_

Notwithstanding anything contained herein, this agreement comes into effect on the date when the Tender received one fully completed original copy of this document, including the schedule of deviations (if any). Unless the Tenderer within 5 (five) days of the date of such receipt notifies the Employer in writing of any reason why he cannot accept the contents of this agreement, this agreement shall constitute a binding contract between the parties.

Signature(s)

\_\_\_\_\_

Name(s)

\_\_\_\_\_

Capacity

\_\_\_\_\_

for the Employer

\_\_\_\_\_  
(Name and address of organization)

\_\_\_\_\_  
(Name and signature of witness)

Date

\_\_\_\_\_

It is expressly agreed that no other matter whether in writing, oral communication or implied during the period between the issue of the Tender documents and the receipt by the Tenderer of a completed signed copy of the agreement shall have any meaning or effect in the contract between the parties arising from this agreement.

For the Tenderer:

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

Signature(s)

\_\_\_\_\_

Name(s)

\_\_\_\_\_

Capacity

\_\_\_\_\_

\_\_\_\_\_  
(Name and address of organization)

\_\_\_\_\_  
Name and signature of witness

Date

\_\_\_\_\_

For the Employer:

Signature(s)

\_\_\_\_\_

Name(s)

\_\_\_\_\_

Capacity

\_\_\_\_\_  
(Name and address of organization)

\_\_\_\_\_  
Name and signature of witness

Date

\_\_\_\_\_

**CONTRACT AGREEMENT – SIGNING OF DOCUMENTS**

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

SHORT DESCRIPTION OF THE WORKS:

**REVIEW OF ANNUAL FINANCIAL STATEMENTS**

We, the undersigned, on behalf of the parties to this contract agreement, hereby agree as follows:

Upon signature of the document headed "Contract Agreement", a formal agreement between the parties incorporating all the terms and conditions reflected in the original Tender Document, shall come into existence.

That the **original** Tender Document, which is in safe-keeping with the **Client**, shall be regarded as the only true record of the terms and conditions of the Agreement between the parties.

That the Tender Document consists of the items reflected in the attached copies of the Tender Document contents pages.

WITNESSES

\_\_\_\_\_  
CONTRACTOR

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

\_\_\_\_\_  
DATE

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

WITNESSES

\_\_\_\_\_  
CLIENT

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

\_\_\_\_\_  
DATE

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

**MBD 7.1**

**CONTRACT FORM - PURCHASE OF GOODS/WORKS**

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_



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

**PART 1 (TO BE FILLED IN BY THE BIDDER)**

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to (name of institution) ..... in accordance with the requirements and specifications stipulated in bid number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of bid.
  
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (i) Bidding documents, viz
    - Invitation to bid;
    - Tax clearance certificate;
    - Pricing schedule(s);
    - Technical Specification(s);
    - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
    - Declaration of interest;
    - Declaration of bidder's past SCM practices;
    - Certificate of Independent Bid Determination;
    - Special Conditions of Contract;
  - (ii) General Conditions of Contract; and
  - (iii) Other (specify)
  
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
  
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
  
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
  
6. I confirm that I am duly authorised to sign this contract.

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories	1 _____	1 _____
Witness	2 _____	2 _____

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

DATE .....

WITNESSES	
1	.....
2.	.....
DATE: .....	

**CONTRACT FORM - PURCHASE OF GOODS/WORKS**

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

- I..... in my capacity as..... accept your bid under reference number .....dated.....for the supply of goods/works indicated hereunder and/or further specified in the annexure(s).
- An official order indicating delivery instructions is forthcoming.
- I undertake to make payment for the goods/works delivered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice accompanied by the delivery note.

ITEM NO.	PRICE (ALL APPLICABLE TAXES INCLUDED)	BRAND	DELIVERY PERIOD	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

- I confirm that I am duly authorized to sign this contract.

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_ 1 \_\_\_\_\_  
 Witness 2 \_\_\_\_\_ 2 \_\_\_\_\_

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

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

WITNESSES

1. ....

2. ....

DATE .....

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

**GOVERNMENT PROCUREMENT  
GENERAL CONDITIONS OF CONTRACT**

**TABLE OF CLAUSES**

1. Definition
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

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

## General Conditions of Contract

### 1. Definitions

1. The following terms shall be interpreted as indicated:
  - 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
  - 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
  - 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
  - 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of 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

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

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.

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_ 1 \_\_\_\_\_  
 Witness 2 \_\_\_\_\_ 2 \_\_\_\_\_

- 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 newsmedia 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 specification

**5.1 use of contract documentation and information**

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

5.1.1 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:

- (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_



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

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_ 1 \_\_\_\_\_  
Witness 2 \_\_\_\_\_ 2 \_\_\_\_\_

damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2The 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.

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

**12. Transportation**

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

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.

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_ 1 \_\_\_\_\_  
 Witness 2 \_\_\_\_\_ 2 \_\_\_\_\_

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

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

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

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

**16. Payment**

16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified.

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated.

**17. Prices**

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

**18. Variation orders**

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

**19. Assignment**

19.1 The supplier shall not assign, in whole or in part, its obligations to

Tenderer:

Kgatelopele Local

Municipality:

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

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.

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

**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

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

consider termination of the contract pursuant to GCC Clause 23.

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

**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.

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.

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_



**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.

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

**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.

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

**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.

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_

**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.

**Tenderer:**  
**Municipality:**

**Kgatelopele Local**

Initial: Authorized Signatories 1 \_\_\_\_\_

1 \_\_\_\_\_

Witness 2 \_\_\_\_\_

2 \_\_\_\_\_