

Reference: Quote/corp/2012-13/001

Enquiries: Gavhi HR

07 January 2013

**TO WHOM IT MAY CONCERN**

Dear Sir / Madam

**REQUEST FOR FORMAL WRITTEN PRICE QUOTATIONS:**

**(Over R30 000.00 up to a transaction value of R200 000.00 VAT included)**

Kindly furnish us with a written quotation for the supply of the following:

**SUPPLY OF DIARIES FOR 2013 FINANCIAL YEAR**

The quotation, placed in a sealed enveloped clearly marked "Quote/corp/2012-13/001:**SUPPLY OF DIARIES**" must be put in the bid box located at the Building of Mutale Municipal Offices, Tshilamba, MUTALE no later than **Wednesday, 16 January 2013 at 12:00**. The bid box is generally open 24 hours a day, 7 days a week. Telephonic, facsimile, electronic / e-mailed and late bids will not be accepted. Bids may only be submitted on the bid documentation that has been issued.

The following conditions will apply

- Price(s) quoted must be valid for at least sixty (60) days from date of your offer.
- Price(s) quoted must be firm and must be inclusive of VAT.
- A firm delivery period must be indicated.
- This quotation will be evaluated in terms of the 80/20 preference point system as prescribed in the Preferential Procurement Policy Framework Act (No 5 of 2000) and for this purpose the enclosed forms MBD 2, MBD 4, MBD 6.1, MBD 6.9, MBD 8 & MBD 9 must be scrutinized, completed and submitted together with your quotation.
- The successful provider will be the one scoring the highest points.
- This bid document and all its contents are subject to the General Conditions of Contract July 2010 as amended. These conditions are available on request.
- Payments to the successful bidder in terms of this contract will be processed within 30 days after receipt of a valid tax invoice for goods and/or services rendered to the satisfaction of the municipality.
- The checklist at the back of the bid document must be completed and adhered to.

**NB: No quotations will be considered from persons in the service of the state**

Failure to comply with these conditions may invalidate your offer.

Yours faithfully

**S RAZWIEDANI  
ACTING MUNICIPAL MANAGER**

# REQUEST FOR A FORMAL WRITTEN PRICE QUOTATION

***YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE MUTALE MUNICIPALITY***

**BID NUMBER:** Quote/corp/2012-13/001      **CLOSING DATE:** 16 January 2013      **CLOSING TIME:**  
12:00

**DESCRIPTION: SUPPLY OF DIARIES FOR 2013 FINANCIAL YEAR**

The following conditions to bid exist:

(Failure to comply may result in your bid being disqualified)

1. Bidders should ensure that bids are delivered timeously to the correct address as indicated below. 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.
2. All quotation prices must **include VAT**.
3. Bids will be evaluated according to the 80/20 points system.
4. The bid document is also available on the Municipality's website at [www.Mutale.gov.za](http://www.Mutale.gov.za)
5. The quotation will be opened in the Council Chamber, Municipal offices, in public immediately after the closing time at 12:00.
6. **Telephonic, facsimile, electronic/mailed and late bids will not be accepted.**
7. The lowest or any quotation shall not necessarily be accepted and the Council reserves the right to accept any part of the bid.
8. **An original tax clearance certificate must be attached (MBD2).**
9. All the information as requested on the preferential claim form must be completed in order to claim preferential points. A bidder whose claim form is not completed will not be eligible for any preferential points.
10. The quotation and all other documents of the submission must be **attached behind** this Bid Document.
11. The bidder must complete the checklist at the back of this bid document

**SUBMIT BID DOCUMENTS TO/ OR POSTAL ADDRESS:**

Municipal Manager

Private Bag x1254

MUTALE

0956

(Ensure bid number and title are on envelope)

**TO BE DEPOSITED IN:**

The bid box at the entrance of the Municipal Offices of

**CONTACT DETAILS FOR:**

**Mr HR GAVHI**

Tel: (015) 967 9600

**MUTALE MUNICIPALITY**  
**TERMS OF REFERENCE (TOR)**

**1. SCOPE**

**1.1 Purpose**

Bids are hereby invited for the Supply of diaries for 2013 year

**2. EVALUATION CRITERIA**

This bid will be evaluated according to the criteria and weight given in the table below:

<b>Evaluation Criteria</b>	<b>Weighting</b>
1. Price	80
2. BROAD-BASED BLACK ECONOMIC EMPOWERMENT (B- BBEE) STATUS LEVEL CERTIFICATES	20
Total	100

The Mutale Municipality will verify all information submitted in terms of this bid and any information that is incorrect or false will result in that bid being automatically disqualified and not considered further. Therefore it is stressed that the contact firm or person of the bidder must be willing to confirm the information in writing on the request by the Municipality.

**MUTALE MUNICIPALITY**  
**SPECIFICATION OF GOODS AND SERVICES**

DESCRIPTION	QUANTITY	COMPLY		
		YES	NO	Details of deviations. If not sufficient space, attached annexure of deviations
<b>A. B4 executive personalized diaries</b>	<b>45</b>			
1. Colour: in line with municipal logo				
2. Material: Fiscagama				
3. Thick metal wyo				
4. Gold corners				
5. Pen and Business card holder inside				
<b>B. B5 Ordinary diaries</b>	<b>167</b>			
1. Logo of Municipality on cover				
2. Map of Limpopo province				
3. Map of Vhembe District Municipality				
4. Map of Mutale Municipality				
5. Names of Chiefs				
6. Names of villages including All wards				
7. Names of councilors				
8. Names of Officials, department and designations on the outside				
<b>TOTAL DIARIES</b>	<b>212</b>			

N.B Bidder must complete the above specification checklist

## DETAILS OF BIDDER

Name of firm / entity / enterprise	
Trading as (if different from above)	
Postal address	
Physical address	
Contact Details of the <b>Person Signing the BID</b>	Name: _____  Telephone: _____ Fax: _____  Cellular Telephone: _____ e-mail address: _____

## TAX CLEARANCE REQUIREMENTS

### IT IS A CONDITION OF BIDDING THAT -

1. The taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with the Receiver of Revenue to meet his / her tax obligations.
2. The attached form "Application for Tax Clearance Certificate (in respect of bidders)", must be completed in all respects and submitted to the Receiver of Revenue where the bidder is registered for tax purposes. The Receiver of Revenue will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of twelve (12) months from date of issue. This Tax Clearance Certificate must be submitted in the original together with the bid. Failure to submit the original and valid Tax Clearance Certificate may invalidate the bid.
3. In bids where Consortia / Joint Ventures / Sub-contractors are involved each party must submit a separate Tax Clearance Certificate. Copies of the Application for Tax Clearance Certificates are available at any Receiver's Office.

# **APPLICATION FOR TAX CLEARANCE CERTIFICATE**

## **(IN RESPECT OF BIDDERS)**

1. Name of taxpayer / bidder: .....

2. Trade name: .....

3. Identification number:

4. Company / Close Corporation registration number:

5. Income tax reference number:

6. VAT registration number (if applicable):

7. PAYE employer's registration number (if applicable):

Signature of contact person requiring Tax Clearance Certificate: .....

Name:

Telephone number: Code: ..... Number: .....

Address: .....

.....

.....

DATE: 20\_\_\_\_ / \_\_\_\_ / \_\_\_\_

PLEASE NOTE THAT THE COMMISSIONER FOR THE SOUTH AFRICAN REVENUE SERVICE (SARS) WILL NOT EXERCISE HIS DISCRETIONARY POWERS IN FAVOUR OF ANY PERSON WITH REGARD TO ANY INTEREST, PENALTIES AND / OR ADDITIONAL TAX LEVIEABLE DUE TO THE LATE- OR UNDERPAYMENT OF TAXES, DUTIES OR LEVIES OR THE RENDITION RETURNS BY ANY PERSON AS A RESULT OF ANY SYSTEM NOT BEING YEAR 2000 COMPLIANT.

[MBD 2]

**PRICING SCHEDULE – FIRM PRICES  
(PURCHASES)**

**NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED**

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

Name of Bidder..... Bid Number: Quote/corp/2012-13/001

Closing Time 16 JANUARY 2013

OFFER TO BE VALID FOR.....DAYS FROM THE CLOSING DATE OF BID.

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
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DESCRIPTION	QUANTITY	Unit Price(vat inc)	Total Price (Vat Inc)
<b>C. B4 executive personalized diaries</b>	<b>45</b>		
6. Colour: in line with municipal logo			
7. Material: Fiscagama			
8. Thick metal wyo			
9. Gold corners			
10. Pen and Business card holder inside			
<b>D. B5 Ordinary diaries</b>	<b>167</b>		
9. Logo of Municipality on cover			

10.	
11. Map of Limpopo province	
12. Map of Vhembe District Municipality	
13. Map of Mutale Municipality	
14. Names of Chiefs	
15. Names of villages including All wards	
16. Names of councilors	
17. Names of Officials, department and designations on the outside	

**TOTAL PRICE****R.....**

- Required by: HR GAVHI
- At: **MUTALE MUNICIPALITY STORES**
- Brand and Model .....
- Country of Origin .....
- Does the offer comply with the specification(s)? \*YES/NO
- If not to specification, indicate deviation(s) .....
- Period required for delivery **3 WEEKS from date of order**
- Delivery .....  
\*Delivery: Firm/Not firm
- Delivery basis .....

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

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

\*Delete if not applicable

## DECLARATION OF INTEREST

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

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

3.1 Full Name: .....

3.2 Identity Number: .....

3.3 Company Registration Number: .....

3.4 Tax Reference Number: .....

3.5 VAT Registration Number: .....

3.6 Are you presently in the service of the state\* YES / NO

3.6.1 If so, 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.

.....  
.....

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

3.7.1 If so, furnish particulars.

.....  
.....

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

3.8.1 If so, furnish particulars.

.....  
.....

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

3.9.1 If so, furnish particulars

.....  
.....

**YES / NO**

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

3.10.1 If so, furnish particulars.

.....

.....

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

of the state?

3.11.1 If so, furnish particulars.

.....

.....

## CERTIFICATION

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

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

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

.....

.....

Signature

Date

.....

.....

Position

Name of Bidder

\* 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.

**MBD 6.1**

## **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.**

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### **1. GENERAL CONDITIONS**

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

- the 80/20 system for requirements with a Rand value of up to R1 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R1 000 000 (all applicable taxes included).

1.2 The value of this bid is estimated to exceed/not exceed R1 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.

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

**POINTS**

<b>1.3.1.1 PRICE</b>	<b>80</b>
<b>1.3.1.2 B-BBEE STATUS LEVEL OF CONTRIBUTION</b>	<b>20</b>
<b>Total points for Price 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:

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

Where

Ps = Points scored for comparative price of bid under consideration

Pt = Comparative price of bid under consideration

Pmin = Comparative price of lowest acceptable bid

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

5.1 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	8	16
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5.2 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.

5.3 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.

5.4 **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.**

5.5 **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.**

- 5.6 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.
- 5.7 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.
- 5.8 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.

## 6. BID DECLARATION

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

## 7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1

- 7.1 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).

## 8 SUB-CONTRACTING

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

- 8.1.1 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)

## 9 DECLARATION WITH REGARD TO COMPANY/FIRM

9.1 Name of firm : .....

9.2 VAT registration number : .....

9.3 Company registration number : .....

### 9.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One person business/sole propriety
- Close corporation
- Company
- (Pty) Limited

[TICK APPLICABLE BOX]

### 9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

### 9.6 COMPANY CLASSIFICATION

- Manufacturer
- Supplier
- Professional service provider
- Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

#### 9.7 MUNICIPAL INFORMATION

Municipality where business is situated .....

Registered Account Number .....

Stand Number .....

#### 9.8 TOTAL NUMBER OF YEARS THE COMPANY/FIRM HAS BEEN IN BUSINESS?

.....  
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:

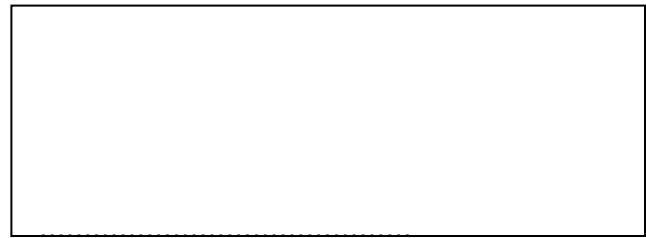
- (i) The information furnished is true and correct;
- (ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.
- (iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 7, the contractor may 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:.....

.....

.....

.....

## 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
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4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p><b>The Database of Restricted Suppliers now resides on the National Treasury's website(<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <p>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.</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	<b>Is the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?</b>	<input type="checkbox"/>	<input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	<input type="checkbox"/>	<input type="checkbox"/>
4.7.1	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

**Js367bW**

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

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

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

<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.

**MBD 9**

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

9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
  
10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

Js9141w 4

## **Authorization to deduct outstanding amounts**

**To: Municipal Manager, Mutale Municipality**

**From: \_\_\_\_\_**  
**(Name of Bidder or Consortium)**

### **AUTHORISATION FOR THE DEDUCTION OF OUTSTANDING AMOUNTS OWED TO COUNCIL**

**I, THE UNDERSIGNED,**

**(FULL NAME IN BLOCK LETTERS)**

*Hereby authorise the Mutale Municipality to deduct the full amount outstanding by the business organization /Director, shareholder, partner, etc from any payment due to us / me.*

.....  
Signature

**THUS DONE AND SIGNED** for and on behalf on the Bidder / Contractor

at ..... on the ..... day of ..... 20.....  
(Place) (Date) (Month) (Year)

in the presence of the subscribing witnesses.

AS WITNESSES:

1..... Name in Block Letters: .....  
(SIGNATURE)

2..... Name in Block Letters: .....  
(SIGNATURE)

## ANNEXURE B

**To: Municipal Manager, Mutale Municipality**

---

**CERTIFICATE FOR MUNICIPAL SERVICES AND PAYMENTS TO SERVICE PROVIDER**

**NAME OF THE BIDDER:**

.....

**FURTHER DETAILS OF THE BIDDER/S; Proprietor / Director/s / Partners, etc:**

Physical business address of Bidder	Municipal Account numbers

*if there is not enough space for all the names, please attach the additional details to the Bid Document*

Name of Director/Member/Partner	Identity number	Physical residential address of Director/Member/Partner	Municipal Account numbers

I,

the undersigned,(full name in block letters)

certify that the information furnished on this declaration form is correct and that I/we have no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days. Bidder must attach copy of municipal account.

---

Signature

**THUS DONE AND SIGNED** for and on behalf on the Bidder / Contractor

at ..... on the ..... day of ..... 20.....  
(PLACE) (DATE) (MONTH) (YEAR)

**Please Note:**

**Even if the requested information is not applicable to the Bidder, the table above should be endorsed and THIS DECLARATION MUST STILL BE SIGNED.**

### CHECK LIST FOR COMPLETENESS OF BID DOCUMENT

The bidder must ensure that the following checklist is completed, that the necessary documentation is attached to this bid document and that all declarations are signed:

*\*Mark with "X" where applicable*

<b>Items to be checked</b>	<b>Yes</b>	<b>No</b>	<b>Comments</b>
1. Completed page containing the details of bidder			
2. Valid and original tax clearance certificate attached to bid document (MBD 2).			
3. Adhered to the pricing instructions (MBD 3.1)			
4. Completed and signed declaration of interest (MBD 4)			
5. Preference points claimed and signed declarations (MBD 6.1)			
6. Signed declaration of bidder's past supply chain management practices (MBD 8)			
7. Prohibition of Restrictive Practices (MBD 9) be completed and signed			
8. Comply with full specification			
9. Bidder must initial every page of this bid document			
10. Latest municipal account of the bidder and its directors must be attached <b>a. If the bidder is not responsible for the payment of municipal rates and/ services, details in support of this must be attached to this bid document e.g. letter from landlord</b>			

**CERTIFICATION**

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

**CERTIFY THAT THE INFORMATION FURNISHED ON THIS CHECK LIST IS TRUE AND  
CORRECT.**

.....

**Signature**

.....

**Date**

.....

**Position**

.....

**Name**