



SOL PLAATJE MUNICIPALITY BID DOCUMENT

LATE SUBMISSION OF BIDS WILL NOT BE ACCEPTED.

Original bid documents must be submitted in a sealed envelope marked
" ENVELOPE 1 ORIGINAL "

A duplicate of the Original Bid document must be submitted in a sealed separate envelope marked
'ENVELOPE 2 DUPLICATE'

If bids are submitted in one envelope containing one original and one duplicate it must be clearly stated.
The duplicate must be a true reflection of the original Bid Document and supporting documents must be certified.

I hereby declare that the copy submitted is a true reflection of the original bid.

Bidder Signature: _____ Date: _____

CONTRACT NUMBER:	FIN/REV03/2024
DESCRIPTION:	PROVISION OF DEBT COLLECTION SERVICES
THE OFFER CONTAINS	MBD1, MBD 2, MBD3.1, MBD3.2, MBD 3.3 (if applicable), MBD 4, listing criteria, MBD6, MBD 6.1, MBD 6.2 (if applicable) MBD8, MBD 9 and General Conditions of Contract
ALL PAGES MUST BE SIGNED AND WITNESSED BY TWO WITNESSES, WHERE REQUIRED.	
NAME OF BIDDER	
PHYSICAL TRADING OFFICE ADDRESS	
CSD NUMBER:	MAAA
BID PERIOD: For the period commencing	
PREPARED FOR: K. Mothata SOL PLAATJE MUNICIPALITY PRIVATE BAG X5030 KIMBERLEY 8300	PREPARED BY: B. Nkoe
CLOSING DATE: 27 MAY 2024	TIME: 10H00

BIDDER CHECKLIST

CONTRACT NUMBER: FIN/REV03/2024 - PROVISION OF DEBT COLLECTION SERVICES

Hereunder is a checklist to ensure that the bid documentation is complete in terms of administrative compliance. The bidder is to indicate that the documentation is complete and included in the bid document by completing the table below. **(Tick to indicate whether the information has been included and the originals signed and witnessed as required.)**

ITEM	DESCRIPTION	YES/NO
1	Cover letter front page	
2	Invitation to Bid (MBD1) must be completed & signed	
3	Tax Compliance requirements	
4	Pricing Schedule and Specifications to be completed (MBD 3.1), no correctional fluid to be used	
5	Method of Pricing and Price Adjustments to be fully and correctly completed (MBD 3.2)	
6	Professional Indemnity Insurance, where applicable	
7	Functionality Evaluation Schedule: (MBD 3.3) applicable for 2 stage bidding process	
8	Declaration of interest (MBD 4) Original to be completed and signed. No bid will be accepted from persons in the service of the state¹.	
9	Submit the Central Supplier database report (CSD).	
10	Submit valid certified BBBEE certificate (MBD 6.1) or Sworn affidavit	
11	Submit a current Municipal Account or Lease Agreement	
12	Submit Medical Certificate where specific goal for disability is applicable	
13	Did you comply to DTI standards (local content) as indicated (MBD 6.2) if required	
14	Declaration of bidder's past supply chain management practices (MBD 8)	
15	Certificate of Independent Bid Determination – (MBD9)	
16	Did you submit one (1) original and one (1) copy of the bid documents?	
17	Take note and understand the Special Conditions, where applicable?	
18	Did you complete and sign the Listing Criteria as included in the bid document?	
19	Did you initial every page of your original submission?	
20	Did you comply to all pre-conditions as stated in bid document? (MBD 1)	
21	Did you attend the compulsory briefing session where required?	
22	Did you attach, Annual Financial Statements attached if project > R10 million, where applicable?	

N.B.: - THIS FORM MUST BE SIGNED BY THE BIDDER AND TWO WITNESSES

SIGNATURE OF BIDDER: _____

NAME OF COMPANY: _____

ADDRESS: _____

CELL TELEPHONE NO: _____ FAX NO. _____

E-MAIL ADDRESS: _____

AS WITNESSES: 1. _____ NAME PRINT _____

2. _____ NAME PRINT _____

DATE: _____

**SOL PLAATJE MUNICIPALITY
INVITATION TO BID
PART A
INVITATION TO BID**

THE FOLLOWING PARTICULARS MUST BE FURNISHED

YOU ARE HEREBY INVITED TO BID FOR THE REQUIREMENTS OF THE SERVICES INFRASTRUCTURE

BID NUMBER:	FIN/REV03/2024	CLOSING DATE:	27/05/2024	CLOSING TIME:	10H00
DESCRIPTION	PROVISION OF DEBT COLLECTION SERVICES				
	<p>To render services on behalf of the Sol Plaatje Municipality, as may be required for a period of three years as indicated on this bid document, from the time of the award.</p> <p>The services shall commence on the date of signing the contract, with an option to extend as may be agreed upon by both parties upon expiry.</p> <p>One complete set of documents is available at http://www.etenders.gov.za or http://www.solplaatje.org.za at no cost.</p> <p>One complete set of documents is available from SCU Contracts Section, Municipal Stores Complex Abattoir Road, Ashburnham, Kimberley upon payment of an amount of R500-00 (Five hundred rand), which is non-refundable.</p> <p>Payment must be made at the cashiers on a "NO 10 deposit slip" using the following mSCOA vote no</p> <p style="text-align: center;">21 12 1 42 451 0 SG ZZZ ZZ WM</p>				

THE SUCCESSFUL BIDDER WILL BE REQUIRED TO COMPLETE AND SIGN A WRITTEN CONTRACT FORM (MBD7).

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT

SOL PLAATJE MUNICIPALITY

SCM UNIT – MUNICIPAL STORES COMPLEX

ABATTOIR ROAD, ASHBURNHAM

KIMBERLEY

8301

SUPPLIER INFORMATION

NAME OF BIDDER					
POSTAL ADDRESS					
PHYSICAL TRADING ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
TAX COMPLIANCE STATUS	TCS PIN:		AND	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		<input type="checkbox"/> Yes <input type="checkbox"/> No

[B-BBEE CERTIFICATE / SWORN AFFIDAVIT (FOR EMES & QSEs) / MEDICAL CERTIFICATE/ MUNICIPAL ACCOUNT OR LEASE AGREEMENT / CSD MUST BE SUBMITTED IN ORDER QUALIFY FOR SPECIFIC GOALS POINTS]

In line with the Preferential Procurement Regulation of 2022 and SPM Preferential Procurement Policy, the following Specific Goals is applicable:

Ownership as a Specific Goal

80/20 equal to or below R50 million	
90/10 above R50 million	
Ownership - Black	
% Ownership	80/20
<51%	4
>51% <100%	6
100%	10
Locality	10
Total Points	20

Companies or bidders bidding as **Joint venture must** include **their consolidated.**

- **Joint Venture Agreement (must clearly stipulate the name of the lead partner)**
- **Separate Tax compliance status pin** for both companies
- **Separate CSD report for both companies**
- **Separate Municipal accounts for both Companies/Valid lease agreement**
- **MBD 4,8 & 9 must** be completed respectively by both parties and submitted as part of the bid document

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN-BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3]
SIGNATURE OF BIDDER		DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED			
SIGNATURE OF WITNESS NO 1	NAME PRINT		
SIGNATURE OF WITNESS NO 2	NAME PRINT		
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:		TECHNICAL INFORMATION MAY BE DIRECTED TO:	
DEPARTMENT	FINANCE: SUPPLY CHAIN UNIT	DEPARTMENT	Debtors Management
CONTACT PERSON	Betty Nkoe	CONTACT PERSON	K. Mothata
TELEPHONE NUMBER	053 830 6172/6180	TELEPHONE NUMBER	053-830 6571
E-MAIL ADDRESS	bnkoe@solplaatje.org.za	E-MAIL ADDRESS	kmothata@solplaatje.org.za

**PART B
TERMS AND PRE-CONDITIONS FOR BIDDING**

- (1) **NO BIDS WILL BE CONSIDERED FROM BIDDERS WHO ARE NOT REGISTERED ON THE CENTRAL SUPPLIERS DATABASE (CSD) ON THE NATIONAL TREASURY WEBSITE www.csd.gov.za**
(2) **THE LISTING CRITERIA MUST BE COMPLETED IN THE DOCUMENT**
(3) **NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE**

1. BID SUBMISSION:

- 1.1. Bids must be submitted within stipulated date and time to the correct address. **Late submission of bids will not be accepted.**
- 1.2 All bids must be completed and submitted on the official tender document provided and no correction tape or fluid may be used on the tender document. Bidders, who have purchased the bid documents from the Municipality, **MUST** include the proof of payment.
- 1.3 This bid is subject to the Preferential Procurement Regulations 2022, SPM Preferential Procurement Policy, SCM Policy General Conditions of Contract (GCC) and, if applicable, any other special conditions of contract.

1.4 The following is **APPLICABLE ON COMPETITIVE BIDDING ABOVE R10 MILLION**

If the value of the transaction is expected to exceed R10 million (Vat Included), require bidders MUST provide the following documents with the bid documents.

- If the bidder is required by law to prepare annual financial statements for auditing, their audited annual financial statements
 - For the past three years or
 - Since their establishment if established during the past three years
- Particulars of any contracts awarded to the bidder by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract
- A statement indicating whether any portion of the goods or services are expected to be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality or municipal entity is expected to be transferred out of the Republic:

Please attach all annexures on the pages as indicated on the bid document

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 **Bidders must ensure must ensure compliance their Tax obligations.**
- 2.2 Bidders are required to submit their unique personal identification number (pin) issued by SARS to enable Municipality to view the taxpayer's profile and tax status.
- 2.3 Application for the tax compliance status (TCS) pin may be made via e-filing through the SARS website www.sars.gov.za.
- 2.4 Bidders may also submit a printed TCS certificate together with the bid
- 2.5 Foreign suppliers must complete the pre-award questionnaire in Part B Paragraph 5.
- 2.6 Bidders are required to submit the current Central Suppliers Database (CSD) registration report (NOT the summary report) together with the bid document

3. MUNICIPAL ACCOUNTS

- Copies of all municipal accounts, not older than 3 months or 90 days to be submitted with the bid.
- If the entity or any of its directors/shareholders /partners/members, etc. rents/leases premises a copy of the rental/lease agreement must be submitted with this bid.
- In cases where bidders use a lease premise for conducting their business, a valid lease agreement signed by both parties, which clearly stipulated who is responsible for municipal services, rates and taxes must be attached to the bid document.
- If the lessee (Bidder) is responsible for municipal services, municipal account or tax invoice of the leased premises that is not in arrears must be submitted.

NB: It is the responsibility of bidders to visit the municipal website in order to obtain details of successful/ unsuccessful information within 120 days after closure of bid. The municipal website is www.solplaatje.org.za.

4. COMPULSORY CLARIFICATION MEETINGS/ CIDB GRADINGS (IF APPLICABLE)

4.1 LOCAL CONTENT: N/A

4.2 A BRIEFING SESSION: N/A

4.3 CIBD: N/A

5. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

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

5.2 DOES THE ENTITY HAVE A BRANCH IN THE RSA? YES NO

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

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

5.5 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.

In terms of section 13 of the Municipal Supply Chain Management Regulations No. 27636 of 30 May 2005, the Municipal Manager shall reject all bids that do not comply with the following preconditions: -

1. Bidders that have not furnished the Municipality with his/her full names, identification number or company or other registration number and tax reference number and vat registration number, if any.
2. Bidders that have not submitted a valid tax clearance certificate from SARS or provided their tax compliance status pin number
3. Bidders that have not indicated: -
 - a. Whether he/she is in the service of the state or has been in the service of the state in the previous twelve months;
 - b. If the bidder is not a natural person, whether any of its directors, managers, principal shareholders or stakeholder is in the service of the state or has been in the service of the state in the previous twelve months, or
 - c. Whether a spouse, child or parent of the bidder or of a director, manager, shareholders or stakeholder in the previous twelve months.
4. Any special conditions as contained in the bid documents.

Bidders scoring the highest points or any bid will not necessarily be accepted, and the Municipality reserves the right to Sub-divide the contract and accept any portion of any bid, or determine a multiple award.

Bids will be evaluated in terms of the approved point system (80/20) 80 points for price and 20 for specific goals or (90/10) 90 points and 10 for specific goals. Tender validity period should be for 120 days.

NO BIDS by FAX or by E-MAIL WILL BE ACCEPTED.

Sealed bids must be clearly marked with the following bid number and description:

CONTRACT NUMBER: **FIN/REV03/2024**

DESCRIPTION: **PROVISION OF DEBT COLLECTION SERVICES**

DROP AT THE TENDER BOX (OPPOSITE SECURITY)

ADDRESSED TO: THE MUNICIPAL MANAGER

MUNICIPAL STORES COMPLEX

ABATTOIR ROAD

ASHBURNHAM

Kimberley

Closing date: 27 May 2024 Time 10H00

IT IS THE PROSPECTIVE BIDDERS RESPONSIBILITY TO OBTAIN BID DOCUMENTS IN TIME TO ENSURE THAT RESPONSES REACH SPM, TIMEOUSLY. MUNICIPALITY SHALL NOT BE HELD RESPONSIBLE FOR DELAYS IN THE POSTAL/ COURIER SERVICES.

ANY TENDER WILL NOT NECESSARILY BE ACCEPTED AND THE COUNCIL RESERVES THE RIGHT TO ACCEPT THE WHOLE, OR ANY PART OF THE QUOTE.

Bids will be opened in public in the SCM OFFICES, STORES COMPLEX, ABATTOIR ROAD, Kimberley, immediately after closing time and date.

INVITATION FROM: MUNICIPAL MANAGER
CIVIC OFFICES, SOL PLAATJE DRIVE
PRIVATE BAG X5030
KIMBERLEY, 8300

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

SIGNATURE OF BIDDER: _____

CAPACITY UNDER WHICH THIS BID IS SIGNED: _____

DATE: _____

Certificate of Attendance of Clarification Meeting on Site (If applicable)

NOTE: If the attendance register was signed at the clarification meeting held at the SCM Boardroom, the name of the signatory shall be inserted on this page and the authorized signatory shall sign this page.

If attendance register has been signed at the clarification meeting:

Name of person appearing on attendance register: _____

Representative organization name on attendance register: _____

If the attendance register has not been signed at the clarification meeting.

This is to certify that I, _____

representative of (Tenderer) _____

of (address) _____

telephone number _____

e-mail _____

attended the bid clarification meeting (date) _____

in the company of (Employer's Line Manager / Engineer's representative) _____

EMPLOYER'S LINE MANAGER / ENGINEER'S REPRESENTATIVE: _____



MBD 1

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 _____

EMAIL ADDRESS _____

FACSIMILE NUMBER CODE _____ NUMBER _____

VAT REGISTRATION NUMBER _____

HAS A VALID TAX COMPLIANCE STATUS PIN CERTIFICATE BEEN ATTACHED OR PROVIDED THEIR TAX COMPLIANCE STATUS PIN NUMBER?

HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? (MBD 6.1)

YES	NO
-----	----

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

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

(Tick applicable box)

(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?
(IF YES ENCLOSE PROOF)

YES	NO
-----	----

SIGNATURE OF BIDDER _____

DATE _____

CAPACITY UNDER WHICH THIS BID IS SIGNED _____

TOTAL NUMBER OF ITEMS OFFERED _____



ATTACH VALID JOINT VENTURE AGREEMENT HERE (if applicable)





ATTACH VALID TAX COMPLIANCE STATUS PIN CERTIFICATE HERE





ATTACH MUNICIPALITY ACCOUNT 90 DAYS AND OR VALID LEASE AGREEMENT HERE

SOL PLAATJE MUNICIPALITY



SOL PLAATJE MUNICIPALITY, KIMBERLEY

****MANDATORY** LISTING CRITERIA**

CENTRAL SUPPLIER DATABASE REGISTRATION NUMBER (CSD): _____ _____										
1	Company name _____									
2	<table border="1"> <tr> <td>Telephone Number: _____</td> <td>Fax Number: _____</td> <td>Cell phone number: _____</td> </tr> <tr> <td colspan="3">Email address _____</td> </tr> <tr> <td colspan="3">Contact person: _____</td> </tr> </table>	Telephone Number: _____	Fax Number: _____	Cell phone number: _____	Email address _____			Contact person: _____		
	Telephone Number: _____	Fax Number: _____	Cell phone number: _____							
Email address _____										
Contact person: _____										
3	Postal Address: _____									
4	<table border="1"> <tr> <td>VAT registered</td> <td>Yes <input type="checkbox"/></td> <td>No <input type="checkbox"/></td> <td>If registered, VAT Registration No: _____</td> </tr> </table>	VAT registered	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If registered, VAT Registration No: _____					
VAT registered	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If registered, VAT Registration No: _____							
5	<table border="1"> <tr> <td>Settlement discount allowed</td> <td>_____ %</td> <td>For payment within _____ days</td> </tr> </table>	Settlement discount allowed	_____ %	For payment within _____ days						
Settlement discount allowed	_____ %	For payment within _____ days								
6	Bank account details	Account No.: _____	Branch No.: _____							
	Bank Name	_____								
	Branch Name	_____								
	Bank account type	_____								
7	<table border="1"> <tr> <td>Business Municipal Rates and Service Account Number: ** A current (30 days) account, or Lease Agreement in the case of a Landlord responsible for account, must be attached to this document **</td> <td>_____</td> </tr> </table>	Business Municipal Rates and Service Account Number: ** A current (30 days) account, or Lease Agreement in the case of a Landlord responsible for account, must be attached to this document **	_____							
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8	<table border="1"> <tr> <td>Located in Sol Plaatje Municipal Area</td> <td>Yes <input type="checkbox"/></td> <td>No <input type="checkbox"/></td> </tr> </table>	Located in Sol Plaatje Municipal Area	Yes <input type="checkbox"/>	No <input type="checkbox"/>						
Located in Sol Plaatje Municipal Area	Yes <input type="checkbox"/>	No <input type="checkbox"/>								
9	<table border="1"> <tr> <td>% owned by black male: _____%</td> <td>% owned by black female: _____%</td> </tr> <tr> <td>% owned by black youth: _____%</td> <td>% owned by white female: _____%</td> </tr> <tr> <td>% owned by disabled persons: _____%</td> <td></td> </tr> </table>	% owned by black male: _____%	% owned by black female: _____%	% owned by black youth: _____%	% owned by white female: _____%	% owned by disabled persons: _____%				
% owned by black male: _____%	% owned by black female: _____%									
% owned by black youth: _____%	% owned by white female: _____%									
% owned by disabled persons: _____%										
10	B-BBEE status level of contribution: _____									
11	<p>Indicate main sector. Please select one (1) only:</p> <p>Catering and Accommodation <input type="checkbox"/> Cleaning material <input type="checkbox"/> Commercial agents (Doctors, Lawyers, Audit firm, booking keeping, Pharmacy, Post,) <input type="checkbox"/> Communication and media, Construction- Building material and road works <input type="checkbox"/> Electrical services- gas/ Aircon, transformers, cables, poles <input type="checkbox"/> Funeral Parlour <input type="checkbox"/> Gardening services- Lawnmower <input type="checkbox"/> Florist <input type="checkbox"/> Information technology (IT services, system, telecommunication) <input type="checkbox"/> Office equipment <input type="checkbox"/> Plant hire <input type="checkbox"/> PPE- mask, sanitizer, safety equipment <input type="checkbox"/> Repairs, motor parts and retail (accredited agency) <input type="checkbox"/> Stationery <input type="checkbox"/> Supplier of pumps, pipes, steel and maintenance or installation, and irrigation system <input type="checkbox"/> Training services e.g. workshops <input type="checkbox"/> Transportation (car rental, flight, and buses and driving school) <input type="checkbox"/> Uniform <input type="checkbox"/> Security services <input type="checkbox"/></p>									
12	<table border="1"> <tr> <td>Amount full time employed staff: _____</td> <td>Annual Turnover: R _____</td> <td>Asset Value (Excluding fixed property) R _____</td> </tr> </table>	Amount full time employed staff: _____	Annual Turnover: R _____	Asset Value (Excluding fixed property) R _____						
Amount full time employed staff: _____	Annual Turnover: R _____	Asset Value (Excluding fixed property) R _____								
13	It is the responsibility of the Supplier/Bidder to inform Sol Plaatje Municipality of any changes during the contract period									
NAME (PRINT) _____ SIGNATURE: _____										
CAPACITY: _____										
WITNESS (NAME): _____ SIGNATURE: _____										
DATE: _____										



ATTACH **CSD** REPORT REGISTRATION HERE





SOL PLAATJE LOCAL MUNICIPALITY

CONTRACT NUMBER: FIN/REV03/2024 - PROVISION OF DEBT COLLECTION SERVICES

SPECIFICATIONS

The Sol Plaatje Municipality intends to appoint a panel consisting of 4 (four) Service Providers to provide debt collection services and support the Municipality in implementing its Customer Care, Credit Control and Debt Collection, Indigent Management, Free Basic Services and Debt Write Off policies. The services required include tracing and debtor verification to ensure that the debtor's book is legitimate and collectible.

The Collection agencies must be duly qualified and experienced in the collection of revenue on overdue accounts and be registered debt collection service providers in terms of Section 8(1) and 8(3) of the Debtors Collectors Act No. 114 of 1998, and be a registered members of the Association of Debt Recovery Agents (ADRA) and/or the Legal Practice Council.

The Collection agencies must have the necessary infrastructure and have sufficient experience in the effective handling of bulk debt collection for large institutional Clients.

The Collection agencies must have a sound knowledge of various aspects of Municipal law, structures and systems, so as to be in a position to protect the Municipality's interests in matters referred to it by the Municipality.

The Collection agencies must conduct their business during the business hours of the Municipality and must be easily accessible to debtors and municipal officials.

1. SCOPE OF WORK AND TERMS OF REFERENCE

Sol Plaatje Municipality wishes to appoint a panel consisting of 4 (four) Debt Collection agencies on an as and when-required basis, for a period of 36 (thirty-six) months with effect from date of acceptance. The services for the collection of revenue on overdue accounts to be handed over to the Collection agencies on a commission basis "**no success no fee**", shall include the following:

- 1.1 Debtors Book analysis and profiling of debtors per collection risk categories and per area.
- 1.2 Tracing of all handed-over debtors.
- 1.3 Locate debtors and information needed to succeed in recoveries (Improve or update latest contact details).
- 1.4 Obtain outstanding information from the debtor where possible.
- 1.5 Setting up and maintain debtor's files.
- 1.6 Reporting on a monthly basis on the status of the various debtors handed over for collection as well as the successful collection of the amount owed.
- 1.7 Provision of a service which is expedient, economical and feasible backed by



experience, resources and appropriate technology.

- 1.8 Negotiate and manage repayments plans (valid arrangements; payments received on a monthly basis).
- 1.9 To conduct a recovery services by collecting and revering all outstanding monies by means of telephonic (soft collection) as well as written communication (letters of demand).
- 1.10 Issuing of Summons.
- 1.11 Obtaining of Judgements.
- 1.12 Listing and delisting of debtors (Blacklisting).
- 1.13 Obtaining of warrants of execution.
- 1.14 Attending to attachment and sale.
- 1.15 Obtain emolument attachment orders.
- 1.16 Submit all relevant enquiries and requests obtained from the debtors in respect of the debts outstanding.
- 1.17 Recommendation of debt write-offs per debt write-off policy/ profiled debtors debt collection risk categories.
- 1.18 To submit quarterly reports regarding the status quo of debtors.
- 1.19 The collection of arrear metered service charges from active and in-active accounts as identified by the Municipality.
- 1.20 The collection of arrear un-metered service charges from active and in-active accounts as identified by the Municipality
- 1.21 The collection of arrear sundry charges from active and in-active accounts as identified by the Municipality. Arrear metered, un-metered and sundry service charges will be service charges outstanding for a period in excess of 60 days from due date, or such alternative period/date the Municipality may determine.

The collection of arrear metered, un-metered and sundry charges will entail:

- a) Hand-over of specific accounts, within debt collection criteria to the Collection agency reflecting all relevant account holder details, account balance and service breakdown.
- b) Agents of the Collection agency to assist account holders with resolving of hand-over account enquiries in terms of the Municipality's administrative or credit control procedure.
- c) **Identification of indigent debtors through the normal debt collection process and acquiring of required application details in terms of approved indigent policy – Profiling (identification) of indigent debtors/ households.**
- d) The evaluation, acceptance and capturing of payment arrangements on the SOLAR financial system.



- e) The collection of arrear payments due to the Municipality, including interest, legal penalties, Value Added Tax and any other arrear amount reflected on the account holder's handed-over account.
- f) **The submission, in electronic format, of updated account holders personal contact or related details.**
- g) The submission of detailed monthly progress reports in respect of individual matters.

The Collection agencies shall take the necessary action against debtors placed under administration or debt review and act on behalf of the Municipality in business rescue, liquidation matters, deceased estates and in executions where the Municipality has a vested interest.

The tracing of debtors as part of the collection process, shall be provided on a “**no trace no charge**” basis.

The Collection agencies shall not settle or compromise any claim or initiate litigation on behalf of the Municipality, without the necessary consultation and approval of the Municipality.

- 2. The Collection agencies may also be requested to provide legal opinions on new or amended legislation as and when required, subject to the following:
 - 2.1 That such requests be made by the Municipality, in writing, prior to the provision thereof.
 - 2.2 That fees for the provision of legal opinions, be based on a costing structure or an hourly rate.
 - 2.3 That quotation of fees be provided by the Collection agencies to the Municipality, prior to rendering the service.
 - 2.3 Assessing and reporting to the Municipality on the prospects and cost-effectiveness of the recovery of the debt.
 - 2.4 The Collection agencies must utilize an acceptable electronic process when providing the following:
 - 2.4.1 Submissions of all costs incurred and all payments received from debtors.
 - 2.4.2 The creation of a payment and fee's file in a predetermined format.
 - 2.5 Prepare monthly progress reports in Excel worksheets to the Municipality (within 10 working days of the following month) on each debt handed to the Collection agencies. The data required in the report is as follows:
 - 2.5.1 Debtors name
 - 2.5.2 Your reference number
 - 2.5.3 Debtors municipal account number
 - 2.5.4 Date instruction received by Collection agency
 - 2.5.5 Value of debt handed to Collection agency
 - 2.5.6 Current outstanding balance of debt handed to Collection agency



- 2.5.7 Comments and notes
- 2.5.8 And any other additional information that may be required from time to time.
- 2.6 Receipting of payments received from debtors on the Municipality's behalf.
- 2.7 Collection agencies are invited to inform the Municipality of any additional services which they provide and which may assist with the collection of Municipal debt.
- 2.8 Towards the end of the expiry date of the contract, it will be necessary to implement a handover process so as to not compromise the debt collection process and to enable the Municipality to withstand any legal challenge. This process will be in consultation with all Parties.

3. DELIVERABLES

The Municipality expects a high standard of delivery and that all reasonable steps to recover the debt as speedily, cost effectively and appropriately as possible. Collections will be instituted timeously and without undue delay. The following is required from the Collection agencies:

- 3.1 Prevent prescription of debt and billing of *in-duplim* interest
- 3.2 Initiation of collection process within 7 days after handing over.
- 3.3 Reduction of outstanding debt.
- 3.4 Finalize each case within 12 months.

4. EXTENT OF COLLECTION PROCESS

- 4.1 The collection process will consist of a PRE-LEGAL, LEGAL and ADMINISTRATIVE process. The Municipality will identify accounts to be handed over to appointed Collection agencies only after certain internal debt control procedures have been affected. These procedures will include, but will not be limited to, the issue of disconnection and final notices, the restriction and / or suspension of water and / or electricity supply or any internal collection strategy and or incentive implemented by Municipality.
- 4.2 The Municipality will issue formal instruction to the appointed Collection agencies to collect such amounts owing to it, as it may decide from time to time. These instructions will include active and in-active accounts. In-active accounts are defined as accounts where the owner of property or tenant vacated premises or sold property and where no active services are levied whilst an arrear amount remained payable.
- 4.3 **PRE-LEGAL** process will entail the following:

The Municipality shall from time to time and in its discretion instruct the Collection agencies to collect any debt by delivering to the Collection agencies, electronically or any other form reasonably acceptable, details of debt and debtor details as reflected on the Municipality's financial system to enable the Collection agencies to collect such debt.
- 4.3.1 In the event that current debtor information is incorrect or insufficient, the Collection agencies are to make use of any legal tracing method or access any relevant external data source to obtain correct debtor details. Tracing shall be on a **no trace no fee** basis. These details are to be submitted to the Municipality in order to update the Municipality's records.



- 4.3.2 The Collection agencies shall issue reasonable pro-active reminders including personal contact, demand for payment and opportunity for re-dress in respect of all accounts handed over for collection.
- 4.3.3 The Collection agencies shall allow a sufficient time period for the account holder to respond to reminders and / or personal contact.
- 4.3.4 The Collection agencies shall record actions taken on financial system (SOLAR) - subject to agreement with the Municipality on the access to SOLAR as per the Municipality's IT policies.

4.4 LEGAL PROCESS will entail the following:

- 4.4.1 The Collection agencies shall, in the absence of sufficient response and / or proactive actions from an account holder institute all necessary legal actions up to and including the granting of a warrant of execution.
- 4.4.2 Issue Summons to defaulting account holders.
- 4.4.3 Obtain Default Judgment against and black listing of defaulting account holders.
- 4.4.4 Obtain emolument attachment and movable asset attachment order.
- 4.4.5 Obtain Court order for attachment and sale in execution of immovable assets. Prior written approval to be obtained from the Accounting Officer and/or powers and duties delegated to Chief Financial Officer in respect of the following legal proceedings:
 - a. Blacklisting
 - b. Attachment of movable assets
 - c. Sale in execution of immovable assets
 - d. Defended matters

4.5 ADMINISTRATIVE PROCESS will entail the following:

- 4.5.1 Detailed reporting of uncollectable debt accounts with detailed steps taken in collection process and reasons why debt is deemed uncollectable.
- 4.5.2 Recording and tracking of account enquiries and or disputes.
- 4.5.3 Submission, in electronic format, of updated account holder details.
- 4.5.4 Submission of information regarding prospective Indigent beneficiaries.
- 4.5.5 Submission of formal arrangement documentation.
- 4.5.6 Detailed reporting functions in respect of all related collection matters.

4.6 COMMISSIONABLE COLLECTIONS

Commissionable collections will be considered only if the total or adjusted hand over amount on date of hand-over is paid to Municipality, received in the Municipality's financial system and allocated to the account holder's account. Commissionable collections will include:

- 4.6.1 Metered, un-metered and sundry service charges, interest, penalties, fines, legal costs, statutory taxes and other debits raised on the account holder's account which are reflected as arrears on date of hand over.



- 4.6.2 Amounts collected in terms of FORMAL DEBT REPAYMENT AGREEMENT as prescribed by the Municipality will only be commissionable if received and if the conditions of agreement are adhered to for the duration of agreement.
- 4.6.3 Amounts received in terms of a Court order and/or judgment.
- 4.6.4 Amounts received in terms of proceeds from “**Sale in Execution**” of movable or immovable assets. But will exclude:
- ✓ Any amounts collected by the Collection agencies in excess of the amount actually handed over or adjusted hand over amount even if such excess amount was collected as a result of error on the part of the Municipality or Collection agency.
 - ✓ Adjusted portion of hand-over account due to administrative, billing or account enquiry error.
 - ✓ Accounts withdrawn from hand-over process.
 - ✓ Clearance debt in terms of Section 118 of Systems act (Act 32 of 2000) applied for before or after hand-over for collection.
- 4.6.5 Amounts identified by the Collection agencies, to have been received by Municipality and deposited into the Municipality’s bank account more than 90 days prior to identification, but not yet allocated to the account holder’s account but where sufficient information is reflected on bank statement to effectively allocate payment to levy the account holder’s account and the Collection Agency has informed the Municipality in writing of the unallocated funds.
- 4.6.6 Commissionable collections will specifically EXCLUDE any amount of capital debt, legal costs, other costs and interest written off and / or adjusted by the Municipality as an incentive, administrative error or specific circumstance as approved by the Municipality in terms of delegated authority. **No additional charges or commission, other than those charges legally raised against an account by the Municipality, may be raised or collected from debtors by an agent of the Municipality.**

4.7 COLLECTION OF PAYMENT

All payments are to be effected by debtors through the available payment methods of the Municipality, which include electronic payments via financial institutions, debit orders, designated stores, easy pay or cash at the Municipality’s pay points. Payments are to be handed over to the Municipality’s administration on a daily basis and should be recorded electronically on a reconciliation sheet.

4.8 WITHDRAWAL OF INSTRUCTIONS

- 4.8.1 The Municipality may at any time instruct the Collection agencies in writing, through the office of the Chief Financial Officer, to cease with proceedings against any particular debtor and withdraw any such instruction in respect of the collection of amounts owing by any debtor. The Municipality will not be required to submit reasons to the Collection agencies for withdrawal instruction.
- 4.8.2 Defended Matters in the event of the debtor indicating that matter will be defended, the Collection agencies shall report such fact to the Chief Financial Officer and shall not proceed with the prosecution of such action without the written approval of the Chief Financial Officer.
- 4.8.3 In the case of unsuccessful collections after a period of 12 (twelve) months from date of collection instruction being issued, the Collection agencies shall return the instruction and all



relevant documentation to the Municipality, if the debt is not paid in full or if no satisfactory arrangement has been concluded with debtor to pay outstanding debt.

4.8.4 The Collection agencies shall be obliged to furnish written reasons to the Municipality, as to why no collection of debt was achieved.

4.8.5 General: The Collection agencies shall refrain from having any contact or dealings with debtors:

4.8.5.1 As from the date the withdrawal instruction is issued by Municipality;

4.8.5.2 As from the dated that a defended matter is handed over to the Municipality; or

4.8.5.3 A file is handed over due to unsuccessful collection.

4.8.6 The Collection agencies shall have no claim against any collections or payments made after the date of withdrawal of hand-over instruction.

4.8.7 The Municipality will not be liable for the payment of ANY costs incurred by a Collection agency after the withdrawal of instruction.

4.9 SOFTWARE LINK

The appointed Collection agencies shall provide a suitable electronic link between the Municipality's financial system (SOLAR) and the computer system operated by the Collection agency, to enable the Municipality to transmit instructions to the Collection agency electronically. The Collection agencies will ensure that their software is compatible, in all aspects, with the system of the Municipality.

All costs associated with the establishing and maintaining of remote site facility will be for the costs of the Collection agency. The computer link will further be utilized for:

- a) To verify balance outstanding on any account in respect of which a hand-over instruction has been issued.
- b) To ascertain whether or not payments have been made by the debtor.
- c) To verify current debtor's personal details.
- d) To ascertain whether the debtor has made any settlement arrangements with the Municipality.
- e) To record debt repayment arrangements entered into with the debtor.
- f) To obtain such relevant account information as may be required in order to address account disputes and or enquiries.

4.10 AREA OF SERVICE

The Municipality reserves the right to appoint any Collection agency for any service delivery area within the area of jurisdiction of the Municipality and the appointed Collection agency accepts the fact that it may not be appointed for a specific area(s).



4.11 PROTECTION OF PERSONAL INFORMATION

The information supplied by the Municipality or obtained by the Collection agencies shall not be used by the Collection agencies for any other purpose other than for the collection of the outstanding Municipal debt as per the POPI Act No. 4 of 2013. The Collection agencies shall ensure that the Municipality is not prejudiced or projected in an unfavourable manner and shall at all times act within the ambit of the law, the Municipality's Credit Control Policy and maintain acceptable customer care standards.

4.12 PROFESSIONAL MEMBERSHIP

As professional service providers, the appointed Collection agencies shall be registered with the Association of Debt Recovery Agents (ADRA) and / or the Legal Practice Council; and be a registered debt collection service provider in terms of Section 8(1) and 8(3) of the Debtors Collectors Act No. 114 of 1998. Proof of such registration must accompany the tender document.

4.13 EXTENT OF CONTRACT

The Municipality cannot guarantee the extent of the supply, or the volume of work to be carried out, as this tender comprises both assignment of specific tasks and ad-hoc allocations. Bidders must note that demand variations in the required services will dictate the volume and frequency of the work required. Should the appointed Collection agencies fail to perform to the satisfaction of Municipality, and in terms of the Service Level Agreement, the services of a Collection agency shall be terminated at the discretion of the Municipality. If terminated, all relevant documentation must be handed back to the Municipality and no claims will be made against Municipality in respect of any arrangement commissions, fees and / or costs that are not due to Collection agency.

4.14 CONFLICT OF INTEREST

Bidders ("**Collection agencies**") are required to confirm that to the best of their knowledge, the acceptance of their bid would not be in conflict with any interest, or with any other Party. Bidders are required to disclose any interest whatsoever in multiple tender submissions and relationships to the Municipality and / or officials of the Municipality, in line with the Municipal Supply Chain Policy. A Bidder's failure to disclose such information will lead to that Bidder not being considered.

4.15 TERMINATION

The contract will terminate on completion of contract period or upon written notification by the Municipality due to non-performance of a Collection agency. No commission or fees will be payable in respect of any collection made or payment received after the termination date of contract, irrespective of the type or reason for collection, including arrangement instalments. The Collection agencies will hand over all relevant material, progress reports and files in respect of all the matters on termination date.



4.16 PROCESS AND CAPABILITY

Bidders are required to submit full details on the following collection processes and capabilities:

- a. Access to external debtor data information with clear distinction between Government, Provincial, Municipal and Private Sector data basis.
- b. Proposed methodology to be applied in respect of Pre-Legal and Legal Process.
- c. Capacity (legal capacity included), skills and experience.
- d. Anticipated time-frames in respect of all collection processes.
- e. Call centre capabilities
- f. Availability of Bidder enquiry staff within the municipal area of jurisdiction.
- g. Network and Computer systems to be deployed.
- h. Detailed proposal on composition of team specifically allocated towards this bid with relevant qualifications and experience in debt collection.

CONDITIONS OF THE BID

1. SUBMISSION OF TENDERS

The tender is to be made out on the tender form attached hereto, which must not be detached from this document, and the completed document, fully priced, extended and totalled, completed in all respects, signed and is to be sealed in an envelope which is to be endorsed and delivered in accordance with the instructions contained in the Letter of Invitation to Tender.

2. ADJUDICATION OF TENDER

The Municipality will not be bound to accept the lowest or any tender and also reserves the right to cancel the tender when deemed necessary.

Prospective service providers may not make any alterations or additions to the Bid document, except to comply with instructions issued by the Municipality.

All signatories to the Bid offer shall sign all the required documentation. Corrections by means of correction fluid are prohibited and failure to adhere to this condition will render your submission non-responsive.

3. TAXES AND DUTIES PAYABLE

Bidders shall allow in their tender for the payment and recovery of all taxes and other duties. No claims for additional payment in this respect will be considered. Prices and rates quoted shall be inclusive of Value Added Tax (VAT). VAT shall be recorded as a lump sum in the tender summary and the total inclusive of VAT carried to the MBD 1 (ONE) Form of Tender.



4. WITHDRAWAL OF TENDER

In the event of a Collection agency failing to execute the service in terms of this tender, the Municipality shall be entitled to cancel the contract summarily, in which event the Bidder shall be liable for any additional expense incurred by reason of the Municipality having to call for fresh tenders or having to accept any less favourable tender. Note that a Collection agency is required to commence with audit work within 30 days from date of appointment.

5. COMMISSION

Bid prices will be regarded as fixed and no additional cost will be added. - Bid prices must include disbursements - All prices must be stated in the currency of the Republic of South Africa - no hidden costs will be accepted. The Bidder is expected to indicate the collection fee to be charged in the form of % (commission). The Municipality will only accept a commission percentage that amounts to up to 12%.

Commission up to 12%.	Commission offered by Bidder in % including VAT
	%

6. CESSION OF ASSIGNMENT

Neither the Municipality nor the Bidder shall cede or assign a contract for the required rendering of services or any part thereof or any benefit or interest therein or there under; to third parties.

7. APPLICABLE LAWS

7.1 The appointed Collection agencies shall adhere to all the applicable laws, regulations and policies (when and as amended) during the provision of debt collection services, which includes but is not limited to the following:

7.1.1 Municipal Finance Management Act 56 of 2003.

7.1.2 Preferential Procurement Regulations, 2011.

7.1.3 Supply Chain Management ("**SCM**") Regulations.

7.1.4 Protection of Personal Information Act, No. 4 of 2013 ("**POPI Act**").

7.1.5 Approved Sol Plaatje Local Municipality Policies.



8. GENERAL INSTRUCTIONS

The fees payable to a Collection agency in respect of successful collections shall be based on the following:

1. Collection fee shall be based on the total or adjusted hand over amount actually COLLECTED from debtor in respect of whom the Collection agency has received an instruction to collect, with the exclusion of amounts not included in hand-over instruction. Collection fee shall NOT exceed 12 % commission payable on collections made. Total Collection fee, payable per undefended matter, shall be limited to a maximum of R 100 000 per matter.
2. Defended matter fee shall be based on the actual amount COLLECTED from debtor in terms of successful defence of matter and outcome of Court ruling – excluding any legal costs ruling granted by the Courts. Total Collection fee, payable per matter, shall be limited to a maximum of R 300 000 per defended matter.
3. The successful Bidder will be required to demonstrate capability of their software to interface with the SOLAR and related Financial Management System.
4. This scope of work is applicable to ALL areas within the area of jurisdiction of the Municipality.



FUNCTIONALITY

1. GENERAL CONDITIONS

- 1.1 The tender will be evaluated in terms of the functionality of tender submissions.
- 1.2 No tender will be regarded as an acceptable tender/responsive if it fails to achieve the minimum qualifying score for functionality of **70 points** out of a maximum of **100 points**.
- 1.3 Bidders shall ensure that all relevant information has been submitted with the tender submission to ensure optimal scoring of functionality points.
- 1.4 Bidders that have achieved the minimum qualifying score for functionality shall be evaluated further in terms of the preference point system.
- 1.5 The evaluation of tenders will be done in terms of compliance to the below-mentioned criteria and Bidders can potentially score a total of 100 points for the following:
 - 1.5.1. Ability to assist Municipality with early interventions.
 - 1.5.2. Legal collection knowledge and implementation plan (provide proof of experience)
 - 1.5.3 Company's previous experience on debt collection (attach contactable reference letters on Client's letterhead)
 - 1.5.4. Personnel experience on debt collection
 - 1.5.5. Call centre (categorise with number of calls and agents)
 - 1.5.6. Locality

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



EVALUATION SCORECARD – FUNCTIONALITY

No.	Evaluation Criteria Description	Points per Sub Criteria	Maximum Points Allocated
1. Ability to assist the Municipality with early interventions			
	The Bidder is expected to implement early intervention or a plan and support with evidence of the ability to deploy. (proof of a Valid contract with a licensed service provider)		10
	Bulk SMS/MMS (50 000)	10	
	Bulk E-Mail (50 000)	5	
	Voice Calls (Minimum of 2500 calls per month)	7	
2. Legal collection knowledge and implementation plan (provide proof of experience)			
	Detailed outline of legal collection process and plan with stages/phase implementation. (submit the proof of the below)		10
	Issued letters of demand (two samples)	2	
	Issued Summons (two samples)	3	
	Granted Judgments (two samples)	5	
	Issued Writ of execution (two samples)	7	
	Auctioning of debtor assets (proof from sheriff- two samples)	10	
3. Company's previous experience in debt collection			
	Confirmation of experience by company with verifiable references on successful execution of similar debt collection projects (attach contactable reference letters on Client's letterhead)		20
	1 appointment letter	4	
	2 appointment letters	8	
	3 appointment letters	12	
	4 appointment letters	16	
	5 or more appointment letters	20	
4. Personnel experience in debt collection			
	Experience in a number of years of Legal Team dealing with debt collection (attach detailed curriculum vitae)		15
	1 to 2 years' experience	3	
	2 to 3 years' experience	6	
	3 to 5 years' experience	9	
	5 to 7 years' experience	12	



	Above 7 years' experience	15	
	Experience in number of years of Debtors / Call Center Manager in debt collection projects (attach detailed curriculum vitae)		20
	1 to 2 years' experience	4	
	2 to 3 years' experience	8	
	3 to 4 years' experience	12	
	4 to 5 years' experience	16	
	Above 5 years' experience	20	
5. Call centre (categorise with number of calls and agents)			
	Call Centre Facilities: Valid contract with telecommunications call centre service provider, detailing the number of lines/channels / licence available.		
	Capacity to accommodate 5 to 10 lines	4	15
	Capacity to accommodate 11 to 15 lines	8	
	Capacity to accommodate 16 to 20 lines	12	
	Capacity to accommodate 21 to 30 lines or more	15	
6. Locality			
	The company's previous experience in local economic development and skills transfer within the Sol Plaatje Municipality jurisdiction in projects of a similar nature (attach appointment contracts/letters)		10
	South Africa	3	
	Northern Cape	5	
	Frances Baard	7	
	Within Sol Plaatje Municipality Jurisdiction	10	
	MAXIMUM POINTS TO BE SCORED		100
	MINIMUM POINTS FOR FUNCTIONALITY IS 70 POINTS .		70

THE SUCCESSFUL BIDDER WILL BE REQUIRED TO DEMONSTRATE THE CAPABILITY OF THEIR SOFTWARE TO INTERFACE WITH THE SOLAR AND RELATED FINANCIAL MANAGEMENT SYSTEM.



VALUE ADDED TAX AS WELL AS DELIVERY COSTS TO THE MUNICIPAL STORES MUST BE INCLUDED IN ALL PRICES

THESE BID PRICES WILL HOLD GOOD UNTIL _____

N.B: IF PRICES ARE NOT FIRM, PRICES MUST BE FIXED FOR THE PERIOD OF 12 MONTHS FROM THE DATE OF COMMENCEMENT.

I/WE AGREE TO THE CONDITIONS AS SET OUT IN THE ATTACHED SPECIFICATIONS
AND CONDITIONS OF TENDER

SIGNATURE OF TENDERER: _____

NAME OF COMPANY: _____

ADDRESS: _____

TELEPHONE NO. _____ FAX NO. _____

E-MAIL ADDRESS: _____

AS WITNESSES: 1. _____

2. _____

DATE: _____

N.B: This form must be signed by the bidder and witnessed. Removal of any of the details from the tender documents may disqualify the tender.



Bids MUST comply with the following Special Conditions of the Contract where applicable:

- **Period required for delivery _____ days**

○ Does the offer comply with the specification(s)?

YES	NO
-----	----

○ Delivery basis

YES	NO
-----	----

- **Settlement Discount Allowed**

○ _____ % 30 days

○ _____ % 15 days

- **Value added Tax as well as Delivery Costs to the Municipal Stores must be included in ALL PRICES**

BIDDER SIGNATURE

DATE:



SOL PLAATJE LOCAL MUNICIPALITY

CONTRACT REF NO: FIN/REV03/2024 - PROVISION OF DEBT COLLECTION SERVICES

METHOD OF PRICING AND PRICE ADJUSTMENTS

THIS BID WILL NOT BE CONSIDERED IF ONE OF THE FOLLOWING OPTIONS OF THIS DOCUMENT (MBD 3.2) IS NOT SELECTED AND FULLY COMPLETED

PLEASE INDICATE IF PRICES ARE FIRM OR NOT FIRM FOR THE DURATION OF THIS CONTRACT.

SELECT NUMBER 1 OR NUMBER 2

1. Prices are firm for the duration of this contract (including prices subject to Rates of Exchange or any other reasons) Variations will not be considered.

N.B.: AS FROM THE CLOSING DATE OF THE BID, BASE PRICES SHALL REMAIN FIRM FOR THE DURATION OF THE CONTRACT

2. Prices not firm for the duration of this contract and price variations are applicable

If prices are not firm and number 2 was selected, COMPLETE OPTIONS (A, B or C). One of the options MUST be selected if prices are not firm. Note that only one of the options can be applied to any one of the activities listed in the schedule of quantities and the bidder should clearly indicate the item numbers for options B and C Escalation (Option A) will be calculated on all items which are not listed in options B or C

N.B.: AS FROM THE CLOSING DATE PRICES MUST HOLD GOOD FOR AT LEAST 12 MONTHS OF THE DURATION OF THE CONTRACT BEFORE ANY PRICE ADJUSTMENTS COULD BE SUBMITTED.

- A. **NON-FIRM PRICES SUBJECT TO ESCALATION**

1. In cases of period contracts, non-firm prices will be adjusted with the assessed contract price adjustments implicit in non-firm prices when calculating the comparative prices
2. The value of each monthly statement for payment shall be increased or decreased by the amount obtained by multiplying the tender rate for a scheduled item "A_i" by the Contract Price Adjustment Factor for the specific item, rounded off to the fourth decimal place, determined according to the formula:



$$Pa = (1-V)Pt \left(D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + D4 \frac{D4t}{D4o} \right) + VPt$$

Where:

- Pa = The new escalated price to be calculated.
 (1-V)Pt = 85% of the original bid price. **Note that Pt must always be the original bid price and not an escalated price.**
 D1, D2.. = Each factor of the bid price e.g. labour, transport, clothing, footwear, etc. The total of the various factors D1, D2...etc. must add up to 100%.
 R1t, R2t..... = Index figure obtained from new index (depends on the number of factors used).
 R1o, R2o = Index figure at time of bidding.
 VPt = 15% of the original bid price. This portion of the bid price remains firm i.e. it is not subject to any price escalations.

3. The following index/indices must be used to calculate your bid price:

Index..... Dated..... Index..... Dated..... Index..... Dated.....

Index..... Dated..... Index..... Dated..... Index..... Dated.....

4. FURNISH A BREAKDOWN OF YOUR PRICE IN TERMS OF ABOVE-MENTIONED FORMULA. THE TOTAL OF THE VARIOUS FACTORS MUST ADD UP TO 100%.

FACTOR (D1, D2 etc. e.g. Labour, transport etc.)	PERCENTAGE OF BID PRICE

B. PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

1. Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

PARTICULARS OF FINANCIAL INSTITUTION	ITEM NO	PRICE	CURRENCY	RATE	PORTION OF PRICE SUBJECT TO ROE	AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		



2. Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE

C. None firm prices based on documentary evidence (including actual supplier's invoices, motivations and letters of confirmation from the bidder's supplier)

I/WE AGREE TO THE CONDITIONS AS SET OUT IN THE ATTACHED SPECIFICATIONS AND CONDITIONS OF BIDDER

SIGNATURE OF BIDDER: _____

NAME OF COMPANY: _____

ADDRESS: _____

CELL TELEPHONE NO: _____ FAX NO. _____

E-MAIL ADDRESS: _____

AS WITNESSES: 1. _____ Name Print _____

2. _____ Name Print _____

DATE _____

N.B: THE MBD 3.2 IS MANDATORY MUST BE COMPLETED AND SIGNED BY THE BIDDER AND WITNESSES

AMENDMENTS AND ALTERATIONS: ANNEXURE A

If the bidder desires to amend, vary or alter any of the specifications, conditions of contract, schedule of prices, he/she is to state so hereunder and is to set out clearly the details and character of any amendments, variations or alterations he proposes, together with the variation in cost from his bid price, if there be any variation.

Unless noted in this page when bidding or supported by a covering letter attached to this bid, no variations or alterations which the bidder desires to put forward or into effect, will be executed strictly in accordance with these documents.

SIGNATURE OF BIDDER _____

DATE: _____

ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:

Municipality / Municipal Entity: _____

Department: _____

Contact Person: _____

Tel: _____ Cell: _____

Fax: _____

ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:

Department: _____

Contact Person: _____

Tel: _____ Cell: _____

Email address: _____



DECLARATION OF INTEREST

BIDDERS WHO FAIL TO DECLARE ACCURATELY AND HONESTLY SHALL BE DISQUALIFIED. SHOULD YOUR INTEREST BE DISCOVERED AFTER THE AWARD OF THE CONTRACT THE MUNICIPALITY SHALL TERMINATE YOUR CONTRACT ON THE BASIS OF THE ABOVE.

1. No bid will be accepted from persons in the service of the State¹. (Employed by the State)
2. Any person, having a kinship with persons in the service of the State (Employed by the State), including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.

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

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

3.2 Identity Number: _____

3.3 Position occupied in the Company (director, trustee, hareholder²) _____

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? (Employed by the State)?

YES	NO
-----	----

3.8.1 If yes, furnish particulars _____

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

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

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



3.9 Have you been in the service of the State (employed by the State) for the past twelve months?

YES	NO
-----	----

3.9.1 If yes, furnish particulars

3.10 Do you have any relationship (family, friend, other) with persons in the service of the State (employed by 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 (employed by 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 the service of the State (employed by 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 THE SERVICE OF THE STATE (EMPLOYED BY 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, provide information of other companies as reflected on CSD report:

DISCLOSE THE INFORMATION OF THE OTHER COMPANIES IN THE BELOW TABLE OR ATTACH THE FULL CSD REPORT/ CIPC DOCUMENT FOR DIRECTORS.

No#	Name of Director	Other Company name	CSD Number
1.			
2.			
3.			
4.			
5.			

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

Full Name	Identity Number	State Employee Number

DECLARATION

I, THE UNDERSIGNED (NAME) _____

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

I ACCEPT THAT THE MUNICIPALITY MAY REJECT THE BID OR ACT AGAINST ME / COMPANY SHOULD THIS DECLARATION PROVE TO BE FALSE.

Signature

Date

Position

(Print) Name of bidder

THE MBD4 IS MANDATORY MUST BE COMPLETED AND SIGNED BY THE BIDDER

BIDDER MUST UPDATE MBD 4 DOCUMENT ANNUALLY IN LINE WITH SCM POLICY.



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

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

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

1. GENERAL CONDITIONS

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

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

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

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

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

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

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

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

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



2. DEFINITIONS

- (a) “**tender**” means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) “**price**” means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) “**rand value**” means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) “**tender for income-generating contracts**” means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) “**the Act**” means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

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

Where

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

3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

3.2.1. POINTS AWARDED FOR PRICE

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

$$Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right) \quad \text{or} \quad Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmax = Price of highest acceptable tender



4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,
- then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.)

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Ownership 80/20		20	-	
<51%	-	4	-	
>51% <100%	-	6	-	
100%	-	10	-	
Locality	-	10	-	
Total points	-	20	-	

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium



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

[TICK APPLICABLE BOX]

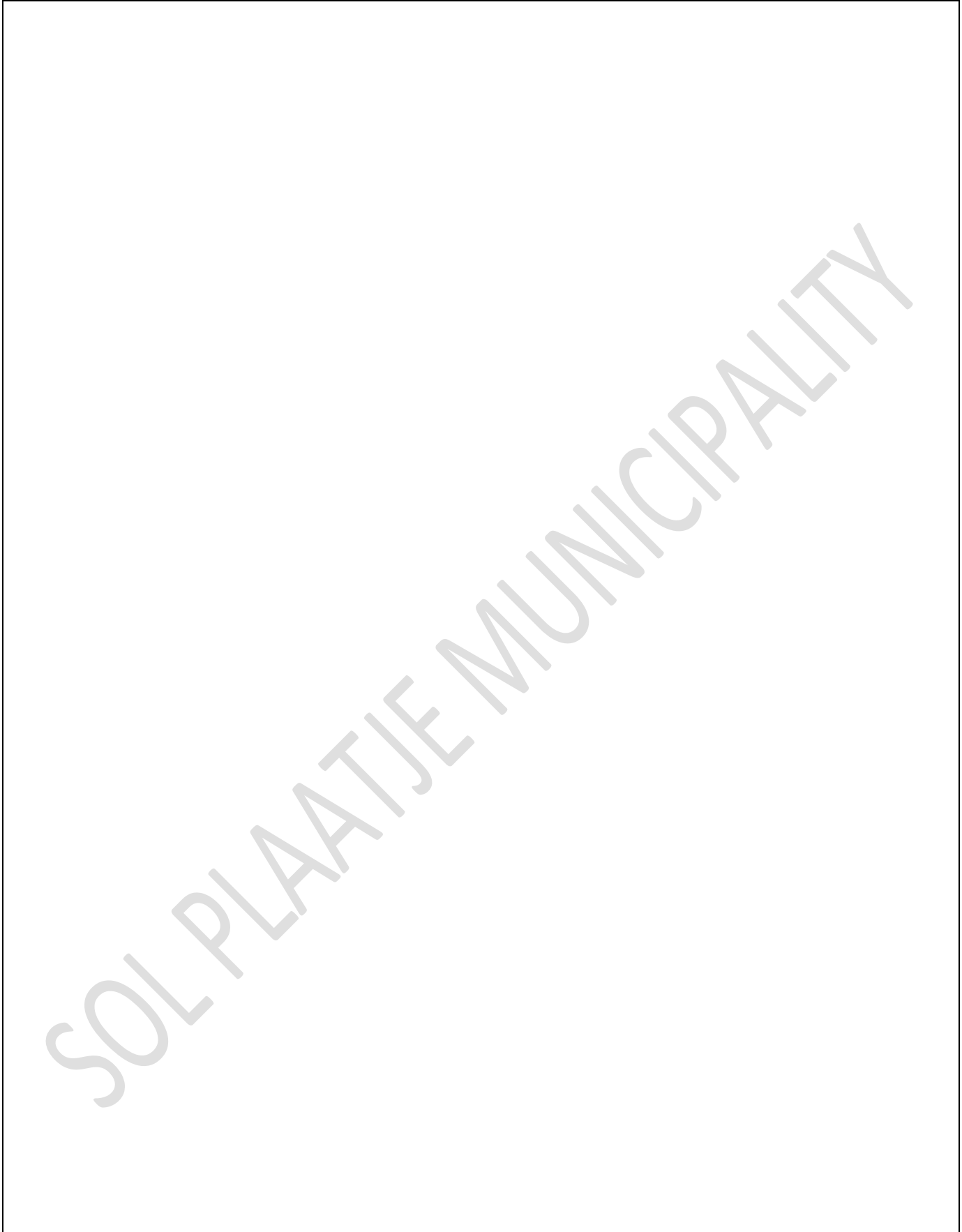
4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- 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 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering 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 tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution, if deemed necessary.

.....	
SIGNATURE(S) OF TENDERER(S)	
SURNAME AND NAME:
DATE:
ADDRESS:



ATTACHED CERTIFIED COPY OF THE B-BBEE / SWORN AFFIDAVIT CERTIFICATE HERE





MBD 6.1.1

What are the other firms' principal business activities? _____

Describe all property agreements relating to facilities shared:

FACILITY	MONTHLY	RENTAL	AMOUNT	OWNER	AGREEMENT VERBAL/WRITTEN

(F) Did the firm exist under a previous name? (✓ tick one box)

Yes No

If yes, what was its previous name and who were the owners/ partners/directors?

(G) Identify any owner or shareholder who has membership interest, or is an employee of, or has duties in another business enterprise, which has also tendered for this contract.

OWNER/ SHAREHOLDER	NAME & ADDRESS OF OTHER FIRM	TITLE IN OTHER FIRM	% OWNERSHIP	TYPE OF BUSINESS OF OTHER FIRM

(H) Is this a joint venture contract? (✓ tick one box)

Yes No

If yes, describe the joint venture (with what firm and value of work)



MBD 6.1.1

The undersigned, who warrants that he/she is duly authorised to do so on behalf of the firm, affirms that:

- (i) the information furnished is true and correct;
- (ii) no part of this contract, other than stated at the time of bid or application, will be subcontracted to other parties.
- (iii) the signatory to the bid document is duly authorised thereto;
- (iv) documentary proof regarding any bidding issues will, when required, be submitted to the satisfaction of the Municipality.
- (v) Upon detecting any false claim or statement will result in the de-registration and the bidder will be prevented from participating in future contracts for a period of three (3) years.

N.B: THE MBD 6.1.1 IS MANDATORY MUST BE COMPLETED AND SIGNED BY THE BIDDER AND WITNESSES

SIGNATURE: _____

NAME: (PRINT) _____

DULY AUTHORISED TO SIGN ON BEHALF OF _____

ADDRESS _____

TELEPHONE NO. _____

DATE _____

WITNESS (1) _____ NAME (PRINT) _____

WITNESS (2) _____ NAME (PRINT) _____



DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

Penalty: -

Upon detecting any false claim or statement hereunder will result in the bidder's de-registration and the bidder will be prevented from participation in future contracts for a period of three (3) years.

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

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



MBD 8

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME) _____

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

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

N.B: THE MBD 8 IS MANDATORY MUST BE COMPLETED AND SIGNED BY THE BIDDER AND WITNESSES

Signature

Date

Position

Name of Bidder

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

NAME (PRINT) _____

CAPACITY _____

SIGNATURE _____

NAME OF FIRM _____

DATE _____

WITNESSES

1 _____

Name Print _____

2 _____

Name Print _____



CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Municipal Bidding Document (MBD) must form part of all bids 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). Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
 - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
 - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that 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:

Includes price quotations, advertised competitive bids, limited bids and proposals.

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



CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Ref Number and Description)

in response to the invitation for the bid made by:

(Name of Institution)

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 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.

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.

N.B: THE MBD 9 IS MANDATORY MUST BE COMPLETED AND SIGNED BY THE BIDDER AND WITNESSES

_____	_____
Signature	Date
_____	_____
Position	Name of Bidder (print)

WITNESS (1) _____ NAME (PRINT) _____

WITNESS (2) _____ NAME (PRINT) _____



SOL PLAATJE LOCAL MUNICIPALITY

GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

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

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

- The General Conditions of Contract will form part of all bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, will be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.



TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty / Guarantee
16. Payment
17. Prices
18. Contract amendments
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Dumping and countervailing duties
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



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. Within the Northern Cape Province the closing hour will be 10H00, as per Post Office official time.
 - 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 supplies are so delivered and a valid receipt is obtained.
 - 1.11 **“Dumping”** occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
 - 1.12 **“Force majeure”** means an event beyond the control of the supplier and not involving the supplier’s fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
 - 1.13 **“Fraudulent practice”** means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
 - 1.14 **“GCC”** means the General Conditions of Contract.
 - 1.15 **“Good standing”** means not being blacklisted or involved in illegal activities ,must comply with Sol Plaatje Municipality Credit Control Policy with regard to payments for services , and must have satisfactorily complied with present and previous contractual obligations.
 - 1.16 **“Goods”** means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
 - 1.17 **“Imported content”** means that portion of the bidding price represented by the cost of components, parts or materials which



have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

- 1.18 **“Local content”** means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.19 **“Manufacture”** means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.20 **“Order”** means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.21 **“Project site,”** where applicable, means the place indicated in bidding documents.
- 1.22 **“Purchaser”** means the organization purchasing the goods.
- 1.23 **“Republic”** means the Republic of South Africa.
- 1.24 **“SCC”** means the Special Conditions of Contract.
- 1.25 **“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.
- 1.26 **“Written” or “in writing”** means handwritten in ink or any form of electronic or mechanical writing. Faxed bid documents will not be accepted as well as e-mailed bid documents, unless stated as such in the invitation to bid or contract.

2. Application

- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.1 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.

4. Standards

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

5. Use of Contract documents and information; inspection.

- 5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.



5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights

6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

7. Performance security

7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

- (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
- (b) a cashier's or certified cheque

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC. The above excludes construction contracts/road repairs, civil, mechanical and electrical works.

8. Inspections, tests and analyses

8.1 All pre-bidding testing will be for the account of the bidder.

8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Sol Plaatje Municipality or an organization acting on behalf of the Sol Plaatje Municipality.

8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.



8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

9. Packing

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

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

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

10.2 Documents to be submitted by the supplier are specified in SCC.

11. Insurance

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

12. Transportation

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

13. Incidental services

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

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

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

14. Spare parts

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

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
 - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure



- needed requirements; and
- (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty / Guarantee

- 15.1 The supplier warrants or guarantees (which applicable to be indicated) that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.
- 15.2 This warranty or guarantee (which applicable to be indicated) shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.
- 15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty / guarantee.
- 15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

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

18. Contract amendments

- 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.

19. Assignment

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

20. Subcontracts

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



21. Delays in the supplier's performance

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.
- 21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.
- 21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

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

23. Termination for default

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

24. Anti-dumping and countervailing duties and rights

- 24.1 When, after the date of bid, provisional payments are required, or 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, Sol Plaatje Municipality 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 favorable difference shall on demand be paid forthwith by the contractor to Sol Plaatje Municipality or Sol Plaatje Municipality may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

25. Force Majeure

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

28. Limitation of liability

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

29. Governing language

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



30. Applicable law

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

31. Notices

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

32. Taxes and duties

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid Sol Plaatje Municipality must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.



ATTACH ALL ANNEXURES HERE

SOL PLAATJE MUNICIPALITY