



FORM "A"

FORM OF TENDER AND DECLARATION

TENDER NO: 20-2022/2023

PROJECT NAME: TENDER FOR ADDITIONAL OUTSOURCED AGENCY FOR THE COLLECTION OF OUTSTANDING DEBTORS ACCOUNTS OLDER THAN 60 DAYS FOR A PERIOD OF THREE YEARS ON AN AS AN WHEN BASIS.

DECLARATION:

To: The Municipal Manager
Mogalakwena Local Municipality

Sir

I/We, the undersigned:

- a) Tender to render to Mogalakwena Municipality all the services described both in this and the other forms and schedules to this tender.
- b) Agree(s) that I/we will be bound by the specifications, prices, terms, conditions and proposals stipulated in the schedules attached to this tender document, regarding delivery and execution.
- c) Further agree(s) to be bound by the conditions set out in Forms A, B, C and D, attached hereto, should this tender be accepted.

d) Confirm that this tender may only be accepted by Mogalakwena Municipality by way of a duly authorized Letter of Acceptance.

e) Declare that I/we am/are fully acquainted with the schedules and the content thereof and that I/ we have signed the schedules, attached hereto.

f) Declare that each page of the tender document and amendments thereto will be initialed by the relevant authorized person in order for the document to constitute a proper contact between Mogalakwena Municipality and the undersigned, on acceptance of the tender by Mogalakwena Municipality.

DETAILS OF TENDERER

1. FULL NAMES	
2. REGISTRATION NO. OR I.D NO	
3. POSTAL ADDRESS	
4. PHYSICAL ADDRESS (which I/we choose as our <i>domicilium citandi et executandi</i> for purposes hereof)	
5. TELEPHONE NO.	
6. FAX NO	
7. E-MAIL ADDRESS	
8. CONTACT PERSON	
9. CELL NO. OF CONTACT PERSON	
10. PHYSICAL ADDRESS OF CONTACT PERSON	

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

Signature of Tenderer: _____

Name of Tenderer: _____

Domicilium address:

As witnesses:

1. Signature: _____ Name in full _____

2. Signature: _____ Name in full _____

PLEASE NOTE:

- Each page of the tender document and schedules thereto must be initialed by the relevant authorized person in order for the document to constitute a proper contract between the municipality and the Tenderer.
- On acceptance of the tender by the municipality, the forms and schedules attached hereto shall be deemed to be the Conditions of Contract between the parties.
- Failure to complete all blank spaces in the forms and to attend to the other details mentioned therein may render the tender liable to rejection.

**TENDER NOTICE AND INVITATION TO TENDER
CLOSING DATE & TIME: 31.07.2023 AT 12H00**

**TENDER FOR ADDITIONAL OUTSOURCED AGENCY FOR THE COLLECTION
OF OUTSTANDING DEBTORS ACCOUNTS OLDER THAN 60 DAYS FOR A
PERIOD OF THREE YEARS ON AN AS AN WHEN BASIS.**

TENDER NUMBER: 20-2022/2023

The Municipality of Mogalakwena hereby invites suitably qualified service providers for the the printing and mailing of consumer monthly statements for a period of three years.

Tenders and supporting documents must be sealed in an envelope clearly marked: Tender **NO: 20-2022/2023** must be deposited in the tender box of Mogalakwena Municipality not later than 12H00 on 31 July 2023 when all tenders received will be opened in public in the old Council Chambers, on the ground floor.

The bids will be evaluated according to the PPPFA of 2022, Mogalakwena SCM policy and other applicable legislation. Late, faxed or telephonic tenders will not be accepted.

NB* Service providers should take note that no bid/service will be awarded to a service provider who is not registered on Web Based Central Supplier Database (CSD).

Technical enquiries related to this tender may be addressed to Ms Seleka P on 015 491 9674 or selekap@mogalakwena.gov.za and all administrative enquiries must be addressed to the Supply Chain Management Unit on 015 491 9662/9649 or supplychain@mogalakwena.gov.za.

The Municipality does not bind itself to accept the lowest or any tender and reserves the right to accept any tender or any part thereof, which may result in the acceptance of more than one tender, whichever the case may be.

**MM MALULEKE
MUNICIPAL MANAGER
54 RETIEF STREET
MOKOPANE
0600**

Notice:84/2023

FORM "B"

GENERAL UNDERTAKINGS BY THE TENDERER

1 DEFINITION

The following terms shall be interpreted as indicated:

1.1 "**Closing time**" means the date and hour specified in the bidding documents for the receipt of bids

1.2 "**Contract**" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

1.3 "**Contract price**" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

1.4 "**Corrupt practice**" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.

1.5 "**Countervailing duties**" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.

1.6 "**Country of origin**" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

1.7 "**Day**" means calendar day.

1.8 "**Delivery**" means delivery in compliance of the conditions of the contract or order.

1.9 "**Delivery ex stock**" means immediate delivery directly from stock actually on hand.

1.10 "**Delivery into consignees store or to his site**" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the goods are so delivered and a valid receipt is obtained.

1.11 "**Dumping**" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.

1.12" **Force majeure**" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

1.13 "**Fraudulent practice**" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 "**GCC**" means the General Conditions of Contract.

1.15 "**Goods**" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

1.16 "**Imported content**" means that portion of the bidding price represented by the cost of component parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the goods covered by the bid will be manufactured.

1.17 "**Local content**" means that portion of the bidding price, which is not included in the imported content provided that local manufacture does take place.

1.18 "**Manufacture**" means the production of products in a factory using labour, materials, component and machinery and includes other related value-adding activities.

1.19 "**Order**" means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 "**Project site**," where applicable, means the place indicated in bidding documents.

1.21 "**Purchaser**" means the organization purchasing the goods.

1.22 “**Republic**” means the Republic of South Africa.

1.23 “**SCC**” means the Special Conditions of Contract.

1.24. “**Tenderer(s)**” means the tenderer whose tender has been duly accepted by the Municipality

1.25. “**Validity Period**” shall be **90** days from the closing date of this tender.

INTERPRETATION

- In this agreement, clause headings are for convenience and shall not be used in its interpretation, unless the context clearly indicates a contrary intention;
- An expression, which denotes:
Any gender includes the other gender;
A natural person includes a juristic person and vice versa;
The singular includes the plural and vice versa.
- Any reference to any statute, regulation or other legislation or official municipal or national policy shall be a reference to that statute, regulation or other legislation or official municipal or national policy as at the signature date and as amended or re-enacted from time to time;
- When any number of days is prescribed, such shall be calculated exclusively of the first and inclusively of the last day, unless the last day falls on a day which is not a business day, in which case the last day shall be the next succeeding day which is a business day;
- Where any term is defined within a particular clause, other than the interpretation clause, that term shall bear the meaning ascribed to it in that clause wherever it is used in this tender;
- I/We hereby tender,
to supply all the requirements or to render all the services described in the attached forms, schedules and/or annexure to the municipality;
on the terms and conditions and in accordance with the specifications and proposals stipulated in the tender documents (and which shall be taken as part of and incorporated into this tender);
at the prices and on the terms regarding time for delivery and/or execution inserted therein;
- I/We further agree that:
the tender herein shall remain binding upon me/us and open for acceptance by the municipality during the validity period indicted and calculated from the closing date of the tender;
this tender and its acceptance shall be subject to the terms and conditions contained in the forms, schedules and/or annexures attached hereto with which I am/we are fully acquainted.
- Notwithstanding anything to the contrary in the forms, schedules and/or annexures attached hereto:
If I/we withdraw my/our 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 municipality

may, without prejudice to its other rights, agree to the withdrawal of my/our tender or cancel the contract that may have been entered into between me/us and the municipality;

in such event I/we will then pay to the municipality and additional expenses incurred by the municipality for 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 municipality shall also have the right in these circumstances, to recover such additional expenditure by set-off against monies which may be due or become due to me/us under this or any other tender or contract or against any guarantee or deposit that may have been furnished by me/us or on my/our behalf for the due fulfillment of this or any other tender or contract;

pending the ascertainment of the amount of such additional expenditure the municipality may retain such monies, guarantee or deposit as security for any loss the municipality may sustain, as determined hereunder, by reason of my/our default.

- If my/our tender is accepted that acceptance may be communicated to me/us by letter or facsimile and that proof of delivery of such acceptance to SA Post Office or the production of a document confirming that a fax has been sent, shall be treated as delivery to me/us.
- The laws of the Republic of South Africa shall govern the contract created by the acceptance of this tender.
- I/We have satisfied myself/ourselves as to the correctness and validity of this tender, that the price(s) and rate(s) quoted cover all the work/item(s) specified in the tender documents and that the price(s) and rate(s) cover all my/our obligations under a resulting contract and that I/we accept that any mistakes regarding price(s) and calculations will be at my/our risk.
- I/We accept full responsibility for the proper execution and fulfillment of all obligations and conditions of this tender. Any defaulting with the conditions of this tender rests on me/us under this agreement as the principal(s) liable for the due fulfillment of this contract.

Notwithstanding the amount or cause of action involved I/we hereby consent to the jurisdiction of the Magistrate Court for the district of the municipality in respect of any action whatever arising from this tender.

FORM "C"

GENERAL TENDER CONDITIONS

1. All tenderer(s) are hereby advised that in the event that the tender is accepted by the municipality all conditions and stipulations set out in this tender and in all forms, schedules and/or annexures hereto, will be the contract between the tenderer and the municipality.
2. Tenderer(s) are required to acquaint themselves and to comply in their tender with the Mogalakwena Supply Chain Management Policy.
3. Tender documents are only in English
4. Failure on the part of the tenderer to sign this tender for and thus to acknowledge and accept the conditions in writing or to complete the attached forms, questionnaires and specifications and proposal in all respects, may in the sole discretion of the municipality invalidate the tender.
5. If any of the conditions of this tender form are in conflict with any special conditions, stipulations or provisions incorporated in the tender, such special conditions, stipulations or provisions shall apply.
6. **Tender prices** must be completed in terms of **Schedule 3** of the tender document.

7. Tenders must be submitted in sealed envelopes.

8. The tender number and closing date must appear on the front of the sealed envelope in which the tender is submitted.

9. All tenderer(s) are advised that it is an express condition of tender that all tenderer(s) and nominated person(s) will be required to show, as part of their tender, that they are in good standing with the Receiver of Revenue.

The tenderer and nominated person(s) (including its trustees, members or directors as the case must be) must be in good standing in respect of any levy, rates, fines, service charges or the like due to the municipality.

10. In the event of the tenderer and/or nominated person not being in good standing and the tenderer and/or nominated person is indebted to the municipality, as contemplated in this clause which arises after the signature date and before final payment has been made to the tenderer, the tenderer hereby consents to the municipality deducting from the amount of the tender awarded such amounts as may be lawfully owed to the municipality.

11. The municipality shall not be obliged to accept the lowest or any tender. Tenderer(s) will be fully evaluated in terms of their experience, human resources, IT resources, data protection and recovery policy, amount of professional indemnification cover. In this regard tender(s) will have to obtain a minimum rating of 60% before the tender is considered by the relevant tender committee of the municipality. Whilst price is a consideration, it will not form part of the initial evaluation/qualifying process.

It is important that only tenderer(s) with the necessary experience, qualifications and technical ability to carry out the requirements of this tender submit tenders. The municipality will consider all prices and submissions made by the tenderer(s). Should the municipality during its consideration of the tenders require that a specific price and/or submission be reconsidered, it reserves the right to do so, subject to the municipality requesting all tenderer(s) to submit such a request or revision of the tender proposal.

The municipality shall not be obliged to accept the tender that has obtained the maximum number of points.

12. The tenderer undertakes that it will make itself and its members, officials, employees and agents aware of the appropriate regulations and by-laws of the municipality that might have application on the tenderer(s) activities in terms hereof.

13. Neither the municipality nor any official in the municipality will be held responsible for loss of a potential opportunity to tender due to the failure of the tenderer to comply with any of requirements of this tender.

14. The covering letter or other matter submitted with the official tender document may explain, amplify or illustrate, but not replace any part of the official tender document or the information furnished therein.

15. All data supplied by the municipality will be received by the tenderer at his risk. It will be the responsibility of the tenderer to check and verify the accuracy of data supplied by the municipality. The municipality shall not be held responsible for any inaccurate or incomplete data provided by them and the effect that such data may have on the valuations. Tenderer shall further ensure that notwithstanding the source of any data obtained or supplied to tenderer, such data is accurate and correct to enable accurate valuation to be compiled.

FORM "D"

TENDER SPECIFICATIONS

TENDER NO:

BID SPECIFICATIONS

TENDER FOR ADDIOTIONAL OUTSOURCED AGENCY FOR THE COLLECTION OF OUTSTANDING DEBTORS ACCOUNTS OLDER THAN 60 DAYS FOR A PERIOD OF THREE YEARS ON AN AS AN WHEN BASIS

1. TENDER SPECIFICATION

SCOPE OF WORK

Description of the SERVICE

1.1 INTRODUCTION/SCOPE

Mogalakwena Local Municipality invites Tenderers in respect of Debt Collection to render cost effective collections of all outstanding money of the Municipality and a professional legal service.

The Tenderer must have the infrastructure and logistical support to handle volumes of Data involved, IT System to provide electronic communications, Document management system to be able to provide Monthly Statistics, Progress reports and Reconciliations.

The total Debtors book of Mogalakwena Local Municipality is valued at approximately R1466 212 683.88 and comprises of approximately R51700.00 accounts out of which, an amount of R1363 495 447 is more

than 60 days in arrears for Residential, Business, Inactive accounts and Sundry Debtors. Despite initiatives to register the indigent, suspend arrears, implementation of interest free arrangements and other incentives, this category of debt still increases. The Credit Control action, comprising of discontinuation of service delivery to defaulters, is still an effective process, but it is not properly followed-up by summons and execution of the instructions contained in the summons.

There is a need for additional capacity to collect the arrears, particularly on the residential and business category.

In this regard, it is recommended that all debtors' accounts with an outstanding debt of 60 (Sixty) days and older should be outsourced for a period of 36 (thirty-six) months.

All the above actions should take place within the following frameworks or policies:

- Credit Control and Debt Collection Policy
- Indigent Policy
- Relevant Legislation

The purpose of this request is to explore the available alternatives for Debt Collection of arrear money owed for Municipal Services, including Municipal Housing's Sundry Debtors and Rates levies, in order to:

- Reduce the outstanding debt
- Identify irrecoverable debt
- Identify households that fall within the parameters of indigents in terms of the Council's Policy

This will involve all the accepted steps in the normal debt collection environment of those cases handed over for collection up to and including the following:

- Reasonable pro-active reminders, demand for payment and opportunity for re-dress.
- Identification of indigent debtors in the normal debt collection procedures, who are not yet registered in terms of the Indigent Policy. (Indigent registration forms and terms and conditions will be made available to all successful TENDERER.)
- Obtain default judgment against and blacklisting non-paying debtors to limit their access to credit.
- Obtaining of emolument attachment and movable assets' attachment orders and collection of arrears from non-indigent.
- Obtain court orders for attachment and sale of movable assets for further processing and execution.
- Obtain court orders for attachment and immovable assets that are in the process of being sold, subject to the Chief Financial Officer's approval.
- Handling all legal matters in respect of the Municipality's debt collection challenges.
- Handling all debt collections' arrangement agreements in respect of the Municipality.
- Handling all queries according to the Batho Pele Principles (the tenderer will be provided with the Batho Pele Principles document upon request).
- Feedback on payment rates on a monthly basis.

The tenderer must describe their implementation approach, methodology, timeframes, systems, and other relevant details required to ensure a successful implementation of the proposed solution. The lowest or any tender will not necessarily be accepted, and the Municipality reserves the right to accept a tender as a whole, in part, or accept more than one tender.

2. ABILITY TO PROVIDE A SOLUTION

2.1 ALLOCATED AREA OF COLLECTION AND VOLUME OF WORK

It is the Chief Financial Officer's prerogative to decide what will be handed over for collection, that is, the volume of work and the area where collections should be made, to different successful TENDERER. The Mogalakwena Local Municipality will not be obliged to provide the TENDERER with a pre-determined quota or any number of instructions during any given period. New instructions will be handed over on a quarterly basis.

2.2 EXTENT OF COLLECTION INSTRUCTIONS

- 2.2.1 The TENDERER will institute all necessary legal actions up to and including the granting of a warrant of execution. The prior written approval by the Chief Financial Officer is required before the TENDERER may proceed with execution proceedings.
- 2.2.2 This Tender document will be the agreement between the Mogalakwena Local Municipality and the TENDERER appointed. The content of the Tender document will be adhered to by the TENDERER.

- 2.2.3 Neither the Mogalakwena Local Municipality nor the TENDERER will withhold from each other any relevant and available data and information which is necessary for the due fulfillment of their respective obligations under this Agreement.
- 2.2.4 The Parties, must upon request by the other Party, supply such relevant data, documentation and information in a format and time frame to be mutually agreed upon, inclusive of electronic, integrated information and data transfer systems.
- 2.2.5 All tracing information: telephone numbers, addresses, names (deed searches), Identification numbers will be supplied to the Mogalakwena Local Municipality to update the necessary information onto the Mogalakwena Local Municipality's system.
- 2.2.6

2.3 ***OBLIGATIONS OF THE TENDERER***

- 2.3.1 The TENDERER will supply the Mogalakwena Local Municipality within three (3) working days after receipt of the instruction, with a unique electronic reference number pertaining to the instruction.
- 2.3.2 The TENDERER will separate all instructions into two categories, namely Current Debt and Inactive Debt.
- 2.3.3 The TENDERER agrees and undertakes to commence with the first collection action within three (3) working days from receiving the instruction for commission to be payable. (Refer to 4.1 for exceptions).
- 2.3.4 The TENDERER will endeavor to pursue the collection of the debts in the best interest of the Mogalakwena Local Municipality.
- 2.3.5 The Parties agree and understand that the debts handed over for collection will consist of money owed to the Mogalakwena Local Municipality by existing consumers. As such, the TENDERER guarantees that the Mogalakwena Local Municipality's consumers will at all times be handled in a professional and courteous manner. The particulars of the relevant officials of the Mogalakwena Local Municipality will be provided to the TENDERER by the Director: Credit Control and Debt Collection in order to enable the TENDERER to contact the relevant official regarding the consumer's account of the Mogalakwena Local Municipality
- 2.3.6 Training of the TENDERER'S personnel by the Municipality and the Municipality's personnel by the TENDERER will take place once the system integration and testing has successfully been completed.
- 2.3.7 In order for the TENDERER to be able to manage queries and to make arrangements for payment in installments, the TENDERER will have to have access to the Mogalakwena Local Municipality's debtor systems.
- 2.3.8 The successful service providers will be responsible for the provision of connectivity infrastructure and any applicable line rental costs. Such connectivity (probably fibre) should be done in line with the practice adopted by the Municipality ICT Division.

The specifications further indicate that "The Vendor must adhere to all Network policies/procedures of the Municipality. Any third party connection to Municipality is also subject to the approval of the Municipality third party connection agreement." This is critical to ensure security of the Municipality's network and data.

The TENDERER is thus liable for:

- All connection related software, licenses and hardware equipment if connection/access, is required from the Mogalakwena Local Municipality, to the Vendor's network.
- All linkage expenses as well as all additional costs (licensing costs, data links, and communication costs).
- The Vendor is expected to ensure all precaution is taken to secure the said connection (for example by protecting the contractor's perimeter with a firewall). The third party/Vendor will be responsible for installation and configuration of the specific connection and ensure that all possible measures have been taken to secure the integrity and privacy of the Mogalakwena Local Municipality's confidential information. At no time should Municipality rely on access/authorization control mechanisms at the partner's site to protect or prohibit access to Municipality confidential information. It shall NOT be Municipality's responsibility to ensure protection of the partnering company's (successful Vendor) information. The partnering company (successful Vendor) owns the responsibility to provide the appropriate security measures to ensure protection of their private Inter-network and Information.
- The successful Vendor will be responsible for all Telco management, administration, hardware, port charges, fault logging and contractual obligations.
- The successful Vendor must scale the Leased Line / Fibre connections capacity to accommodate the volumes of traffic that is needed to effectively provide the services required.
- It is the vendor's responsibility to maintain its network equipment and routers, at both ends of the connection, and ensure that it is at all times updated to the latest firmware and security patches.
- The Vendor must adhere to all Network policies/procedures of the Municipality. Any 3rd Party Connection to Municipality is also subject to the approval of the Municipality 3rd Party Connection Agreement.
- The successful tender shall appoint a minimum of 4 personnel to be stationed at Mogalakwena, Municipality will provide office space and tenderer will do fit out including computers for the debt collection bureau.

2.4 ***FINALISATION OF ACCOUNTS***

2.4.1 An account will be deemed finalised after the following:

- (a) The Mogalakwena Local Municipality has received the full capital amount and interest on the account which was handed over; or After consultation with the Divisional Head: Revenue Management it is determined that the debt is irrecoverable; or
- (b) Where the account has to be handed back to the Mogalakwena Local Municipality in terms of this Agreement.
- (c) Where the TENDERER fails to collect in terms of this agreement.

2.4.2 In the event of the above-mentioned instances, neither Party will have any claims against each other, except those contemplated in this Agreement.

- 2.4.3 The Mogalakwena Local Municipality reserves its right to withdraw an account from the TENDERER at no cost to the Mogalakwena Local Municipality, if the instruction was given due to an administrative error on the Mogalakwena Local Municipality's part.
- 2.4.4 The Mogalakwena Local Municipality will further be entitled, in its sole discretion, to withdraw INACTIVE debt that has been with the TENDERER for a period of more than 3 (three) calendar months and on which the TENDERER has had no success. The TENDERER will be deemed to have no success on accounts and on which no payments were received, or did not obtain a written settlement agreement from the debtor, in which event neither party will have any claim against the other. Should the Mogalakwena Local Municipality elect to withdraw any such accounts, the TENDERER must return those accounts to the Mogalakwena Local Municipality within three (3) working days from the date of the Mogalakwena Local Municipality's notice to the TENDERER to withdraw such accounts. The accounts recalled may be allocated to another collection agency.
- 2.4.5 In cases where no collections are possible on inactive accounts, electronic files must be supplied to the Chief Financial Officer every three months with detailed reasons and steps followed for the recommendation of a write-off.

2.5 ***WEEKLY/MONTHLY REPORTS***

- 2.5.1 Weekly/Monthly reports by the TENDERER must be in the format as prescribed by the Divisional Head: Revenue Management, subject to any changes.
- 2.5.2 These reports must be submitted by the TENDERER on the fifth working day of each month, or on a weekly basis, and when requested.
- 2.5.3 Separate reports must be submitted for Current Debt, Inactive Debt, on Businesses and Residential Debt, subject to any changes.
- 2.5.4 The Chief Financial Officer may change the administrative process and request management reports from the TENDERER, from time to time, for a more effective workflow.
- 2.5.5 All required reports, as specified from time to time, must be addressed to the Chief Financial Officer. Regular feedback is required on outstanding matters, for example, debts that are difficult to collect, etc. It is likely that a weekly meeting might be required at the beginning of the contract and change to monthly as time goes. Management reports must also be provided for each collection action effected.

2.6 ***ASSIGNMENT AND CESSION***

The TENDERER is not entitled, except with the prior written consent of the Municipality, to cede or assign all or any of the rights and obligations of the TENDERER under this Tender document.

2.7 ***JURISDICTION***

The Parties consent to the jurisdiction of the Magistrate's Court, in terms of section 45 of the Magistrate's Court Act, 1944 (Act 32 of 1944), in the event of any actions arising from this tender.

2.8 **CONFIDENTIALITY**

- 2.8.1 The Parties agree to hold each other's information in the strictest confidence and not to make use thereof other than for the performance of the obligations under this Tender document.
- 2.8.2 The tenderer should not use the name of the Mogalakwena Local Municipality in any media publication for promotional purposes without prior written approval of the Mogalakwena Local Municipality.
- 2.8.3 This tender may only be amended in writing and signed by both parties.

3. **SOLUTION REQUIREMENTS**

A pre-legal as well as a legal process is required from each TENDERER. The tenderer must include in its tender the name of the attorney or a list of attorneys they intend utilising for legal processes. This must include a comprehensive profile of the attorney(s) detailing the ownership and management and staff component thereof. If the tenderer wants to sub-contract any of its function, the company to which it is sub-contracting to, must have a minimum of 80% equity ownership as defined in the Preferential Procurement Policy Framework Act.

3.1 **PRE-LEGAL PROCESS**

- MUNICIPALITY shall from time to time, at its discretion, instruct the collection agent to collect any debt by delivering to the collection agent, electronically or any other form reasonably acceptable, sufficient details of the debt and debtor details as reflected on the MUNICIPALITY financial system to enable the collection agent to collect such debt.
- In the event that the current debtor information is incorrect or insufficient, the collection agent is to make use of any legal tracing method or access any relevant external data source to obtain correct debtor details. These details are to be submitted to the MUNICIPALITY in order to update debtor's records.
- The collection agent will 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.
- The collection agent will allow sufficient time for the account holder to respond to reminders and / or personal contact information.

3.2 **LEGAL PROCESS**

- i. The collection agent will, in the absence of sufficient response and / or proactive actions from account holder, institute all necessary legal actions within 60 days of receipt of the file by issuing summons up to the obtaining of a warrant of execution.
- ii. Obtain default judgment against and black-list defaulting account holders in terms of MUNICIPALITY approved CREDIT CONTROL AND DEBT COLLECTION POLICY.
- iii. Obtain emolument and movable asset attachment order.
- iv. Obtain a court order for attachment and immovable assets that are in the process of being sold, subject to the Chief Financial Officer's approval.
- v. Prior written approval to be obtained from 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

- vi. Handling of all legal matters arising from handed-over account.
- vii. Defended matters must, in ALL instances, be handed over to Chief Financial Officer for verification.

NB: The Legal process MAY be handed over to an external law firm by the successful bidder. Supporting CVs of the legal expertise must be enclosed with the bidder's response to this tender.

4. FINANCIAL VIABILITY

4.1 TENDERER'S COMMISSION

4.1.1 The TENDERER will collect the arrear Debt and the Inactive Debt on a commission basis, calculated on the capital amount (Outstanding amount at the date of Handover) plus interest on the outstanding amount from the handover date. The interest rate will be that charged by the Mogalakwena Local Municipality to its consumers on overdue accounts as date.

time to time. The TENDERER must collect the capital amount (Outstanding amount at the date of Handover) as well as recoverable interest from the date of handover.

4.1.2 Commission will only be paid on payments collected on the outstanding amounts on the accounts (current account excluded unless handed over by the Municipality).

4.2 *PAYMENTS BY THE MOGALAKWENA LOCAL MUNICIPALITY TO THE TENDERER*

4.2.1 The Mogalakwena Local Municipality will make payments claimed by the TENDERER of the amount on the invoice as contemplated in the General Conditions of Contract, which is attached to this tender document.

4.2.2 The invoice must comply with all legislative and procedural provisions.

4.3 *PAYMENTS BY THE DEBTOR*

4.3.1 All payments by the debtors to be directly paid into the Mogalakwena Local Municipality bank account.

5. *ARRANGEMENTS FOR SETTLEMENT OF DEBT*

The TENDERER must make arrangements for the settlement of debt as set out in the Credit Control Policy of the Mogalakwena Local Municipality.

The arrangement details (in terms of Credit Control Policy) must be forwarded to the Mogalakwena Local Municipality as soon as possible after the settlement agreement

has been entered into in a format specified by the Divisional Head Revenue Management.

An arrangement will be terminated as soon as a customer defaults on their arranged agreement, and services to that premises will be immediately discontinued.

6. GENERAL

- 6.1 This agreement constitutes the entire agreement between the parties and the TENDERER acknowledges that no warranties or representations of whatsoever nature by or on behalf of the Mogalakwena Local Municipality have been made except as recorded in this agreement. No variation of this agreement will be of any force and effect, unless such an agreement is in writing and signed by both parties.
- 6.2 The Mogalakwena Local Municipality may not, in any way, be prejudiced for relaxing any of the contractual agreements with the TENDERER, and the TENDERER must also not deem such a relaxation as a waiver of the Municipality's rights, as captured in this document.
- 6.3 The collection of the debt will be undertaken by the TENDERER on a collection per account basis and the invoice will be strictly on a collection basis, except where otherwise provided in the Tender. All accounts handed to the TENDERER will be dealt with in terms of the provisions of this Tender.
- 6.4 The debt collection process must be executed in strict accordance with this agreement.
- 6.5 The TENDERER must be fully insured against all accidents or misfortunes including death of or injury to persons and/or loss or damage to property arising out of the condition or execution of any work in terms of this tender.
- 6.6 The tenderer must include, in the tender, a complete company profile indicating, among other things, its previous relevant experience, staff component and process plan. If these documents are not submitted in the tender document, the tender will not be considered.

7. TIMELINE

- 7.1 EFFECTIVE DATE, EXTENT AND DURATION OF AGREEMENT
 - 7.1.1 This agreement entails the rendering of a Debt Collection service by the TENDERER for the Mogalakwena Local Municipality in its area of jurisdiction. The TENDERER will render the said service as an independent TENDERER.
 - 7.1.2 This agreement is for a period of 36 (Thirty-Six) months and will commence on the effective date or nearest date as determined by the Mogalakwena Local Municipality in its sole discretion.
 - 7.1.3 The 36 (Thirty-Six) month period will commence on the date of the signature of the Service Level Agreement (with reference to all terms and conditions as set out in the tender document) by both parties.

8. THE EVALUATION WILL BE DONE AS

FOLLOWS:

Stage1: ADMINISTRATION COMPILECE

All bids duly lodged will be examined to determine compliance with bidding requirements and conditions. Bids with obvious deviations from the requirement/conditions, will be eliminated from further evaluation.

Critical Criteria

The following criteria have been identified for this bid and any non-compliance thereto will lead to the bid being regarded as non-responsive and disqualified from further evaluation.

- Certified Copy of ID`s for both Directors
- Tax Clearance certificate /Tax pin
- Provide Central supplier Database (CSD)
- All pages of the Municipal Bid Document must be initiated and signed where required.
- Signed J/V agreement submitted (where applicable)

Copy of municipal rates and taxes statement of account which is not older than three (3) months or lease agreement together with the municipal rate for the owner or letter from local authority

MANDATORY REQUIREMENTS

- The Tenderer must be registered as a Debt Collector in line with the provisions of the DEBT COLLECTORS ACT, 1998 (ACT 114 OF 1998) and The Certificate of Registration must be attached together with a letter of good standing.
- The attorney doing legal work on behalf of the tenderer must be registered with the Law Society of South Africa and proof of registration must be enclosed together with a letter of good standing.
- Should the Tenderer be a firm of attorneys, only a letter of Good Standing with the Law Society of South Africa is required.

STAGE 2: PREQUALIFICATION- SPECIFIC GOALS

This is a pre-qualification tender to advance certain designated groups in terms of National Treasury's Preferential Procurement Regulation 2022

Historically Disadvantaged Individuals - HDI	80/20 Preferential Point System	90/10 Preferential Point System	Means of Verification
	20	10	

Race – people who are Black, Colored or Indian	6	3	CSD report and Certified Copy of Identification Documentation
Local Economic Development	4	2	Company head office residence within the Jurisdiction as per CSD and proof of residence
Gender - Women	3	1	CSD report and Certified Copy of Identification Documentation
Youth	4	2	CSD report and Certified Copy of Identification Documentation
Disability	3	2	Certified copy of Doctor's Certificate with medical practice number

STAGE 3: EVALUATION ON FUNCTIONALITY

Description	Sub-criteria	Scale	Points
Debt Collection Plan and Road Map	Collection Strategy and Plan	30	50
The Tenderer must have a Collection System that interface with Mogalakwena System	The Collection System interface capability and connectivity	10	
Outbound Call Centre System with a Predictive / Preview/ Progressive Dialer	Call Centre System	10	
Company Experience			40

The company must provide proof of projects experience in debt collection sector and volume of accounts and book value (Attached reference letters from previous employers signed on company letterhead of employer with contact details and confirmation of successful project completion.)	5 projects and above	40	
	3-4 projects	30	
	1-2 projects	20	
Local Economic Participation Proof of a municipal water and lights invoice/statement OR lease agreement		10	10

Bidders must be score 80 points or more out of a total 100 points allocated for (functionality) to qualify for further evaluation (Price plus Specific Goals). Bidders that scoreless than 80 points will be disqualified and will not be evaluated further.

STAGE 4

5.4 PRICE AND PREFERENCE

- a) The project is below 50 million and the preferential points of 80/20 will be applicable as per PPPFA OF 2000, PPR, 2022
- b) 80/20 preference point system for acquisition of goods or services for Rand value equal to or above R30 000 and up to R50 million

INVITATION TO BID

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

BID NUMBER: CLOSING DATE: CLOSING TIME:
.....

DESCRIPTION.....
...
.....

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

BID DOCUMENTS MAY BE POSTED TO:

.....
.....

OR

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

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

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 generally open 24 hours a day, 7 days a week.

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, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

NB: NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE (as defined in Regulation 1 of the Local Government:

Municipal Supply Chain Management Regulations)

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

NAME OF BIDDER

POSTAL ADDRESS

.....

STREET ADDRESS

.....

TELEPHONE NUMBER

CODE.....NUMBER.....

CELLPHONE

NUMBER.....

FACSIMILE NUMBER CODE

.....NUMBER.....

E-MAIL

ADDRESS

.....

VATRE

GISTRATION

NUMBER.....

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN ATTACHED? (MBD 2) YES/NO

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

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

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 YES/NO (IF YES ENCLOSE PROOF)

SIGNATURE OF BIDDER.....

DATE.....

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

TOTAL BID PRICE.....
TOTAL NUMBER OF ITEMS OFFERED

ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:

Municipality / Municipal Entity:
.....

Department:
.....

Contact Person:
.....

Tel:

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

Fax:

.....

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

Contact Person:

.....

Tel:

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

Fax:

.....
...

TAX CLEARANCE CERTIFICATE REQUIREMENTS

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

- 1** In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- 2** SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
- 3** The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid.
Certified copies of the Tax Clearance Certificate will not be acceptable.
- 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 Clearance Certificate" form are available from any SARS branch office nationally or on the website 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.

DECLARATION OF INTEREST

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

3.1 Full Name of bidder or his or her representative:

.....

3.2 Identity Number:

.....

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

.....

3.4 Company Registration Number:

.....

3.5 Tax Reference Number.....

3.6 VAT Registration Number:

.....

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

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

3.8.1 If yes, furnish particulars.

.....
.....

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

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

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

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 for the past twelve months? **YES / NO**

3.9.1 If yes, furnish particulars

.....
.....

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

3.10.1 If yes, furnish particulars.

.....
.....

3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid?

YES /

NO

3.11.1 If yes, furnish particulars

.....
.....

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

3.12.1 If yes, furnish particulars.

.....
.....

3.13 Are any spouse, child or parent of the company's directors trustees, managers, principle shareholders or stakeholders in service of the state?

YES / NO

3.13.1 If yes, furnish particulars.

.....
.....

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

3.14.1 If yes, furnish particulars:

.....
.....

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

Full Name	Identity Number	State Employee Number

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder

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

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

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

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

.....
.....

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

***YES / NO**

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

2.2 If yes, provide particulars.

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

* Delete if not applicable
***YES / NO**

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

***YES / NO**

3.1 If yes, furnish particulars

.....

.....

4. Will any portion of goods or services be sourced from outside

***YES / NO**

the Republic, and, if so, what portion and whether any portion of payment from the municipality / municipal entity is expected to be transferred out of the Republic?

4.1 If yes, furnish particulars

.....

.....

CERTIFICATION

I, THE UNDERSIGNED (NAME)

.....

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM CORRECT.

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

.....

.....

Signature

Date

.....

.....

Position

Name of Bidder

MBD 6.1

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

(delete whichever is not applicable for this tender).

a) The applicable preference point system for this tender is the 90/10 preference point system.

b) The applicable preference point system for this tender is the 80/20 preference point system.

c) Either the 90/10 or 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	
SPECIFIC GOALS	
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 incomegenerating 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:

80/20

or

90/10

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

Where

- P_s = Points scored for price of tender under consideration
 P_t = Price of tender under consideration
 P_{min} = 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:

80/20	or	90/10
$P_s = 80 \left(1 + \frac{P_t - P}{P} \right)$	or	$P_s = 90 \left(1 + \frac{P_t - P}{P_{max}} \right)$

Where

- P_s = Points scored for price of tender under consideration
 P_t = Price of tender under consideration
 P_{max} = 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.

Historically Disadvantaged Individuals - HDI	80/20 Preferential Point System	90/10 Preferential Point System	Means of Verification
	20	10	
Race – people who are Black, Coloured or Indian	6	3	CSD report and Certified Copy of Identification Documentation
Local Economic Development	4	2	Company head office residence within the Jurisdiction as per CSD and proof of residence
Gender - Women	3	1	CSD report and Certified Copy of Identification Documentation
Youth	4	2	CSD report and Certified Copy of Identification Documentation
Disability	3	2	Certified copy of Doctor's Certificate with medical practice number

(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	Number of points allocated (80/20 system) (To be completed	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)
	the organ of state)	by the organ of state)		

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:

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

MBD 6.2

DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

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

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2017, the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

1. General Conditions

1.1. Preferential Procurement Regulations, 2017 (Regulation 8) make provision for the promotion of local production and content.

1.2. Regulation 8.(2) prescribes that in the case of designated sectors, organs of state must advertise such tenders with the specific bidding condition that only locally produced or manufactured goods, with a stipulated minimum threshold for local production and content will be considered.

1.3. Where necessary, for tenders referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.

1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.

1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - \frac{x}{y}] * 100$$

Where x is the imported content in Rand

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

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) on the date of advertisement of the bid as indicated in paragraph 3.1 below.

The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.

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

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

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

3. Does any portion of the goods or services offered have any imported content?

(Tick applicable box)

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

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

The relevant rates of exchange information is accessible on www.resbank.co.za

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

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

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

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

LOCAL CONTENT DECLARATION

(REFER TO ANNEX B OF

SATS1286:2011)

LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL) IN RESPECT OF BID NO.

.....

ISSUED BY: (Procurement Authority / Name of Institution):

.....

NB

- 1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.
- 2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on http://www.thedti.gov.za/industrial_development/ip.jsp. Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, (full names), do hereby declare, in my capacity as of(name of bidder entity), the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that:
 - (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
 - (c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 3.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

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

(**f the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above.**

(**The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 3.1 above and the information contained in Declaration D and E.**

- d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.
- e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 14 of the Preferential Procurement Regulations, 2011 promulgated under the Preferential Policy Framework Act (PPFA), 2000 (Act No. 5 of 2000).

SIGNATURE: _____

WITNESS No. 1 _____

DATE: _____

WITNESS No. 2 _____

DATE: _____

CONTRACT FORM - PURCHASE OF GOODS/WORKS

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

PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to (name of institution) in accordance with the requirements and specifications stipulated in bid number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of bid.

2. The following documents shall be deemed to form and be read and construed as part of this agreement:

(i) Bidding documents, viz

- Invitation to bid;
- Tax clearance certificate;
- Pricing schedule(s);
- Technical Specification(s);
- Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
- Declaration of interest;
- Declaration of bidder's past SCM practices;
- Certificate of Independent Bid Determination;
- Special Conditions of Contract;

(ii) General Conditions of Contract; and

(iii) Other (specify)

3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.

4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.

5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.

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

NAME (PRINT)

.....

CAPACITY

.....

SIGNATURE

.....

NAME OF FIRM

.....

DATE

.....

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

MBD 7.1

CONTRACT FORM - PURCHASE OF GOODS/WORKS

PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I..... in my capacity as..... accept your bid under reference numberdated.....for the supply of goods/works indicated hereunder and/or further specified in the annexure(s).

2. An official order indicating delivery instructions is forthcoming.

3. I undertake to make payment for the goods/works delivered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice accompanied by the delivery note.

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

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

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1.

.....

2.

DATE

CONTRACT FORM - RENDERING OF SERVICES

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

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

7. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.

8. The following documents shall be deemed to form and be read and construed as part of this agreement:

- (iv) Bidding documents,
 - viz - Invitation to bid;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Filled in task directive/proposal;
 - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
 - Declaration of interest;
 - Declaration of Bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
- (v) General Conditions of Contract; and
- (vi) Other (specify)

9. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.

10. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.

11. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.

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

NAME (PRINT)	WITNESSES 1 2
CAPACITY	.....
SIGNATURE	.....
NAME OF FIRM	.....
	
DATE	.....

MBD 7.2

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

4. I..... in my capacity as..... accept your bid under reference numberdated.....for the rendering of services indicated hereunder and/or further specified in the annexure(s).

5. An official order indicating service delivery instructions is forthcoming.

6. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

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

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

SIGNED AT ON

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1

2

MBD

7.3

CONTRACT FORM - SALE OF GOODS/WORKS

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

PART 1 (TO BE FILLED IN BY THE BIDDER)

13. I hereby undertake to purchase all or any of the goods and/or works described in the attached bidding documents from (name of institution)..... in accordance with the requirements stipulated in (bid number)..... at the price/s quoted. My offer/s remain

binding upon me and open for acceptance by the seller during the validity period indicated and calculated from the closing time of bid.

14. The following documents shall be deemed to form and be read and construed as part of this agreement:

- (vii) Bidding documents, *viz* - Invitation to bid;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Declaration of interest;
 - Declaration of Bidder's past SCM practices;
 - Special Conditions of Contract;
- (viii) General Conditions of Contract; and
- (ix) Other (specify)

15. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) cover all my obligations and I accept that any mistakes regarding price(s) and calculations will be at my own risk.

16. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.

17. I undertake to make payment for the goods/works as specified in the bidding documents.

18. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.

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

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES	
1	.....
2	.....
3	.....

CONTRACT FORM - SALE OF GOODS/WORKS

PART 2 (TO BE FILLED IN BY THE SELLER)

7. I..... in my capacity
as.....
accept your bid under reference number
.....dated.....for the purchase of goods/works indicated
hereunder and/or further specified in the annexure(s).

8. I undertake to make the goods/works available in accordance with the
terms and conditions of the contract.

ITEM NO.	DESCRIPTION	PRICE (ALL APPLICABLE TAXES INCLUDED)		
---------------------	--------------------	--	--	--

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

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

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

WITNESSES	
3.	.....
4.	.....

DATE

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.

- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.

- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
 - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
 - b. been convicted for fraud or corruption during the past five years;
 - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).

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

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>The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <p>The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
Item Question		Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes Yes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	<input type="checkbox"/>	No <input type="checkbox"/>

4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME)

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

CERTIFICATE OF INDEPENDENT BID DETERMINATION

1 This Municipal Bidding Document (MBD) must form part of all bids¹ 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).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.

3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:

a. take all reasonable steps to prevent such abuse;

b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and

c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.

4 This MBD serves as a certificate of declaration that would be used by institutions to

ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.

5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid: ¹

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

² **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 Municipality / Municipal Entity)

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

I certify, on behalf

of: _____ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;

- (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
- (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.

7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding: (a) prices;

- (b) geographical area where product or service will be rendered (market allocation)

- (c) methods, factors or formulas used to calculate prices;

- (d) the intention or decision to submit or not to submit, a bid;

- (e) the submission of a bid which does not meet the specifications and conditions of the bid; or

- (f) bidding with the intention not to win the bid.

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

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

10. 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

