



**higher education  
& training**

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REPUBLIC OF SOUTH AFRICA

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*Let the future be known*

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**UMFOLOZI TVET COLLEGE (TVET)**

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**REQUISITION FOR THE SUBMISSION OF BIDS FOR  
THE PROVISION OF  
INSURANCE SERVICES AT  
CENTRAL OFFICE**

**BID NO: UMFCO 007/2022**

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## SECTION A

### 1. OVERVIEW

- 1.1 UMFOLOZI TVET COLLEGE hereby calls for submission of bids for the provision of **INSURANCE SERVICES**.
- 1.2 Bid Number: **UMFCO 007/2021**
- 1.3 Term of contract: **05 YEARS**
- 1.4 Collection Date: **18 AUGUST 2022**
- 1.5 The closing date: **22 SEPTRMBER 2022**
- 1.6 Availability of tender box: During office hours **MON. TO THUR. 07H30 TO 16H00 AND AT FRIDAY 07H30 TO 13H00.**
- 1.7 Joint bids and/or consortiums will not be considered. Firms have to bid in their own names.
- 1.8 The successful Bidder will be notified **a four weeks after adjudication committee.** bearing in mind that the college reserves the right to reject any or all bids, and / or not to appoint any Bidder/s.

### 2. TERMS OF ENGAGEMENT

- 2.1 This contract will be effective from **01 NOVEMBER 2022** for a period of Five years. The contract may be extended for a further period, not exceeding Five years, at any one time following satisfactory delivery of services specified in the bid, but solely at the discretion of the College Council.
- 2.2 It is expected of the service provider to meet all requirements and responsibilities as explained in the SCOPE OF WORK (Section A sub section 10).
- 2.3 Should service delivery be poor and not in keeping with the scope of work, during the contract period, this contract will be terminated

**3. TRACK RECORD**

3.1 The Bid must provide information that will assist the College to assess the service provider’s capabilities, capacity, competitive advantages, etc.

**4. PRICING SCHEDULE**

4.1 The Bid must submit a **comprehensive and detailed cost showing total cost of services provided per annum inclusive of value added tax (VAT).**

4.2 The Bidder that does not include the price schedule as requested will be disqualified.

**5. EVALUATION**

5.1. The College will apply the **90:10 Preference Point System** in the evaluation of bids.

5.2. Points awarded for B-BBEE status level of contribution (Regulation 6 (2) of the Preferential Procurement Regulations

B-BBEE status level of contributor	Number of points (90/10 system)
1	10
2	9
3	8
4	5
5	4
6	3
7	2
8	1
Non-compliant contributor	0

UMFOLOZI TVET COLLEGE reserves the right not to accept the lowest bid, or any other response submitted

## 6. CONDITIONS FOR BID

6.1. All Bidders responding to this request must meet the following conditions in order to be considered:

- 6.1.1. be registered on the CSD (Central Supplier Database);
- 6.1.2. complete all documentation in black ink;
- 6.1.3. supply Company/CC registration certificate;
- 6.1.4. provide certified copies of ID documents of owner/s of the company;
- 6.1.5. submit a covering letter clearly stating the name of the company, and the name, address, and telephone number of the bid's representative;
- 6.1.6. make a statement concerning the independence of the proposer, including ANY relationship of the proposed Bidder to employees of the College;
- 6.1.7. submit the latest tax compliance pin of the company / CC obtained from the SA Revenue Services;
- 6.1.8. submit ALL annexures as stipulated on page 2 of this bid document;
- 6.1.9. the Bidder that does not include the price schedule as requested will be disqualified;
- 6.1.10. each bid document supplied is for the Bidder only and may not be copied and submitted by another service provider;
- 6.1.11. the College will not be liable for any cost incurred in the preparation of bids;
- 6.1.13. the College reserves the right to visit the premises of the Bidder if deemed necessary; and
- 6.1.14. Any false declaration of information will result in the exclusion of the bid from consideration.

**7. PROCEDURE FOR SUBMITTING BIDDERS**

- 7.1. Bids must reach UMFOLOZI TVET COLLEGE (**Central Office**) on **22 SEPTEMBER 2022 before 12H00**. All bids must be enclosed in a sealed envelope and marked clearly with the bid number total price must be written on the sealed envelope.
- 7.2. Bids must be delivered to the College (tender box provided in the reception area). **Bids submitted electronically and faxed will not be considered.**
- 7.3. Bids to be **hand delivered** to the following address:

<b>UMFOLOZI TVET COLLEGE – CENTRAL OFFICE</b>
Address: <b>58 Naboomnek Street, Arboretum, via Richardia, Richards Bay</b>

**7.4 THE FOLLOWING INFORMATION MUST BE CLEARLY MARKED ON THE ENVELOPE:**

**BID NUMBER: UMFCO 007/2022**

**Total Price Quoted: .....**

**THE DESCRIPTION OF THE WORK:**

**PROVISION OF INSURANCE SERVICES AT CENTRAL OFFICE**

- 7.5 Submit **ONE (1) COPY** of the bid in a **bound** and **sealed** envelope.

## 8. ASSISTANCE TO BIDDERS

- 8.1 Any person wishing to obtain additional information about the request for proposal or about the operations of the College may contact the following person during office hours (Mon. to Thu. 07H30 – 16H00 and Fri. 07H30 – 13H00).

Contact Person
<b>Name:</b> Nhlanhla Biyela
<b>Tel:</b> 035 902 9501 / 133
<b>Email:</b> <a href="mailto:Nhlanhla.biyela@umfolozi.edu.za">Nhlanhla.biyela@umfolozi.edu.za</a>
<b>Address:</b> 58 Naboomnek Street, Arboretum, via Richardia, Richards Bay, 3900

## 9. BID PROCESS

Bid Advert	15 August 2022
Bid documents available from Central Office	58 Naboomnek Street, Arboretum, via Richardia, Richards Bay
Collection date	18 August 2022
Availability of tender box	Central Office, Reception, 58 Naboomnek Street, Arboretum, Richards Bay
Closing date	22 September 2022
Bid Evaluation Committee meeting	05 – 11 October 2022
Bid Adjudication Committee meeting	12 – 14 October 2022
Awarding of contract	28 October 2022
Contract inception date	01 November 2022
Contract expiry date	31 October 2027

## **10. SCOPE OF WORK AND RESPONSIBILITIES**

### **10.1 Bill of Quantities and technical Specification**

#### **DESCRIPTION: SHORT TERM INSURANCE AND RISK MANAGEMENT SERVICES**

##### **10.1.1 PURPOSE**

The purpose is to appoint an Intermediary with vast experience in the municipal short term insurance field to provide Short Term Insurance and Risk Services to council for the period of five years as from 01<sup>st</sup> of November 2022 to 31<sup>st</sup> of October 2027 with an annual performance review based on deliverables.

##### **10.1.2 BACKGROUND**

Council must minimize its risks by ensuring the allocation of risk to the party best suited to manage dual risk, and that all its assets are insured under the following asset classes:

- Buildings combined
- Office contents
- Business all risks
- Theft
- Money
- Commercial Crime
- Stated Benefits
- Electronic equipment
- Motor Fleet
- Public and employees liability
- Marine and aircraft
- Contractors All Risk
- Business Interruption
- Glass
- Accidental Damage
- Goods in Transit
- Group Personal Accident
- Machinery Breakdown
- Directors and Officers Liability
- SASRIA for Councilors
- SASRIA



### 10.1.3 CONTRACT OBJECTIVES, ASSUMPTIONS AND RISKS

Bids may only be submitted on the official bid format.

1. Bidders may approach all service providers who comply with the relevant statutory solvency and related requirements.
2. Bidders' proposals should be accompanied by a detailed summary of the salient features of their recommended insurance and risk mitigation structures.
3. Support for the bidders' proposals should be evidenced by confirmation of agency agreements with insurers.
4. All fees are to be rounded off to the next full rand, the successful bidder will be given all required underwriting information once service level agreement has been signed with the College.
5. Bidders' proposals should be accompanied by a detailed broker fees to be charged in Year 1.
6. The bidder must disclose the Insurers/Reinsurers/Service Providers or consortium on each policy type as well as the type of policy wording as indicated in bid documents.
7. The bidder must submit their BEE rating done by an external independent rating agency which is accredited by SANAS or relevant affidavit.
8. The bidder must provide proof of placing assets above R20 billion Rands.
9. The bidder must provide proof of access to Lloyd's Market.
10. The bidder must have Professional Liability and Fidelity cover of R300 Million.
11. The bidder must have 10 years' experience in placing College and Public sector clients.
12. Will the bidder be outsourcing more than 25% of their services to other parties? (If yes, please provide equity ownership and HDI status of the beneficiary partner(s) to whom part of the contract will be outsourced). Also indicate which portion of the service will be outsourced
13. Name five local authorities where the bidder are applying risk management, risk control and risk financing solutions to (attach proof)?
14. Has the bidder been appointed in the past (3) three years as an Intermediary for short term insurance on a portfolio in excess of R20 billion assets. (if yes, must provide the names of these clients)
15. Has the bidder been appointed as an Intermediary for short term insurance on a college portfolio in the past 3 (three) years? (if yes, must provide the names of these clients)
16. Has the bidder dealt with individual claims in excess of R250 000 in the past 3 (three) years? (if yes, must provide the names of these clients)
17. Does the bidder have an electronic insurance claims handling system?
18. Has this electronic insurance claims handling system been implemented with the bidders' other clients? (if yes, must provide the names of these clients)
19. Failure to comply with the above requirements may render the Bid invalid at the option of the Council.
20. This contract will be valid from \_\_\_\_\_ to \_\_\_\_\_.

#### 10.1.4 Terms of appointment

The appointment of an Intermediary shall be for a 3 year period. It will be expected from the Intermediary to enter into a performance agreement for the period of appointment with the municipality to achieve this goal. Should the service provider or intermediary not perform according to the agreement, the municipality reserves its right to terminate the contract.

#### 10.1.5 Contract Objectives, Assumptions and Risks

- Bids may only be submitted on the official bid format
- Bidders may approach all service providers complying with the relevant statutory solvency and other requirements
- Bidders proposals should be accompanied by a detailed summary of their recommended insurance and risk mitigation structure(s)
- Support for the bidders' proposals should be evidenced by a signed participation confirmation from the Service Provider(s)/Insurers/Reinsurers who will support their recommended structure and the terms, conditions and exceptions proposed by renderer.
- The bidder must disclose the Service Provider(s)/Insurer or consortium of service providers on each policy wording as indicated in bid documents.
- Failure to comply with the above requirements may render the Bid invalid at the option of the council.

***This contract will be valid for the period of three years from the date of appointment***

#### 10.1.6 Services required:

Key Performance	Deliverable
1. Post renewal	1.1 Assist in scrutinizing the premium invoices for correctness as per underwriters bid
	1.2 Assist with the finalization and submission of policy documentation and endorsements
	1.3 Preparation and submission of executive insurance summary
	1.4 Workshopping of executive insurance summary with <b>uMfolozi TVET College</b> insurance and risk management officials to ensure proper understanding of policy wording, limits excesses, categories and sections within portfolio.

2. Claims Management system	<p>2.1 The system should have the following minimum requirements:</p> <ul style="list-style-type: none"> <li>- The system should be web based</li> <li>- The system should be windows formats</li> <li>- The system should be able to store documents in any of the windows formats</li> <li>- The system should function on a real time basis</li> <li>- The system should be fax and email integratable</li> </ul> <p>The system should be able to generate reports and management information on an as and when required basis</p>
	2.2 Attendance of ad - hoc claims management meetings as and when required with <b>uMfolozi TVET College</b> or underwriters
3. Liaison between the insurance claims administration services provider and <b>uMfolozi TVET College</b>	3.1 Attendance of monthly portfolio and loss control meetings as and when required (to be facilitated by account executive)
	3.2 Provide expert insurance related or underwriting advice to the <b>uMfolozi TVET College</b> upon request
	3.3 Submission of claims analysis and age analysis reports
4. Loss control and risk management	4.1 Formulate proposals to remedy loss problem areas in monthly report format
	4.2 Assist in applying / introducing remedial measures
	4.3 Pro - active management of loss control and risk preventative measures
	4.4 Develop, negotiate and implement loss control benchmarks of the management and measurement of loss control measures implemented
	4.5 Reporting on achievement of benchmarks and actual results
5. Risk Evaluation	5.1 Complete uninsurable risk evaluation process
	5.2 Submit report with proposed remedial actions
	5.3 Implementation of remedial actions
	5.4 Review <b>uMfolozi TVET College</b> exiting underwriting questionnaires to assist in compiling new ones where

	required
6. Run - up to next renewal	6.1 Verification / review exposures, limits, sum insureds, risk financing structures and advise on possible / improvements adjustments
	6.2 Participates in advisory capacity during renewal negotiations between <b>uMfolozi TVET College</b> and underwriters. Formulate opinion and suggestions in report format

### 10.1.7 Insured value and claims experience

The enclosed attached present the asset values for the period 01 November 2022 up to 31 October 2027. Endorsements if necessary will be done during the year.

### 10.5 Contract Objectives, Assumptions and Risks

- Bids may only be submitted on the official bid format
- Bidders may approach all service providers complying with the relevant statutory solvency and other requirements
- Bidders proposals should be accompanied by a detailed summary of their recommended insurance and risk mitigation structure(s)
- Support for the bidder's proposals should be evidenced by a signed participation confirmation from the Service Provider(s)/Insurers/Reinsurers who will support their recommended structure and the terms, conditions and exceptions proposed by renderer.
- The bidder must disclose the Service Provider(s)/Insurer or consortium of service providers on each policy wording as indicated in bid documents.
- Failure to comply with the above requirements may render the Bid invalid at the option of the council.
- This contract will be valid for the period of three years from the date of appointment.

### 10.6 Risk Services

Bidders must supply proposed solutions pertaining to the advice, recommendations in terms of service delivery, regulations and insurability, amongst others should at least include:

- Pricing model
- Risk Management framework
- List of Deliverables

## SECTION B

### SPECIAL INSTRUCTIONS AND NOTICES TO TENDERERS REGARDING THE COMPLETION OF TENDER FORMS

PLEASE NOTE THAT THIS TENDER IS SUBJECT TO TREASURY REGULATIONS 16A ISSUED IN TERMS OF THE PUBLIC FINANCE MANAGEMENT ACT, 1999, THE KWAZULU-NATAL SUPPLY CHAIN MANAGEMENT POLICY FRAMEWORK AND THE GENERAL CONDITIONS OF CONTRACT.

1. Unless inconsistent with or expressly indicated otherwise by the context, the singular shall include the plural and vice versa and with words importing the masculine gender shall include the feminine and the neuter.
2. Under no circumstances whatsoever may the tender forms be retyped or redrafted. Photocopies of the original tender documentation may be used, but an original signature must appear on such photocopies.
3. The tenderer is advised to check the number of pages and to satisfy himself that none are missing or duplicated.
4. Tenders submitted must be complete in all respects.
5. Tenders shall be lodged at the address indicated not later than the closing time specified for their receipt, and in accordance with the directives in the tender documents.
6. Each tender shall be addressed in accordance with the directives in the tender documents and shall be lodged in a separate sealed envelope, with the name and address of the tenderer, the tender number and closing date indicated on the envelope. The envelope shall not contain documents relating to any tender other than that shown on the envelope. If this provision is not complied with, such tenders may be rejected as being invalid.
7. All tenders received in sealed envelopes with the relevant tender numbers on the envelopes are kept unopened in safe custody until the closing time of the tenders. Where, however, a tender is received open, it shall be sealed. If it is received without a tender number on the envelope, it shall be opened, the tender number ascertained, the envelope sealed and the tender number written on the envelope.
8. A specific box is provided for the receipt of tenders, and no tender found in any other box or elsewhere subsequent to the closing date and time of tender will be considered.
9. No tender sent through the post will be considered if it is received after the closing date and time stipulated in the tender documentation, and proof of posting will not be accepted as proof of delivery.
10. No tender submitted by telefax, telegraphic or other electronic means will be considered.
11. Tendering documents must not be included in packages containing samples. Such tenders may be rejected as being invalid.
12. Any alteration made by the tenderer must be initialed.
13. Use of correcting fluid is prohibited
14. Tenders will be opened in public as soon as practicable after the closing time of tender which may not be the closing date.

## SECTION C

### REGISTRATION ON THE CENTRAL SUPPLIERS DATABASE

1. In terms of the Central Supplier Database's Supply Chain Management Policy Framework, all suppliers of goods and services to the college are required to register on the CSD (Central Supply Database).
2. If you wish to apply for registration, forms are obtainable from CSD **website Address**
3. If a business is registered on the Database and it is found subsequently that false or incorrect information has been supplied, then the college may, without prejudice to any other legal rights or remedies it may have;
  - 3.1 it's will lead to disqualification,
  - 3.2 cancel a tender or a contract awarded to such supplier, and the supplier would become liable for any damages if a less favourable tender is accepted or less favourable arrangements are made.
4. **The same principles as set out in paragraph 3 above are applicable should the supplier fail to request updating of its information on the CSD (Central Suppliers Database, relating to changed particulars or circumstances.**
5. Application for registration must be submitted to the Provincial Treasury. IF THE SUPPLIER IS NOT REGISTERED AT THE CLOSING TIME OF BID, THE SUPPLIER IS REQUIRED TO SUBMIT A COPY OF THE REGISTRATION APPLICATION FORM, TOGETHER WITH THE BID DOCUMENTATION, TO THE RESPECTIVE COLLEGE INVITING BIDS.

## SECTION D

### TAX CLEARANCE PIN REQUIREMENTS

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

1. In order to meet this requirement, tenderers are required to complete in full the TCC 001 form "Application for a Tax Compliance Status Pin" and submit it to any SARS branch office nationally. The Tax Compliance Status Pin Requirements are also applicable to foreign tenderers/individuals who wish to submit tenders.
2. SARS will then furnish the tenderer with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval. Copies of TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website [www.sars.gov.za](http://www.sars.gov.za).
3. The copy of Tax Clearance Certificate must be submitted together with the tender. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the tender.
4. In bids where Consortia/Joint Ventures/Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
5. Copies of the TCC 001 "Application for a tax Certificate" form are available from any SARS branch office nationally or on the website [www.sars.gov.za](http://www.sars.gov.za)
6. Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website [www.sars.gov.za](http://www.sars.gov.za).

## MINIMUM REQUIREMENTS

The following are minimum requirements:

Please ensure that all the documents listed below are included in your bid and filed in the order listed below. Failing to attach any of below document as stipulated and failing to complete annexure A to J will lead to disqualification.

### PROVISION OF INSURANCE SERVICES AT CENTRAL OFFICE

*Non adherence to these minimum requirements will result in disqualification of the renderer*

Documentation required:	✓	O U
Covering letter on company letter head		
Annexure A: SBD1 Invitation to bid		
Annexure B: Shareholders/ownership details		
Annexure C: SBD4 Declaration of interest		
Annexure D: Official briefing session/site inspection certificate		
Annexure E: Authority to sign a bid		
Annexure F: Conditions of bid		
Annexure G: SBD 8 Declaration of bidder's past supply chain management practices		
Annexure H: SBD9 Certificate of independent bid determination		
Annexure I: Executive summary of costing (inclusive of VAT)		
Annexure J: SBD 6.1 Preference points claim form		
Annexure K: References Schedule and Letters of reference.		
<b>South African based on Insurer agency contract (Attach Proof)</b>		
<b>Company registration certificate</b>		
<b>Company Profile</b>		
<b>VAT Registration Certificate</b>		
<b>Valid Tax Clearance Certificate / Tax Compliance Pin</b>		
<b>Registration with the FSCA/FSB (Attach Proof)</b>		
<b>Registration of Financial Intermediaries Association (FIA) (Attach Proof)</b>		
<b>Registration with The Institute of Risk Management - South Africa (IRMSA) (Attach Proof)</b>		
<b>BBBEE accreditation (Attach Proof)</b>		
<b>Institute of independent directors' certification for the entity and directors</b>		
<b>ID Copies of owners certified within 03 months</b>		
<b>Proof of Professional Indemnity of R300 Million</b>		
<b>Proof of access to Lloyds Market</b>		
<b>Provide B degree in Insurance and Risk Management for accounts Manager and Director(s)</b>		
<b>Provide confirmation letters of three of the highest value claims in excess of R 20 Million</b>		
<b>Provide reference letters where the broker has conducted brokerage services and claims management services</b>		
<b>Original company utility bill not older than 03 months, letter from Ward Councilor, Bank Statement with address original, Eskom bill, Telephone Bill and Rates (only acceptable)</b>		
<b>Central Supplier Database Summary Report not older than 03 months</b>		
<b>Audited Annual Financial Statement 2021</b>		
<b>NB! THE BID DOCUMENT MUST BE COMPLETED IN FULL</b>		



# ANNEXURE A TO J

ANNEXURE A

SBD 1

## INVITATION TO BID

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF UMFOLOZI TVET COLLEGE**

**BID NUMBER: UMFCO 007/2022**

**CLOSING DATE: 22 SEPTEMBER 2022**

**CLOSING TIME: 12H00**

**DESCRIPTION: PROVISION OF INSURANCE SEVICRES AT CENTRAL OFFICE – UMFOLOZI TVET COLLEGE**

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

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

***Address: Reception, Central Office, Naboomnek Street, Arboretum, via Richards, Richards Bay***

**Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration.**

The bid box is open during office hours from **07H30 to 16H00 Monday to Thursday and at 07H30 to 13H00 on Fridays**

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

**THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT**

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

NAME OF BIDDER.....

POSTAL ADDRESS.....

STREET ADDRESS.....

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

CELLPHONE NUMBER.....

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

E-MAIL ADDRESS.....

VAT REGISTRATION NUMBER.....

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN SUBMITTED?  
(SBD 2)

**YES or NO**

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

**YES or NO**

IF YES, WHO WAS THE CERTIFICATE ISSUED BY? (tick the applicable block)

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

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

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS / SERVICES / WORKS OFFERED? **YES or NO** [IF YES ENCLOSE PROOF]

SIGNATURE OF BIDDER .....

DATE .....

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

TOTAL BID PRICE (including all taxes in relevant) .....

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

**Technical Contact Person: Thulani Ngwenya**

**Tel: 035 902 9501 / 178**

**Fax: 035 789 2585**

**E-mail address: [Thulani.ngwenya@umfolzi.edu.za](mailto:Thulani.ngwenya@umfolzi.edu.za)**

**ANNEXURE B**

**SHAREHOLDERS/OWNERSHIP DETAILS**

List all persons who are owners, partners or trustees in the business.

Full Name	ID Number	BCA		White		Youth		Women		Disabled		African (PPG)		Capacity in the business	% of the time devoted to the business
		Yes/No	%	Yes/No	%	Yes/No	%	Yes/No	%	Yes/No	%	Yes/No	%		

Note:

- BCA = Black, Coloured & Asian
- Proof of disability must be supplied with this form
- Priority Population Group (PPG) = African

Signed at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ (month) \_\_\_\_\_ (year)

Commissioner of Oath \_\_\_\_\_

**Commissioner of Oath's Stamp:**

**DECLARATION OF INTEREST**

1. Any legal person, including persons employed by the state<sup>1</sup>, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes an advertised competitive bid, a limited bid, a proposal or written price quotation). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-
  - The bidder is employed by the state; and/or
  - the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.
2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**
  - 2.1 Full Name of bidder or his or her representative: .....
  - 2.2 Identity Number: .....
  - 2.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>, member):  
.....
  - 2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust:  
.....
  - 2.5 Tax Reference Number: .....
  - 2.6 VAT Registration Number: .....
  - 2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / PERSAL numbers must be indicated in paragraph 3 below.

<sup>1</sup>"State" means –

- (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

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

(CIRCLE THE APPLICABLE ANSWER)

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

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member: .....  
Name of state institution at which you or the person connected to the bidder is employed : .....  
Position occupied in the state institution: .....

Any other particulars:  
.....  
.....  
.....

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

2.7.2.1 If yes, did you attach proof of such authority to the bid document? **YES / NO**

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

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

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

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

2.8.1 If so, furnish particulars:

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

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

2.9.1 If so, furnish particulars.

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

2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between **YES/NO**

any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid?

2.10.1 If so, furnish particulars.

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

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

2.11.1 If so, furnish particulars:

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

**3 Full details of directors / trustees / members / shareholders.**

Full Name	Identity Number	Personal Income Tax Reference Number	State Employee Number / Peral Number

**4 DECLARATION**

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

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

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME SHOULD

THIS DECLARATION PROVE TO BE FALSE.

.....  
 Signature

.....  
 Date

.....  
 Position

.....  
 Name of bidder

**ANNEXURE D**

**AUTHORITY TO SIGN A TENDER (COMPLETE RELEVANT SECTION)**

**A. COMPANIES**

If a Tenderer is a company, a certified copy of the resolution by the board of directors, personally signed by the chairperson of the board, authorizing the person who signs this tender to do so, as well as to sign any contract resulting from this tender and any other documents and correspondence in connection with this tender and/or contract on behalf of the company must be submitted with this tender, that is before the closing time and date of the tender

**AUTHORITY BY BOARD OF DIRECTORS**

By resolution passed by the Board of Directors on.....20.....

Mr/Mrs.....(whose signature appears below) has been  
duly authorized to sign all documents in connection with this tender on behalf of (Name of  
Company).....

**IN HIS/HER CAPACITY AS:** .....

**SIGNED ON BEHALF OF COMPANY:**

.....  
(PRINT NAME)

**SIGNATURE OF SIGNATORY:** ..... **DATE:** .....

**WITNESSES:** 1: ..... .....

2: ..... .....

**B. SOLE PROPRIETOR (ONE - PERSON BUSINESS)**

I, the undersigned..... hereby confirm that I am the  
sole owner of the business trading as

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

.....  
**SIGNATURE**

.....  
**DATE**

**WITNESSES: 1:** .....

.....

2: .....

.....



**C. PARTNERSHIP**

The following particulars in respect of every partner must be furnished and signed by every partner:

Full name of partner	Residential address	Signature

We, the undersigned partners in the business trading as .....  
 hereby authorize..... to sign this tender as well as any  
 contract resulting from the tender and any other documents and correspondence in connection  
 with this tender and /or contract on behalf of (name of company)  
 .....

.....  
**SIGNATURE**

.....  
**SIGNATURE**

.....  
**SIGNATURE**

.....  
**DATE**

.....  
**DATE**

.....  
**DATE**

**WITNESSES: 1:** .....

.....

2: .....

.....

**D. CLOSE CORPORATION**

In the case of a close corporation submitting a tender, a certified copy of the Founding Statement of such corporation shall be included with the tender, together with the resolution by its members authorising a member or other official of the corporation to sign the documents on their behalf.

By resolution of members at a meeting on ..... 20..... at

.....; Mr/Ms.....,

whose signature appears below, has been authorized to sign all documents in connection with this tender on behalf of (Name of Close Corporation)

.....

**SIGNED ON BEHALF OF CLOSE CORPORATION:**

(SIGNATURE).....

(PRINT NAME).....

**IN HIS/HER CAPACITY AS:** .....

**DATE:** ..... **SIGNATURE OF SIGNATORY:** .....

**WITNESSES:** 1: .....  
.....

2: .....  
.....

**E. CO-OPERATIVE**

A certified copy of the Constitution of the co-operative must be included with the tender, together with the resolution by its members authorizing a member or other official of the co-operative to sign the tender documents on their behalf.

By resolution of members at a meeting on ..... 20..... at

.....; Mr/Ms.....,

whose signature appears below, has been authorized to sign all documents in connection with this tender on behalf of (Name of Close Corporation)

.....

**SIGNATURE OF AUTHORISED REPRESENTATIVE/SIGNATORY:**

.....

**IN HIS/HER CAPACITY AS:** ..... **DATE:** .....

**SIGNED ON BEHALF OF CO-OPERATIVE:** .....

**NAME IN BLOCK LETTERS:** .....

**WITNESSES: 1:** ..... .....

2: ..... .....

## ANNEXURE E

### CONDITIONS OF TENDER

1. I/We hereby tender to supply all or any of the supplies and/or to render all or any of the services described in the attached documents to the UMFOLOZI TVET COLLEGE (hereinafter called the "College") on the terms and conditions and be in accordance with the specifications stipulated in the tender documents (and which shall be taken as part of and be incorporated into this tender) at the prices and on the terms regarding time for delivery and/or execution inserted therein.
2. I/we agree that:
  - (a) the offer herein shall remain binding upon me/us and open for acceptance by the College during the validity period indicated and calculated from the closing time of the tender;
  - (b) this tender and its acceptance shall be subject to Treasury Regulations 16A issued in terms of the Public Finance Management Act, 1999, the KwaZulu-Natal Supply Chain Management Policy Framework, the Provincial Treasury issued Practice Notes, and the KwaZulu-Natal General Conditions of Contract, with which I/we am fully acquainted;
  - (c) if I/we withdraw my tender within the period for which I/we have agreed that the tender shall remain open for acceptance, or fail to fulfill the contract when called upon to do so, the College may, without prejudice to its other rights, agree to the withdrawal of my tender or cancel the contract that may have been entered into between me and the College, I/we will then pay to the College any additional expenses incurred by the College having either to accept any less favourable tender or, if fresh tenders have to be invited, the additional expenditure incurred by the invitation of fresh tenders and by the subsequent acceptance of any less favourable tender. The College shall have the right to recover such additional expenditure by set-off against monies which may be due to me under this or any other tender or contract or against any guarantee or deposit that may have been furnished by me or on my behalf for the due fulfillment of this or any other tender or contract and pending the ascertainment of the amount of such additional expenditure to retain such monies, guarantee or deposit as security for any loss the College may sustain by reason of my default;
  - (d) if my tender is accepted, the acceptance may be communicated to me by registered post, and that the South African Post Office Limited shall be treated as delivery agent to me;
  - (e) the law of the Republic of South Africa shall govern the contract created by the acceptance of my tender and I choose *domicilium citandi et executandi* in the Republic at (full physical address):
3. I/we furthermore confirm that I/we have satisfied myself/ourselves as to the correctness and validity of my/our tender: that the price(s), rate(s) and preference quoted cover all of the work/item(s) and my/our obligations under a resulting contract, and I accept that any mistakes regarding the price(s) and calculations will be at my/our risk.
4. I/we hereby accept full responsibility for the proper execution and fulfillment of all obligations and conditions devolving on me/us under this agreement, as the Principal(s) liable for the due fulfillment of this contract.
5. I/we agree that any action arising from this contract may in all respects be instituted against me/us and I/we hereby undertake to satisfy fully any sentence or judgment which may be pronounced against me/us as a result of such action.
6. I/we confirm that I/we have declared all and any interest that I/we or any persons related to my/our business has with regard to this tender or any related tenders by completion of the Declaration of Interest Section.

**7. CERTIFICATION OF CORRECTNESS OF INFORMATION SUPPLIED IN THIS DOCUMENT**

I/we, THE UNDERSIGNED, WHO WARRANT THAT I/WE AM/ARE DULY AUTHORISED TO DO SO ON BEHALF OF THE TENDERER, CERTIFY THAT THE INFORMATION SUPPLIED IN TERMS OF THIS DOCUMENT IS CORRECT AND TRUE, THAT THE SIGNATORY TO THIS DOCUMENT IS DULY AUTHORISED AND ACKNOWLEDGE THAT:

- (1) The Tenderer will furnish documentary proof regarding any tendering issue to the satisfaction of the College, if requested to do so.
- (2) If the information supplied is found to be incorrect and/or false then the college, in addition to any remedies it may have, may: -
  - (a) Recover from the contractor all costs, losses or damages incurred or sustained by the College as a result of the award of the contract, and/or
  - (b) Cancel the contract and claim any damages which the college may suffer by having to make less favourable arrangements after such cancellation.

**SIGNED ON THIS..... DAY OF .....20 .....**

**AT .....**

**SIGNATURE OF TENDERER OR DULY NAMED IN BLOCK LETTERS**

**AUTHORISED REPRESENTATIVE ON BEHALF OF (TENDERER'S NAME)**

**CAPACITY OF SIGNATORY.....**

**NAME OF CONTACT PERSON (IN BLOCK LETTERS)**

**POSTAL ADDRESS**

**TELEPHONE NUMBER: .....**

**FAX NUMBER: .....**

**CELLULAR PHONE NUMBER: .....**

**E-MAIL ADDRESS: .....**

WITNESS 1: .....  
2: .....

The undersigned, who warrants that he / she is duly authorized to do so on behalf of the firm or sole proprietor confirms that he / she declares that the information is correct.

Signature:

.....

Name: .....

Duly authorized to sign on behalf of: .....

Telephone: .....

Fax: .....

Date: .....

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

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

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

4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? <b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b>	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:		



**CERTIFICATION**

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

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

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

.....  
**Signature**

.....  
**Date**

.....  
**Position**

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 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 SBD 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 (SBD 9) must be completed and submitted with the bid:

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

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

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

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

in response to the invitation for the bid made by:

\_\_\_\_\_  
(Name of 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<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

ANNEXURE H

**EXECUTIVE SUMMARY OF COSTING**

Name of company	
Name of authorized representative	
Contact numbers	

TOTAL COST <u>inclusive of VAT</u>	R
Amount in words	

.....  
Signature of authorized representative on behalf of company

.....  
Date

**FOR OFFICE PURPOSES ONLY**

**IMPORTANT**

**Mark appropriate block with "X"**

HAS ANY ALTERATIONS BEEN MADE?	YES	NO
HAS AN ALTERNATIVE TENDER BEEN SUBMITTED?	YES	NO
<b>. IF APPLICABLE:</b> DID THE TENDERER ATTEND THE OFFICIAL BRIEFING SESSION/ COMPULSORY SITE INSPECTION?	YES	NO

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL  
PROCUREMENT REGULATIONS 2011**

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

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011.**

## 1. GENERAL CONDITIONS

### 1.1. DEFINITIONS

Unless indicated by the context or explicitly stated otherwise, the following expressions will have the following meanings:

- **TVET COLLEGE**

.....

- **Proposal**

A proposal for the arrangement of short-term insurance and risk services for the Council at an agreed premium.

- **Tenderer**

Any person or persons or anybody, incorporated or otherwise, making an offer to arrange short-term insurance and risk services for the Council.

- **Contract Period**

This contract will be valid from \_\_\_\_\_ to \_\_\_\_\_, subject to an annual assessment on price and performance deliverables. An extended term of two (2) years is to be negotiated.

### 1.2 FAILURE TO PERFORM

#### 1.1 If

- a) The tenderer should fail to arrange the short-term insurance cover with
- b) Insurers/Reinsurers/Service Providers stated in the contract; Or
- c) The council should suffer damage as a result of the tenderer's failure to perform,

### 1.3 CEDING OF CONTRACT

The tenderer undertakes not to sub-contract or cede this contract, including any portion thereof or interest therein, unless written permission is granted by the council and on such conditions as the council may approve.

### 1.4 ACCEPTANCE

Written acceptance of this tender will make the contract binding on both parties.

### 1.5 USE OF OTHER BROKERS/INTERMEDIARIES

Will you be making use of other service providers or parties? If so, whom, and what is your relationship?

### 1.6 PARTICULARS OF PROFESSIONAL INDEMNITY INSURANCE

Provide full details of your Professional Indemnity insurance arrangements. State limits of any one occurrence and deductible.

### 1.6 COMMERCIAL CRIME INSURANCE

Provide full details of your Commercial Crime insurance arrangements.

### 1.7 AUDITED FINANCIAL STATEMENTS

Please attach a copy of your latest audited financial statements.

### 1.8 SIMILAR PORTFOLIOS (LOCAL AUTHORITIES ONLY)

*If you are currently dealing with any similar portfolios, please provide full details, including names of contactable references*

<i>Council</i>	<i>Contact Person</i>	<i>Tel No.</i>	<i>Fax</i>

*Please provide information of municipal claims in excess of R250 000 handled by you during the past 3 years.*

### 1.9 INSURANCE MARKETS

*Which markets do you have access?  
Does your proposed market have experience with Local Authorities?*

### 1.10 EMPOWERMENT

#### 1.10.1 BLACK EMPOWERMENT

Provide a statement on the tenderer's policy regarding empowerment of the previous disadvantage sector and of SME's. The tenderer must comply with the Employment Equity Act No. 55 of 1998.



**1.10.2 PERSONNEL MANAGEMENT**

Provide a statement on the tenderer's policy covering, inter alia, human resources and labour relations policy, specifically addressing recruitment, training, conditions of service and management of its employees.

**1.10.3 EQUAL OPPORTUNITIES**

Provide a statement on the tenderer's policy and intention regarding equal opportunities of employment.

**1.10.4 OPERATING COMPANY INFORMATION**

Indicate which company, division or branch will be responsible for the handling of our portfolio, if appointed.

**NAME**

.....  
.....

**PHYSICAL ADDRESS**

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

**POSTAL ADDRESS**

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

**TELEPHONE/FACSIMILE NUMBER**

.....  
.....

**COMPANY/ENTERPRISE INCOME TAX REFERENCE NUMBER**

.....

.....

**VAT REGISTRATION NUMBER**

.....

.....

**COMPANY REGISTRATION NUMBER**

.....

.....

**CHIEF EXECUTIVE**

.....

.....

**STRUCTURE OF DIVISION**

.....

...

.....

**ACCOUNT EXECUTIVES**

.....

.....

## **PORTFOLIO MANAGEMENT**

*Do you have a Loss Control Resource?*

*Is it In-house or external?*

*Do you have a Risk Finance Resource?*

*Is it in-house or external?*

*Describe fully the services you are able to offer on the field of Risk Management, Risk Control and Risk Financing*

*How would you apply your Resources to our benefit*

## **CLAIMS HANDLING**

*Describe fully the services you are able to offer under this heading.*

*If you consider it applicable, comment upon the role to be undertaken by the Council in connection with the review and settlement of claims.*

*Describe fully the service you are able to offer and your recommended method for self-insurance.*

## **PROPOSED STRATEGY**

*Describe your proposed strategy and plan of action based on the information provided, should you be appointed.*

## **SERVICE AND REMUNERATION**

*Service*

*Provide full details of the services you propose providing and the extent of such services.*

*Provide a full service plan*

*List your personnel resource level of experience and position that you would use in managing this account if appointed.*

## **SOCIAL RESPONSIBILITY**

*List your social responsibility investment currently implemented by yourself.*

*What social investments would you propose for the \_\_\_\_\_ Region if successful?*

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

1.2 The value of this bid is estimated to exceed/not exceed R50 000 000 (all applicable taxes included) and therefore the.....system shall be applicable.

1.3 Preference points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contribution.
- (c) Functionality

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

	POINTS
<b>1.3.1.1 PRICE</b>	.....
<b>1.3.1.2 B-BBEE STATUS LEVEL OF CONTRIBUTION</b>	.....
<b>1.3.1.3 FUNCTIONALITY ( RELIABILITY, ESTABLISHMENT PERIOD AND EXPERIENCE)</b>	.....
<b>Total points for Price, Functionality and B-BBEE must not exceed</b>	<b>100</b>

1.4 Failure on the part of a bidder to fill in and/or to sign this form and submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or an Accounting Officer as contemplated in the Close Corporation Act (CCA) together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

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

## 2. DEFINITIONS

2.1 **“all applicable taxes”** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;

2.2 **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad -Based Black Economic Empowerment Act;

2.3 **“B-BBEE status level of contributor”** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

- 2.4 “**bid**” means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
- 2.5 “**Broad-Based Black Economic Empowerment Act**” means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- 2.6 “**comparative price**” means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- 2.7 “**consortium or joint venture**” means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;
- 2.8 “**contract**” means the agreement that results from the acceptance of a bid by an organ of state;
- 2.9 “**EME**” means any enterprise with an annual total revenue of R5 million or less.
- 2.10 “**Firm price**” means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 2.11 “**functionality**” means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
- 2.12 “**non-firm prices**” means all prices other than “firm” prices;
- 2.13 “**person**” includes a juristic person;
- 2.14 “**rand value**” means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- 2.15 “**sub-contract**” means the primary contractor’s assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;
- 2.16 “**total revenue**” bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;
- 2.17 “**trust**” means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 2.18 “**trustee**” means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

### 3. ADJUDICATION USING A POINT SYSTEM

- 3.1 The bidder obtaining the highest number of total points will be awarded the contract.
- 3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;
- 3.3 Points scored must be rounded off to the nearest 2 decimal places.
- 3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.
- 3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.
- 3.6 Should two or more bids be equal in all respects; the award shall be decided by the drawing of lots.

### 4. POINTS AWARDED FOR PRICE

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

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

**80/20                      or                      90/10**

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

Where

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

$P_t$  = Comparative price of bid under consideration

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

## 5. REPORTING, MONITORING, EVALUATION

The successful bidder needs to report on a monthly basis on the progress on all claims, risk services matters and other general matters raised. A monthly meeting needs to be scheduled with the relevant officials directly dealing with the insurance portfolio of the municipality (insurance clerk) as well as the risk officer to discuss matters of emphasis.

## 6. EXPECTED OUTPUTS AND OUTCOMES

The successful bidder must provide the council with full coverage on all asset classes as per risk management strategy, deductibles, policy wording and insurers as mentioned in the schedules provided for a period of 36 months.

## QUALIFICATIONS AND EXPERTISE REQUIRED

***All bidders need to be registered with the following institutions:***

- Financial Services Board (FSB)
- Financial Intermediaries association (FIA)
- The Institute of Risk Management - South Africa (IRMSA)
- Membership Certificate of Institute of Directors  
Professional indemnity of R 300 000 000

**Not adhering to this will disqualify the bidder.**

**Staff assisting with underwriting must have:**

Minimum qualification in Short Term Insurance NQF 5 & 15 years' experience in Commercial Underwriting.

**Staff assisting with claims must have:**

Minimum full qualification in Short Term Insurance NQF 4, RE5 & 5 years' experience in Commercial claims.

## 7. INTELLECTUAL PROPERTY

The information of the bidder will be treated as confidential and remain the property of the bidder.

## 8. REPRESENTATIVE

Proof of registered South African representative must be provided.

## 9. EVALUATION CRITERIA

Acceptable bids will be evaluated by using a two-phased bidding system that awards points on the basis of 90 points for bid price/ functionality and 10 points for B-BBEE status.

The 90 points will be divided into 90 for functionality and 10 for pricing, while the functionality will be evaluated as follows:

CRITERIA	DESCRIPTION	SUB-SCORE	SCORE
1. Experience of the bidding entity in the insurance industry.	<u>Years in the Field:</u> 3 = 3 4 = 4 5 = 5 6 = 6 7 = 7 8 = 8 9 = 9 10 = 10		10
2. Claims administration system ( <b>Claims procedures to be clearly documented and relevant forms to be attached</b> )	Effective and efficient administration of online claims. Bidder to provide recommendation letters from the client ( two points per letter).		10
3. Risk Management ( <b>Bidders should submit a proof on relevant experience</b> )	<u>Understanding of Risk Management Strategy</u> and provide letters of recommendation. 0-1=5 2-3=10 3-5=15		15



<p>4. Public Sector Experience <b>(Bidders should submit appointment letter)</b></p>	<p>Bidders should submit appointment letter based on similar services:</p> <p>0-5=3</p> <p>6-10=5</p> <p>11-15=8</p> <p>16-20=10</p> <p>21-25=15</p>		<p>15</p>
<p>5. The key representative (minimum two) must have the following, member of institute of independent directors , Institution of Risk Managers, B com degree and FAIS accredited</p>	<p>The bidder must provide the following certificate:</p> <ul style="list-style-type: none"> <li>• Bcom degree</li> <li>• FAIS accreditation</li> <li>• IODSA accreditation</li> <li>• IRMSA accreditation</li> </ul>		<p>10</p>
<p>6. The bidding entity must provide proof of placing assets in above R20 Billion</p>	<p>Bidders should submit confirmation from the client (two points per letters).</p>		<p>10</p>

7. Social Responsibility <b>(Reference letters to be attached)</b>	Bidders should submit proof of social responsibility projects into relevant organisation, a minimum of five letters.  (two points per letter)		10

**Bidders must gain a minimum of 70% for functionality before they will be further evaluated. It is important to note that due to the critical nature of the functionality aspect of this bid, award of points under functionality will not be done proportionate to the degree of compliance or non-compliance with the required specification or requirement. Points will be allocated for full compliance and no points will be allocated for partial or non-compliance.**

**CONTRACT NEGOTIATIONS**

Negotiations to reach agreement on the contract will be held at the following address:

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Negotiations may include discussion on the proposed approach, work plan, staffing, consortium compositions, deliverables and pricing and any other matters of concern to the Institution. The outcome of these negotiations will form part of the contract.

In the event the negotiations fail, the Institution will invite the bidder with the second highest score to contract negotiations.

## INFORMATION TO BIDDERS

Please note that the proposal will be adjudicated in terms of the Preferential Procurement Policy Framework Act of 2000 and the Preferential Procurement Regulations, 2011.

90/10 preferential point system will apply

Price and Functionality	90
B – BBEE	10
<b>Total</b>	<b>100</b>

**Approach and Methodology (1,2,3) :** The criteria assesses aspects such as method in managing portfolio, approach to performing tasks set out in Terms of Reference (TOR) proposed improvements, project implementation plan and project organizational structure.

**Proven Track record (1,2,3,4,5,6) :** The criterion assesses aspects such as history of bidder's experience in similar projects i.e. Municipal Insurance & Risk Solutions, including reference projects and level of success outcome.

### Quality of Bid Proposal (1, 2, 3, 4, 5, 6, 7, 8):

- i) PPPFA and associated regulations: The criteria assesses aspects relating to the extent of understanding the TOR/ specifications, completeness of proposal and level of details provided, policy wording and innovation.
- ii) Level of professional supervision

Points will be allocated for B-BBEE status in the following manner

B-BBEE Status Level of Contributor	Number of Points
1	10
2	9
3	8
4	5
5	4
6	3
7	2
8	1
Non – compliant contributor	0

## 11. Points awarded for B-BBEE Status Level of Contribution

- 11.1 In terms of Regulation 5 (2) and 6 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

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

- 11.2 Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates.
- 11.3 Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.
- 11.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 11.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.
- 11.6 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- 11.7 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.
- 11.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

**12.7 BID DECLARATION**

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

**13. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1**

13.1 B-BBEE Status Level of Contribution:

.....  
= .....(maximum of 10 or 20 points) (Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA).

**14. SUB-CONTRACTING**

14.1 Will any portion of the contract be sub-contracted? **YES / NO**  
(delete which is not applicable)

14.1.1 If yes, indicate:

(i) what percentage of the contract will be subcontracted?

..... %

(ii) the name of the sub-contractor? .....

(iii) the B-BBEE status level of the sub-contractor?

.....

(iv) whether the sub-contractor is an EME? **YES / NO**

(delete which is not applicable)

**15. DECLARATION WITH REGARD TO COMPANY/FIRM**

15.1 Name of company/firm .....

15.2 VAT registration number .....

15.3 Company registration number .....

**15.4 TYPE OF COMPANY/ FIRM**

Partnership/Joint Venture / Consortium

One person business/sole propriety

Close corporation

Company

(Pty) Limited

[TICK APPLICABLE BOX]

15.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

15.6 COMPANY CLASSIFICATION

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

15.7 Total number of years the company/firm has been in business?  
.....

15.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contribution indicated in paragraph 7 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- (i) The information furnished is true and correct;
- (ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.
- (iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 7, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- (iv) If the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;

- (d) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution

**WITNESSES:**

1. ....

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

2. ....

DATE: .....

ADDRESS: .....

.....

.....

