



**BA-PHALABORWA LOCAL MUNICIPALITY**

**BID DESCRIPTION: PROVISION OF SHORT-TERM INSURANCE FOR A PERIOD OF THREE YEARS (Proposal)**

**BID NUMBER: 11/22/23**

TENDER SUBMITTED BY: .....

NAME OF COMPANY: .....

ADDRESS: .....

.....

ISSUED BY:

Municipal Manager  
Ba-Phalabaorwa Local Municipality  
Private Bag X  
Phalaborwa  
1390  
Tel: (015) 780 6300

**CLOSING DATE: 10 January 2023 @ 10H00AM**

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## BA-PHALABORWA LOCAL MUNICIPALITY



### PROVISION OF SHORT-TERM INSURANCE FOR A PERIOD OF THREE YEARS

TENDER NO: 11/22/23

#### 1. Invitation to Bid

Prospective service providers are hereby invited to bid for the **PROVISION OF SHORT-TERM INSURANCE FOR A PERIOD OF THREE YEARS**

Detailed bid documents are obtainable from Ba-Phalaborwa Municipality Office's, municipal website and on [www.etenders.gov.za](http://www.etenders.gov.za)

A **compulsory briefing session** will be conducted on **03 January 2023 at 10:00AM** at the Ba-Phalaborwa Municipality Office's. **Activity Hall**, Civic Centre, Nelson Mandela Street, Phalaborwa, 1390 and bidders who do not attend the briefing session will be regarded as non-responsive.

Tenders completed as prescribed shall be sealed in an envelope marked "**BID NO: 11/22/23 SHORT-TERM INSURANCE FOR A PERIOD OF THREE YEARS**" and deposited in the bid box at Ba-Phalaborwa Municipality, Civic Centre, Nelson Mandela Street, Phalaborwa, 1390 to reach its destination not later than **10 January 2023 at 10h00AM** when tenders shall be opened in public.

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

The validity period for this tender is 90 days.

Any enquiries regarding the bidding procedure may be directed to Mr. Selepe W (015) 780 6300, e-mail [selepew@ba-phalaborwa.gov.za](mailto:selepew@ba-phalaborwa.gov.za)

Any enquiries regarding technical information may be directed to Mr. Sekwari TMT (015) 780 6300, e-mail [sekwarit@ba-phalaborwa.gov.za](mailto:sekwarit@ba-phalaborwa.gov.za)

**Dr. Pilusa KKL**  
**Municipal Manager**



**3. PART B TERMS AND CONDITIONS FOR BIDDING**

**1. BID SUBMISSION:**

1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.

1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR ONLINE

1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

**2. TAX COMPLIANCE REQUIREMENTS**

2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.

2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER’S PROFILE AND TAX STATUS.

2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.

2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.

2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.

2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.

2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

**3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS**

3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?  YES  NO

3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?  YES  NO

3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?  YES  NO

3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?  YES  NO

3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?  YES  NO

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

**NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.**

**NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE**

SIGNATURE OF BIDDER: .....

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

DATE: .....

#### 4. LIST OF RETURNABLE DOCUMENTS

1. All bidders must attend the compulsory briefing session.
2. MBD forms to be completed in full and the declaration of interest forms (MBD 4 & 8) must also be signed.
3. Company Registration Certificate
4. Original valid tax clearance certificate or letter from SARS with a valid pin code.
5. Latest registration report of Central Supplier Database (CSD) with valid reference number. (Printed between the tender opening and closing date).
6. Certified ID copies of the directors/ members/ proprietors not older than three months
7. Original & Valid BBBEE certificate/certified copy/sworn affidavit.
8. A signed Joint Venture Agreement (In case of a Joint Venture)
9. Joint Venture must submit valid consolidated BBBEE certificate or sworn affidavit.
10. Recent Statement of Municipal rates and taxes or municipal service charges of every Director Listed on the C.K Document not older than three months from the date issued and not owing more than three months (90 Days). Should Directors be residing in rural areas, Letter from Tribal Authority confirming your stay in that Area
11. Recent Statement of Municipal rates and taxes or municipal service charges of the Company (Bidder) not older than three months from the date issued and not owing more than three months (90 Days). Lease agreement if the company is leasing a property.
12. Requirements from (10-11) should be submitted for J.V based on their applicability.
13. Professional Indemnity Cover – minimum of R80 million (Attach Proof).
14. Terms of reference fully completed and each page to be initialized.
15. Power of attorney/ letter of authority for signatory if applicable
16. Company structure and profile (Attach) Profile must at least include;
  - A detailed description of relevant experience
  - Full information on the services that will be provided
  - Names of references and contacts of institutions which are clients of the bidder
17. Bidder's proof of registration as an authorized financial service provider FSB/Financial Sector Conduct Authority (FSCA) certificate.
18. Bidder's proof of membership with the Financial Intermediaries Association of South Africa (FIA),
19. Proof of agency agreements with underwriters (if these cannot be provided, a letter from the underwriters confirming an agreement is in place must be provided).

**NB:**

1. Certified copies must have a date of certification and should be not older than 6 months as at the close of the tender. (Should the copy not have the date of certification the tender will be regarded as non-responsive)
2. Only original stamp and signature will be accepted.

3. Copy of a certified document will be considered non responsive.
4. Should any of the returnable documents stated not be attached to this bid document, your bid will be declared invalid.

**BID REQUIREMENTS**

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

**5. SIGNATORY AUTHORISATION**

**BA-PHALABORWA LOCAL MUNICIPALITY**

**SIGNATORY AUTHORISATION**

**(To be completed by the Bidder)**

**SIGNATORY AUTHORISATION**

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

-----  
(Name of Firm)

By virtue of resolution.....

dated .....day of .....20...  
(Month) (Insert which ever year is applicable)

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

**AS WITNESSES**

1. ....  
.....  
Initials and Surname in full Signature

.....  
Firm/Company's Name

.....  
Physical Address

2. ....  
.....  
Initials and Surname in full Signature

.....  
Firm/Company's Name

.....  
Physical Address



6. MBD 4

**BA-PHALABORWA LOCAL MUNICIPALITY**

**DECLARATION OF INTEREST**

1. No bid will be accepted from persons in the service of the state\*.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest.
3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

3.1 Full Name:

.....

3.2 Identity Number:

.....

3.3 Company Registration

Number:.....

3.4 Tax Reference Number:

.....

3.5 VAT Registration Number:

.....

3.6 Are you presently in the service of the state\*

**YES/NO**

\_\_\_\_\_

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

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

3.6.1 If so, furnish particulars: .....

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

3.7.1 If so, furnish particulars:  
.....

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

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

**3.9** Do you, have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid? **YES/NO**

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

**3.10** Are you, aware of any relationship (family, friend, other) between a bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? **YES/NO**

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

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

3.11.1 If so, furnish particulars: .....

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

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

I, THE UNDERSIGNED (NAME)

.....

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT.

I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....

Signature

.....

Date

.....

Position

.....

Name of Bidder

**7. MBD 5**

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

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

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

\*YES / NO

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

.....  
.....

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

\*YES / NO

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

**2.2** If yes, provide particulars.

.....  
.....

\* Delete if not applicable

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

\*YES / NO

**3.1** If yes, furnish particulars

.....  
.....

**4.** Will any portion of goods or services be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality / municipal entity is expected to be transferred out of the Republic?

\*YES / NO

**4.1** If yes, furnish particulars

.....  
.....

**CERTIFICATION**

I, THE UNDERSIGNED (NAME)

.....  
.....

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT.

I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

-----  
Signature

-----  
Date

-----  
Position

-----  
Name of Bidder

## 8. MBD 6.1

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

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

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

#### 1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

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

1.2.1.2

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

1.3 Points for this bid shall be awarded for:

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

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

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

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

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

## 2. DEFINITIONS

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

## 3. POINTS AWARDED FOR PRICE

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

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

80/20 or 90/10

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

Where

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

$P_t$  = Price of bid under consideration

$P_{\min}$  = Price of lowest acceptable bid

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

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

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

## 5. BID DECLARATION

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

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

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

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

## 7. SUB-CONTRACTING

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

*(Tick applicable box)*

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

- 7.1.1 If yes, indicate:

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

*(Tick applicable box)*

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

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**

.....

.....

.....

.....

.....

**8.6 COMPANY CLASSIFICATION**

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

**8.7 MUNICIPAL INFORMATION**

**Municipality where business is situated:** .....

**Registered Account Number:** .....

**Stand Number:**.....

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

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

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

WITNESSES
1. ....
2. ....

..... SIGNATURE(S) OF BIDDERS(S)
DATE: .....
ADDRESS .....
.....
.....

**CONTRACT FORM - RENDERING OF SERVICES**

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

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

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

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

DATE .....

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

10. MBD 7.2

**CONTRACT FORM - RENDERING OF SERVICES**

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

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

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

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

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

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

WITNESSES

1 .....

2 .....

DATE:

11. MBD 8

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

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

Item	Question	Yes	No
4.1.	Is the bidder or any of its directors listed on the National Treasury’s database as a company or person prohibited from doing business with the public sector? <b>(Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partum</i> rule was applied)</b>	<input type="checkbox"/>	<input type="checkbox"/>
4.1.1	If so, furnish particulars		
4.2.	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? <b>(To access this Register enter the National Treasury’s website, <a href="http://www.treasury.gov.za">www.treasury.gov.za</a>, click on the icon “Register for Tender Defaulters” or submit your written request for a hard copy of the Register to facsimile number (012) 326 5445).</b>	<input type="checkbox"/>	<input type="checkbox"/>
4.2.1	If so, furnish particulars		
4.3.	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	<input type="checkbox"/>	<input type="checkbox"/>

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

**CERTIFICATION**

I, THE UNDERSIGNED (FULL NAME)

.....  
 CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS TRUE AND CORRECT.

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

.....  
 Signature

.....  
 Date

.....  
 Position

.....  
 Name of Bidder

12. 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:

I, the undersigned, in submitting the accompanying bid:

---

(Bid Number and Description)

in response to the invitation for the bid made by:

---

(Name of Municipality / Municipal Entity)

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

I certify, on behalf

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

(Name of Bidder)

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



conditions or delivery particulars of the products or services to which this bid invitation relates.

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

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

<sup>2</sup> Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

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

**13. Fraud and Corruption Declaration Form**



**BA-PHALABORWA MUNICIPALITY**  
**Fraud and Corruption Declaration Form**

I (*Name*) \_\_\_\_\_ duly authorized to act on behalf of  
(*Company name*) \_\_\_\_\_ hereby declare to Ba-Phalaborwa  
Municipality that the company:

- a. it has declared to Ba-Phalaborwa Municipality any circumstances that could give rise to a conflict of interest or potential conflict of interest in relation to the current procurement action;
- b. None of the directors of the company is employed by the state;
- c. The company is not blacklisted by the national treasury;
- d. Has not negotiated or tried to negotiate with any municipal official to try to gain information or preference to win the bid, if found the bidder’s details will be submitted to national treasury for blacklisting of the company;
- e. it has not granted and will not grant, has not sought and will not seek, has not attempted and will not attempt to obtain, and has not accepted and will not accept any direct or indirect benefit (financial or otherwise) arising from a procurement contract or the award thereof;
- f. all the information submitted in the bid is truthful and there is no misrepresentation;
- g. it adheres to the Prevention and Combating of Corrupt Activities Act 12 of 2004;
- h. it is solvent and in a position to continue doing business for the period stipulated in the contract after contract signature, if awarded a contract by Ba-Phalaborwa Municipality;
- i. it has zero tolerance to Fraud and Corruption and has appropriate procedures in place to prevent and respond to Fraud and Corruption in line with the legislation.

The Company understands that a false statement or failure to disclose any relevant information which may impact upon Ba-Phalaborwa Municipality’s decision to award a contract may result in the disqualification of the company from the bidding exercise and/or the withdrawal of any offer of a contract with Ba-Phalaborwa Municipality. Furthermore, in case a contract has already been awarded, Ba-Phalaborwa Municipality shall be entitled to rescind the contract with immediate effect, in addition to any other remedies which the municipality may have by contract or by law.

**Company Name:**

.....

**Name and Title of duly authorized representative**

Name: .....

Date: ..... Title.....Signature: .....

**Witness**

Name: ..... Signature ..... Date: .....

## **14. Terms of Reference**

### **PROVISION OF SHORT-TERM INSURANCE FOR A PERIOD OF THREE YEARS (PROPOSAL)**

#### **14.1 Introduction**

Ba-Phalaborwa Municipality hereby invites proposals from reputable short-term Insurance Intermediaries to submit proposals for the Provision of Short Term Insurance Services to cover municipal assets. liabilities employees etc. for a contract period of three years.

#### **14.2 Purpose**

Section 63 and 78 of the Municipal Finance Management Act, No 56 of 2003 requires the Municipality to take all reasonable steps to ensure that the assets and liabilities of the municipality are managed effectively and that assets are safeguarded and maintained to the extent necessary.

In order to comply with the above Act and to ensure that the Municipality's assets and liabilities are adequately insured and any risk exposure is minimized, the Municipality needs to appoint a Service Provider to provide insurance cover to the municipality. In conducting its normal course of business, the Ba-Phalaborwa Municipality (BPM) encounters numerous risks and in mitigating the risks wishes to cost effectively transfer some of the risks by taking out short-term insurance.

#### **14.3 Scope of work**

The Bidder must provide insurance cover for Ba-Phalaborwa Local Municipality. The insurance needs to cover all the assets and liabilities as indicated in the specification. The Bidder must provide a copy of the Underwriter quotations as proof of the cost of the Underwriter premium.

#### **14.4 Services to be Rendered**

##### **14.4.1 Placement of the Municipality's Insurance Portfolio with suitable insurance underwriters.**

- a. Assess the Municipality's insurance requirements as reflected in the tender specifications and negotiate with insurance underwriters, present the underwriting terms to the

Municipality for acceptance, and place the Municipality's insurance portfolio with the Underwriters annually.

- b. Negotiate with the Insurance Underwriters on suitable insurance terms and premiums based on the quotations obtained by the Service Provider
- c. Attend insurance pre-placement meeting(s) with the Municipality to discuss the underwriting terms and premiums.
- d. Advise the Municipality and provide quotations on additional insurance cover that might be necessary to take out to ensure that the Municipality's risk is minimized and place the insurance cover with the Insurance Underwriters on the Municipality's instruction, and provide the Municipality with written confirmation thereof together with details of the insurance cover placed
- e. Place the Municipality's insurance portfolio with the Insurance Underwriters and provide the Municipality with written confirmation thereof together with details of the insurance cover placed.
- f. Providing a fixed excess structure for the three (3) years tender period.
- g. Stating in writing all exclusions regarding the Insurance policy types and request the necessary disclosure required by the Insurer, from the Municipality for the insurance policy to be active;
- h. Confirming placement and 100% cover - the broker must provide the complete Insurance Tender terms of reference to the underwriter/s, where after the underwriter/s must provide confirmation (e.g. confirmation document or signature on terms of reference document) that the specified assets and other risks will be insured as stated in the specifications.
- i. Signing a Service Level Agreement with the municipality.

#### **14.4.2 Underwriting administration**

- a. Provide quotations on any additional insurance cover required by the Municipality and place the insurance cover with the Insurance Underwriters on the Municipality's instruction and provide the Municipality with written confirmation thereof together with details of the insurance cover placed;
- b. Meeting with the Municipality's officials whenever required by either party to discuss or provide advice on insurance cover. The Service Provider's staff members required at these meetings will depend on the technicality of the issues to be discussed.

#### **14.4.3 Claims administration services for all policies taken through the broker**

The appointed Service Provider will be responsible to handle all aspects of claims as the Municipality will not communicate directly to any legal representatives of the service provider, third parties or the Underwriter where the insurance is placed. The appointed Service Provider will be required to perform at least the following:

- a. Administer all the Municipality's insurance claims which fall under the various categories of the insurance policies;
- b. Administer all claims received by the Municipality from third party's claiming for personal injury or damage to their property. This includes liaising with the third parties on the Municipality's behalf;
- c. Provide a motivation, based on substantive legal grounds, for all claims that are rejected by the Insurance Company. The Municipality reserves the right to reconsider any opinion received, to refer it back to the Broker for another opinion or recommendation.
- d. Submit monthly updated reports in respect of all of the Municipality's claims submitted, indicating the status of each claim;
- e. Meet with the Municipality's relevant officials, individually or in groups, whenever required by either party to discuss and advise on insurance claims.

#### **14.4.4 Renewal / Placement of the Municipality's Insurance Portfolio**

The appointed Service Provider will be required to perform the following before the renewal in respect of each year:

- a. Assess the Municipality's insurance requirements as reflected in the insurance policy;
- b. Compile updated information for the Municipality with regard to the latest insurance statistics and submit this information to the Insurance Underwriters;
- c. Negotiate with the Insurance Underwriters on suitable insurance terms and premiums based on the Municipality's existing insurance cover and updated asset register;

- d. Advise the Municipality and provide quotations on additional insurance cover that could become necessary to be taken out to ensure that the Municipality's risk is minimized;

#### **14.5 Specification**

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

##### **a. Combined Section (Asset Register)**

- Cover for fixed assets and property against fire, lightning, thunderbolt, explosion, storm, wind, sabotage, water, hail, impact, and damage caused during theft and sudden and unforeseen damage to any municipal buildings/properties i.e. Buildings, Electrical Equipment/ infrastructure, Electrical Substations, Water purification equipment, sewage works, property in the open etc.

##### **b. Office contents**

- Any damage or loss of Office contents, loss of documents, legal liability of loss of documents etc.

##### **c. Business all Risks**

- Cover for business all risks

##### **d. Theft**

- Loss of any municipal property due to theft.

##### **e. Glass**

- Extended glass insurance cover for damage or event not covered under the combined section.

##### **f. Money**

- Loss or damage to business money including loss through criminal activities, All money in transit, Loss of money and / or property as a result of fraud or dishonesty of an insured employee which result in dishonest personal financial gain for the employee concerned.

##### **g. Fidelity guarantee**

- Cover against losses resulting from fraud and theft by employees

##### **h. Goods in transit**

- Cover for loss or damage to insured property while being transported from one point to another "whilst in transit".

##### **i. Group personal accident**

- Covers death or bodily injury caused by accidental violent external and visible means to any principal, partner, director, employee etc.

##### **j. Stated benefits**

- Death or bodily injury caused by accidental, violent, external and visible means, Death (24-hour Cover), Permanent disability, Temporary Total Disability, Medical expenses, Additional death benefit, Repatriation.

**k. Electronic Equipment**

- Office Automation (facsimile machines, photocopiers, multifunctional equipment owned or on finance lease), Telecommunication equipment, Laptops/Notebooks Computer, Electronic Scanning System, Infrastructure (Data Centre) Servers, Soft wares owned hired or leased by the insured, Reconstruction of Data

**l. Machinery Breakdown**

- Accidental and violent damage including sudden and unforeseen mechanical or electrical failure to machinery.

**m. Public liability**

- To cover any form of liability against the municipality

**n. Employers liability**

- Damages which insured shall become legally liable to pay consequently upon death of or bodily injury or illness of any person employed or under contract of services with the insured.

**o. Motor Fleet**

- Comprehensive cover for all vehicles, Executive courtesy vehicle for the Mayor's vehicle, Commercial and special type vehicles incl. trailers, trucks and tractors.

**p. SASRIA**

- SASRIA Cover for all municipal assets (buildings, equipment, office contents etc.)

**q. Councilors property (SASRIA) Special Risk Insurance**

- To cover properties of all councilors as per SASRIA, Special Risk Insurance on councilors fixed property limited to R1.5M per councilor and R750 000 for vehicles, Life and Disability insurance limited to 2x the total remuneration package of a councilors, House contents.

**r. Ad Hoc Events**

- A cover that indemnifies the municipality for damages which the event organizer be it Ba-Phalaborwa Municipality and/ or its delegated authority, shall become legally liable to pay consequently upon accidental death of or bodily injury to or illness of any person or accidental loss of or physical damage to occurring within the territorial limits during the period of Insurance in the course of or in connection with the event. The municipality shall inform the broker of the event taking place seven (7) days prior the event such as but not limited to:
  - Annual Integrated Development Plan (IDP) Consultations
  - Annual Municipal Public Accounts Committee (MPAC) Oversight Public Consultations

- Imbizo
- Gala dinner
- Any other event hosted by the municipality



## 14.6 Limits for the Cover

Section	Sum to be Insured
<b>1. Combined</b>	
• Standard Constructed Buildings including Office Buildings Stadiums etc.	R1 693 003 575
• Electrical infrastructure incl. Sub-stations, mini sub-stations, transformers, overhead lines etc.	R200 603 966
• Property in the open	R1 980 264
• Non Standard – Thatch	R6 000 000
• Private dwellings, residential units hostels, Flats	R2 185 374
• Capital Additions	R334 134 636
• Reasonable precautions	R50 000
• Debris Removal	R100 000
• Professional Fees	R250 000
• Claims preparation costs	R100 000
<b>Sub-Total Combined</b>	<b>R2 238 407 815</b>
<b>2. Business Interruption (Loss of Income)</b>	
• Loss of Revenue	R260 920 800
• Additional Increase in Cost of Working	R1 302 000
• Fines	R500 000
• Claims preparation costs	R100 000
<b>Sub-Total Business Interruption</b>	<b>R261 520 800</b>
<b>3. Office Contents</b>	
• Contents of Office	R27 474 031
• Theft ( forcible & violent entry or exit)	Included under theft section
• Loss of Rent ( up to 25% of sum insured)	R6 868 508
• Loss of Documents	R716 100
• Legal Liability (Documents)	R716 100
• Capital Additions	R5 350 778
• Lock and keys	R10 000
• Claims Preparation Costs	R30 000
• Debris Removal	R10 000
<b>Sub-Total Office Contents</b>	<b>R35 824 739</b>
<b>4. Business All Risks</b>	

<b>Section</b>	<b>Sum to be Insured</b>
<ul style="list-style-type: none"> <li>All other specified items (<i>excluding Cellphones &amp; Laptops</i>)</li> </ul>	R4 245 719
<ul style="list-style-type: none"> <li>Laptops</li> </ul>	R700 645
<ul style="list-style-type: none"> <li>Tablets / I pads</li> </ul>	R80 000
<ul style="list-style-type: none"> <li>Cellphones</li> </ul>	R60 000
<ul style="list-style-type: none"> <li>Routers</li> </ul>	R40 000
<b>Sub-Total Business All Risks</b>	<b>R 5 126 364</b>
<b>5. Theft</b>	
<ul style="list-style-type: none"> <li>First loss limit</li> </ul>	R400 000
<ul style="list-style-type: none"> <li>Total contents of all buildings</li> </ul>	R6 000 000
<ul style="list-style-type: none"> <li>Property in the open (within fenced area)</li> </ul>	R5 000 000
<ul style="list-style-type: none"> <li>Reasonable Precautions</li> </ul>	R20 000
<ul style="list-style-type: none"> <li>Locks and Keys</li> </ul>	R7 500
<ul style="list-style-type: none"> <li>Theft of employee property used for Council purpose</li> </ul>	R15 000
<ul style="list-style-type: none"> <li>Malicious damage</li> </ul>	R80 000
<ul style="list-style-type: none"> <li>Locks and keys</li> </ul>	R10 000
<ul style="list-style-type: none"> <li>Claims preparation costs</li> </ul>	R60 000
<b>Sub-Total Theft</b>	<b>R11 592 500</b>
<b>6. Glass</b>	
<ul style="list-style-type: none"> <li>All fixed internal &amp; external glass at the premises</li> </ul>	R110 000
<ul style="list-style-type: none"> <li>Claims preparation costs</li> </ul>	R60 000
<b>Sub-Total – Glass</b>	<b>R170 000</b>
<b>7. Money</b>	
<ul style="list-style-type: none"> <li>Major limit</li> </ul>	R300 000
<ul style="list-style-type: none"> <li>Fraud by non-employees</li> </ul>	R800 000
<ul style="list-style-type: none"> <li>Possessions of Councillors/Employees away from insured premises on a business trip</li> </ul>	R15 000
<ul style="list-style-type: none"> <li>On the premises outside business hours in locked safe</li> </ul>	R200 000
<ul style="list-style-type: none"> <li>Loss of or damage to money or postal</li> </ul>	R200 000
<ul style="list-style-type: none"> <li>Outside safe</li> </ul>	R15 000
<ul style="list-style-type: none"> <li>Seasonal increase</li> </ul>	R2 000 000

<b>Section</b>	<b>Sum to be Insured</b>
• Receptacles as a result of theft of money or attempt	R50 000
• Claims preparation costs	R60 000
<b>Sub Total Money</b>	<b>R 3 640 000</b>
<b>8. Fidelity Guarantee</b>	
• Limit	R2 000 000
• Claims preparation	R100 000
<b>Sub-Total Fidelity Guarantee</b>	<b>R2 100 000</b>
<b>9. Goods in Transit</b>	
• Load limit	R450 000
• Debris Removal	R10 000
• Fire extinguishing expenses	R10 000
• Claims preparation costs	R100 000
<b>Sub-Total – Good in Transit</b>	<b>R570 000</b>
<b>10. Group Personal Accident</b>	
• 40 Community Members (Council activities)	R300 000
• 20 Temporary staff	R200 000
• 9 Interns	R200 000
• 20 Experiential Learners	R200 000
• Permanent Disability	% of Death benefit as specified for particular disability
• Temporary Total Disablement	R3 200 per week max 104 weeks
• Medical expenses	R20 000
• Additional death benefit	R10 000
• Relocation	R10 000
• Repatriation	R10 000
• Mobility	R15 000
• Maximum Limit at any one life	R 2 500 000
• Maximum Limit at any one life (Accumulation)	R 12 000 000
<b>11. Stated Benefits</b>	
• 24 hours (All employees on wage bill)	R167 114 325
• Councillors	R17 262 421
• 530 Employees	

<b>Section</b>	<b>Sum to be Insured</b>
<ul style="list-style-type: none"> <li>• 37 Councillors.</li> </ul>	
<b>Benefits</b>	
<ul style="list-style-type: none"> <li>• Death (All Employees)</li> </ul>	3 x Annual earnings
<ul style="list-style-type: none"> <li>• Death (37 Councillors)</li> </ul>	2 x Annual earnings
<ul style="list-style-type: none"> <li>• Disability (37 Councillors)</li> </ul>	2x Annual package
<ul style="list-style-type: none"> <li>• Permanent Disability</li> </ul>	% of Death benefit as specified for particular disability
<ul style="list-style-type: none"> <li>• Temporary Total Disability</li> </ul>	100% of average weekly earnings max 104 weeks
<ul style="list-style-type: none"> <li>• Medical Expenses</li> </ul>	R100 000
<ul style="list-style-type: none"> <li>• Additional death benefits</li> </ul>	R15 000
<ul style="list-style-type: none"> <li>• Relocation</li> </ul>	R10 000
<ul style="list-style-type: none"> <li>• Repatriation</li> </ul>	R10 000
<ul style="list-style-type: none"> <li>• Mobility</li> </ul>	R10 000
<ul style="list-style-type: none"> <li>• Maximum Limit at any one life</li> </ul>	R 2 500 000
<ul style="list-style-type: none"> <li>• Maximum Limit at any one life (Accumulation)</li> </ul>	R 12 000 000
<b>Sub-Total – Stated Benefits</b>	
<b>12. Electronic Equipment</b>	
<ul style="list-style-type: none"> <li>• General Limit (<i>incl. Hardware including servers</i>)</li> </ul>	R5 000 000
<ul style="list-style-type: none"> <li>• Tablets / Ipads</li> </ul>	R50 000
<ul style="list-style-type: none"> <li>• Laptops</li> </ul>	R2 000 000
<ul style="list-style-type: none"> <li>• Cellphones</li> </ul>	R60 000
<ul style="list-style-type: none"> <li>• Routers</li> </ul>	R50 000
<ul style="list-style-type: none"> <li>• Software and license</li> </ul>	R120 000
<ul style="list-style-type: none"> <li>• Reconstruction of data</li> </ul>	R100 000
<b>Sub-Total – Electronic Equipment</b>	<b>R7 380 000</b>
<b>13. Machinery Breakdown</b>	
<ul style="list-style-type: none"> <li>• Limit</li> </ul>	R2 500 000
<b>Sub-Total – Electronic Equipment</b>	<b>R2 500 00</b>
<b>14. Employers Liability</b>	
<ul style="list-style-type: none"> <li>• Limit of Indemnity</li> </ul>	R5 000 000
<b>Sub-Total – Employers Liability</b>	<b>R5 000 000</b>
<b>15. Vehicle Fleet</b>	

<b>Section</b>	<b>Sum to be Insured</b>
<ul style="list-style-type: none"> <li>Comprehensive cover for council vehicles incl. trailers, trucks, tractors etc.</li> <li>Cover to be extended to vehicles exceeding R500 000 value (see the vehicle's list)</li> </ul>	Market value see the attached list of fleet.
<b>16. Motor fleet – Car hire for Mayor and Speaker</b>	
<ul style="list-style-type: none"> <li>Executive courtesy vehicle for the Mayor's and the Speaker.</li> </ul>	Courtesy Car hire for 30 days.
<b>17. Motor Third party Liability</b>	
<ul style="list-style-type: none"> <li>Limit</li> </ul>	R2 000 000
<b>Sub-Total Motor Third Party Limit</b>	<b>R2 000 000</b>
<b>18. SASRIA for councillors properties (37 Councillors)</b>	
<ul style="list-style-type: none"> <li>Councillors fixed property (Per councillor)</li> </ul>	R1 500 000
<ul style="list-style-type: none"> <li>Councillors vehicle (Per Councillors)</li> </ul>	R750 000
<ul style="list-style-type: none"> <li>House Contents (Per Councillor)</li> </ul>	R300 00
<b>19. PUBLIC LIABILITIES</b>	
<ul style="list-style-type: none"> <li>Public Liability</li> </ul>	R18 000 000
<b>Sub-Total Public Liabilities</b>	<b>R18 000 000</b>
<b>20. SASRIA</b>	
<ul style="list-style-type: none"> <li>SASRIA cover for all municipal assets (<i>Combined, Office Contents, Electronic Equipment etc.</i>)</li> </ul>	Limits as per the above sections

## **14.7 Pricing Instructions**

- 14.7.1 The tenderer must provide maximum amounts payable per line items and the overall contract price must be indicated and it must be all inclusive (inclusive of VAT and commissions of the broker etc.).
- 14.7.2 The liability for payment of Assessor Fees must be for the account of the tenderer in all instances.
- 14.7.3 The premium tendered must remain firm for the initial period of 12 months, thereafter the annual escalation in the Rand value of the premium for the subsequent years must not exceed the reasonably anticipated industry-related CPI+1%. The actual annual price increment on the contract will be CPI capped.
- 14.7.4 The evaluation of Price and B-BBEE will be as per the total tender price quoted for all portfolios including VAT and commissions of the broker.
- 14.7.5 All items must be priced failure to do so will render the bid non-responsive.

## **14.8 Tender Evaluation**

- a. Council is not bound to accept the lowest or any tender.
- b. The tenderer will be evaluated according to the council's procurement policy.

## **14.9 Evaluation Criteria**

### **The evaluation of this bid will be conducted as follows;**

The assessment of functionality will be done in terms of the evaluation criteria indicated below. A bid will be disqualified if it fails to meet the minimum threshold of (60 %) for functionality as per the bid invitation.

All supporting documents must be submitted at the time of tender submission to enable the bid to be evaluated in accordance with the procedure outlined, the evaluation team will score each tender on the information provided (Please index file accordingly).

Only those qualifying bids (which scored 60% or more) will be evaluated in terms of the 80/20 preference points systems, where the 80 will be used for price only and the 20 for points awarded for B-BBEE status level of contribution.

## 14.10 Functionality Criteria

Criteria to be used for functionality.

Item	Weight	Points Scored
<p><b>Company Experience</b> Bidder has successfully undertaken short-term insurance projects <i>(Each project must be supported by its own appointment letter in order to score points)</i></p> <ul style="list-style-type: none"> <li>• 1 – 3 projects = 03</li> <li>• 4 – 6 projects = 08</li> <li>• 7 – 10 projects = 12</li> <li>• 11+ projects = 15</li> </ul>	15	
<p><b>Track record of Clientele –</b> <i>(Experience on the value of contract managed, project to be supported by appointment letter in order to score points)</i></p> <ul style="list-style-type: none"> <li>• Coverage between 0 – R2mil = 03</li> <li>• Coverage between &gt;R2mil – 5mil = 05</li> <li>• Coverage between &gt;R5mil – 10mil = 07</li> <li>• Coverage greater than 10mil = 10</li> </ul>	10	
<p><b>KEY STAFF COMPETENCE: (must be working for the bidding company attach CV and Organogram)</b> <b>Account Manager</b></p> <ul style="list-style-type: none"> <li>• <b>Academic Qualification:</b> <ul style="list-style-type: none"> <li>- Diploma in Accounting or related = 03</li> <li>- Degree in Accounting or related = 05</li> <li>- Honours/Post graduate or higher in Accounting or related = 10</li> </ul> </li> </ul>	10	
<p><b>Experience of Account Manager (Experience must be related to insurance)</b></p> <ul style="list-style-type: none"> <li>• &lt; 3 years = 0</li> <li>• 3-5 years = 03</li> <li>• 6-10 years = 07</li> <li>• &gt; 10 years = 10</li> </ul>	10	
<p><b>Financial Capability</b></p> <ul style="list-style-type: none"> <li>• Bidder must provide a certified <i>(not older than three months)</i> bank rating certificate with bank letter head and stamp Code A, B, C = 05</li> <li>• Code D-E = 02</li> <li>• Code F-G or Lower = 0</li> </ul>	05	
<p><b>Legal Support</b></p> <ul style="list-style-type: none"> <li>• Details of support that will be given by the Insurance broker to the Municipality in respect of claims rejected by the Insurer. <i>(Provide POE and details of support that will be provided as well as experience of the legal support team)</i> = 05</li> </ul>	05	

<b>Methodology</b> <ul style="list-style-type: none"> <li>• Provide tracking and feedback process on logged claims and queries raised by the municipality to ensure customer satisfaction = 02 points.</li> <li>• Tenderer proposal on how to negotiate and place the municipality insurance portfolio with insurance underwriters and present the underwriting terms to the municipality acceptance each year = 03 points</li> </ul>	05	
<b>Total</b>	60	
Percentage= Total scored/ Total weight x 100		= _____ x 100 60 = %

The minimum of functionality is 60% for the bidder to move forward for the evaluation on price

The Evaluation criteria is 80/20 where 80 being price and 20 being B-BBEE

#### 14.11 Points awarded for price

##### The 80/20 Preference Point Systems

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

#### 80/20

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

Where

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

$P_t$  = Comparative price of bid under consideration

$P_{\min}$  = Comparative price of lowest acceptable bid



#### 14.12 Evaluation in terms with B-BBEE

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

### **14.13 Conclusion**

14.13.1 All the proposal received after the closing date and time will not be considered. Only proposals received on time will go through the process of evaluation and finally adjudication whereby one service provider will be awarded the project. Point scoring is done in accordance with the Preferential Procurement Regulations of 2011, PPPFA as well as the Supply Chain Management Policy.

14.13.2 The contract will be awarded to the tenderer who scores the highest total number of points during the evaluation process, except where the law permits otherwise.

14.13.3 Appointment as a successful service provider shall be subject to the parties agreeing to mutually acceptable contractual terms and conditions (Signing a Service Level Agreement). In the event of the parties failing to reach such agreement municipality reserves the right to appoint an alternative supplier.

### **14.14 List of Annexures**

Attached please find the following annexures

- **Annexure A:** Asset Register detailing all the assets in the possession of the municipality (Electronic document to be emailed to bidders who attended the briefing).
- **Annexure B:** Summary of Inventory Levels.
- **Annexure C:** Municipality Insurance Claim History
- **Annexure D:** List of vehicles (Electronic document to be emailed to bidders who attended the briefing)

