



TENDER DOCUMENT

TENDER NUMBER:		FTM/T10/21/22	
TENDER DESCRIPTION:		APPOINTMENT OF A SERVICE PROVIDER FOR COMPILATION OF MUNICIPAL VALUATION ROLL FOR A PERIOD OF 3 YEARS (36 MONTHS) WITH OPTION TO RENEW FOR 2 YEARS FOR SUPPLEMENTARY VALUATION	
CLOSING TIME:	12H00	CLOSING DATE:	14th February 2022
Tender Box at: 1 st Kanstania Street, Burgersfort Town or Stand no : 1 Mashung, Ga-Nkwana		NB: <ol style="list-style-type: none"> 1. All bids must be submitted on the official forms – (not to be re-typed) 2. Bids must be completed in black ink in writing 3. No bids will be considered from persons in the service of the state 	
Name of Bidder:			
Tendered Amount:			
B-BBEE Status Level of Contributor:			
Preference Points Claimed:			
CSD Supplier number			
CSD Unique reference number			

TIME: 12H00

FETAKGOMO TUBATSE
LOCAL MUNICIPALITY

**PART A
INVITATION TO BID**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (FETAKGOMO TUBATSE MUNICIPALITY)

BID NUMBER:	FTM/T10/20/21	CLOSING DATE:	14 th February 2022	CLOSING TIME:	12h00
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DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER FOR COMPILATION OF MUNICIPAL VALUATION ROLL FOR A PERIOD OF 3 YEARS (36 MONTHS) WITH OPTION TO RENEW FOR 2 YEARS FOR SUPPLEMENTARY VALUATION
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THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).

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

1 Kastania Street	or	Stand No. 1
Burgersfort		Ga-Nkoana (Mashung)
1150		0739

SUPPLIER INFORMATION

NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS	_____				
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	Yes		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	Yes	
	No			No	

[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]

1. ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	Yes No [IF YES ENCLOSE PROOF]	2. ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	Yes No [IF YES, ANSWER PART B:3]
3. TOTAL NUMBER OF ITEMS OFFERED		4. TOTAL BID PRICE	R
5. SIGNATURE OF BIDDER		6. DATE	
7. CAPACITY UNDER WHICH THIS BID IS SIGNED			
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:		TECHNICAL INFORMATION MAY BE DIRECTED TO:	
DEPARTMENT	FINANCE	CONTACT PERSON	LC Phasha
CONTACT PERSON	ML Makgopa	TELEPHONE NUMBER	Tel: 013 231 1062
TELEPHONE NUMBER	013 231 1000	FACSIMILE NUMBER	
FACSIMILE NUMBER	013 231 7467	E-MAIL ADDRESS	Email: lcphasha@ftlm.gov.za
E-MAIL ADDRESS	lmakgopa@ftlm.gov.za		

PART B TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:										
<p>1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.</p> <p>1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR ONLINE</p> <p>1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.</p>										
2. TAX COMPLIANCE REQUIREMENTS										
<p>2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.</p> <p>2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.</p> <p>2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.</p> <p>2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.</p> <p>2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.</p> <p>2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.</p> <p>2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.</p>										
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS										
<table style="width: 100%; border: none;"> <tr> <td style="width: 80%;">3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?</td> <td style="text-align: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</td> </tr> <tr> <td>3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?</td> <td style="text-align: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</td> </tr> <tr> <td>3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?</td> <td style="text-align: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</td> </tr> <tr> <td>3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?</td> <td style="text-align: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</td> </tr> <tr> <td>3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?</td> <td style="text-align: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</td> </tr> </table> <p>IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.</p>	3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	<input type="checkbox"/> YES <input type="checkbox"/> NO	3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO	3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO	3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO	3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	<input type="checkbox"/> YES <input type="checkbox"/> NO
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**NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.
NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.**

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

DATE:

EVALUATION PROCESS AND CRITERIA:

Evaluation of all bids received on time at closing date will be evaluated in the following four phases.

- A) Phase 1: Administrative Compliance,
- B) Phase 2: Functionality
- C) Phase 3: Presentation
- D) Phase 4: Pricing and B-BBEE

NB: All bidders are required to comply with all the requirements of administrative evaluation for them to proceed to the next phase of functionality.

Bidders must obtain a minimum score of 50 points to qualify for presentation.

Bidders must score a minimum score of 70 to move on to the next stage of the evaluation: Pricing and B-BBEE

The 80/20 preference points system as prescribed in the Preferential Procurement Policy Framework Act (PPPFA) will be applied to evaluate this bid.

COMPULSORY ADMINISTRATIVE REQUIREMENTS:

A bid not complying with the peremptory requirements stated above will be regarded as “Non-Responsive”, and as such will be disqualified. “Responsive” means any bid which, in all respects, complies with the conditions of the specifications as set out in the bid documents, including conditions as specified in the Preferential Procurement Regulations of 2017, terms of which provision is made for this policy.

Bidders will be evaluated on the following administration compliance:

- Compliant tax status (the Municipality will verify tax compliance during evaluation and adjudication stage).
- All pages of the tender document and General Condition of the contract must be initialed
- Attach proof of membership certificate with South African Council for Property Valuer Profession and the letter of good standing (where a company is owned by more than one director at least one director should attach the certificate of South African Council For Property Valuer Profession)
- MBD form must be Fully Completed and signed.
- Price amendment without signature will amount to disqualification.
- Submit the tender document in hardcopy and an electronic copy in the form of USB/CD must be attached.
- Company Registration Document (CK) (If JV, for both) must be attached.
- Power of attorney / authority of signatory by all directors and indicating who is authorized to sign the documents (if it's a JV, all directors must sign for both companies) must be attached.

- Signed Joint Venture Agreement, where applicable and the lead partner must have at least 51% or above shares in the company
- Signing of the form of offer, completed in words and figures (with a bid price/amount) in full.

- Originally Certified ID Copies of all directors must be attached (For all directors of companies in case of joint venture).
- Latest submission of Municipal rates and taxes or municipal service invoice issued to the bidder and all directors, by any other municipality or municipal entity. The rates and taxes charges must not be in arrears for more than three (03) months (90 days) for the company& directors.

Please note the following:

- a) If staying in a non-rate-able area, please attach original letter from the Tribal Authority/ Chief/ Headman or SAPS sworn Affidavit.
- b) If the business is operated from the residence of the director, please attach the director's rates supported by sworn affidavit stating the address of the business premises.
- c) If you are renting, attach valid signed lease agreement.

Please note that all certified documents must not be older than 6 months.

Special requirements

- Originally certified copies of B-BBEE Level Contribution Certificate (from SANAS accredited agencies) or original affidavit only for preference points

Bidders who do not comply with above will be scored zero

TERMS OF REFERENCE FOR COMPILATION OF THE VALUATION ROLL AND SUPPLEMENTARY VALUATION ROLLS AND MAINTENANCE THEREOF FOR THE FINANCIAL YEARS 1st JULY 2023 TO 30th JUNE 2026.

In compliance with the local government: municipal property rates act. 2004 (act no 6 of 2004)

1. INTRODUCTION

The **Fetakgomo-Tubatse Local Municipality** is calling for tenders from experienced and suitably qualified valuers for the compilation of a valuation roll and supplementary valuation rolls in terms of the Act, for the following areas within its area of jurisdiction:

- Burgersfort
- Fetakgomo
- Ga Mapodile
- Ga Mapodila A
- Mapareng
- Mecklenburg A
- Ohrigstad
- Riba Cross
- Steelpoort
- Tubatse A

The valuation process generates a substantial percentage of municipality's income and therefore the municipality could suffer significant detriment, if the valuation services provided are not accurate. There is also a significant customer service focus associated with the valuation process that impacts on the municipality's image.

The successful Tenderer(s) must commit themselves to strict confidentiality both during and after valuation task.

Tenderer(s) must ensure that no conflict of interest occurs during the valuation process and if any potential conflict arises, the Tenderer(s) must advise municipality accordingly.

Tenderer(s) will be required to prepare a project plan in terms of Section 7 and to adhere to the time schedules detailed therein, as well as **paragraph 18** hereof.

Municipality will provide the Tenderer with certain data as detailed in **paragraph 14** hereof.

Any further data or information required fulfilling the requirements of the Act and the specific requirements of the municipality shall be for the sole account and responsibility of the Tenderer.

1. SERVICES REQUIRED

Tenders are invited from experienced and suitably qualified Tenderer(s) to compile and maintain valuation roll/s and supplementary valuation rolls.

Tenderer(s) will be required to compile a Valuation Roll and Supplementary Valuation Rolls for the period:

1st July 2023 to 30th June 2026

In addition to compiling the said valuation rolls,

Tenderer's nominated person/s will be required to assist municipality in: -

1. The preparation of the Rates Policy in terms of the Act in regard to valuation matters,
2. Community Participation and Public Awareness relating to the valuation and objection process.
3. Attending to Valuation Enquiries on behalf of the municipality.

Tenderer's nominated person/s will be required to undertake the following functions and/or services: -

4. Valuation of different categories of properties in terms of Section 8(1), 8(2) and 93(b)

5. Valuation of multiple purpose properties in terms of Section (9) and the review thereof, if so, required by municipality
6. Exemptions, reductions or rebates in terms of Section 15 and the reviews thereof, if required by municipality
7. Compile valuations in terms of Section 7(1) and subject to the provisions of Section 30 (2), where applicable
8. Compliance with the provisions of Section 30 Technical assistance with MPRA implementation
9. Any other ad-hoc services that may be required by municipality in relation to MPRA

10. Compile the valuation rolls as at date of valuation in terms of Section 3 1
11. Comply fully with Section 34 - Functions of Municipal Valuer
12. Section 36 - Data Collectors. Assume responsibility for their performance
13. Comply with Section 37 - Delegation where applicable and if necessary
14. Comply with Section 39 - Qualifications of Municipal Valuers
15. Comply with Section 40 - Prescribed Declarations
16. Comply with Section 41 - Inspection of property within defined days and times
17. Comply with Section 42 - Access to Information
18. Comply with Section 43 - Conduct of Valuers
19. Comply with Section 44 - Protection of Information
20. Comply with Section 45 - Valuation methodology and Section 13 hereof
21. Comply with Section 46 - General basis of valuation
22. Comply with Section 47 - Sectional Title Schemes
23. Comply with Section 48 - Content of Valuation Roll including any additional information that the municipality may require in terms of this tender
24. Comply with Section 51 - Processing of objections, if so required by municipality
25. Comply with Section 52(I) (3) - Compulsory review
26. Comply with Section 53 - Notification
27. Comply with Section 69 — Decision of Valuation Appeal Board and Section 34(f)
28. Comply with Section 78 - Supplementary valuations including annual reviews of multiple properties in terms of Section 9 and properties affected in term of Section 15 of the Act, if so, required by municipality

29. Comply with Section 81 & 82 of the Act. Tenderer(s)/Nominated Person(s) shall provide and make available all data and valuations for purposes of internal monitoring by the municipality as well as monitoring by the MEC for local government in terms of Section 82(1) of the Act, such data will be available and in a format that is easy to read, understand and interpret.

Functionality

CRITERIA		WEIGHT	Total Weight
1.	TENDERER: REGISTRATION CATEGORY		
1.1	<p>Experience of the company on valuation of compilation general valuation roll or supplementary valuation roll</p> <p>Five (5) or more appointment and corresponding reference letters of valuation of compilation general valuation roll or supplementary valuation roll - points 30</p> <p><i>Between one (1) to Four (4) appointment and corresponding reference letters of valuation of compilation general valuation roll or supplementary valuation roll - points 20</i></p> <p>Appointment letters and signed reference letters with value of project in government or public sector reflecting valuer's experience.</p> <p>Non-attachment of appointment and signed reference letters will result into zero score.</p> <p>The reference letter must stipulate email address, telephone/cell phone and the period. Failure to include this will result in zero score.</p> <p>Please pair (put together) each appointment letter with its corresponding reference while compiling your returnable document.</p>	30	30
2.	<p>Profile of valuer</p> <p>Degree or NQF 7 Qualification and above – 20 Points</p> <p>Diploma or relevant NQF 6 - 15 Points</p> <p>Certificate or relevant NQF 5 - 5 Points</p> <p>The valuer must be registered with the professional body – South African Council For Property Valuer Profession certificate must be attached and</p> <p>To score the full points, the bidder must have of a</p>		20

	combination of all Attach Curriculum vitae, ID, membership certificate and the relevant qualification		
3.	Proof of system ownership or Lease agreement Attachment of proof of system ownership or valid lease agreement for the system – 30 Points		30
3.1	Proof Attached	30	
3.2	No Proof Attached	0	
4.	Presentation on projects methodology and post implementation support Methodology must pertain: <ul style="list-style-type: none"> • Turnaround time on resolving issues • Availability of support team • MPRA Compliance <p>The presentation shall be set up virtually with bidders who met the minimum criteria to be called for presentation.</p> <p>The bidder must obtain a minimum of 50 points to be called for presentation.</p>		20
4.1	Presentation scoring Good	20	
4.2	Average	10	
4.3	Poor	05	
	Total	100	100

MINIMUM REQUIRED SCORE IS 70 TO MOVE ON TO THE NEXT STAGE OF THE EVALUATION

Pricing schedule

General valuation

If the number of properties during general valuation compilation exceed the limited number of properties, the rate will be utilized including supplementary valuation

Description /Categories	Number Of Properties	Estimated unit per property	Total
Agricultural Properties	837		
Business Properties	428		
Industrial Properties	149		
Mining	22		
Municipal Properties	56		
Public Service Infrastructure (Psi)	83		
Place Of Worship (Pw)	13		
Residential Properties	7 835		
Ss Units (Residential properties)	271		
State Owned Properties	298		
Vacant	1 652		
Total Estimated No Of Entries	11 664		
Sub-total			
VAT			
Total			

Other rates for non-valuation roll services

Description /Categories	Number Of Properties	Estimated unit per property	Total
Agricultural Properties	837		
Business Properties	428		
Industrial Properties	149		
Mining	22		
Municipal Properties	56		
Public Service Infrastructure (Psi)	83		
Place Of Worship (Pw)	13		
Residential Properties	7 835		
Ss Units (Residential properties)	271		
State Owned Properties	298		
Vacant	1 652		
Total Estimated No Of Entries	11 664		
Sub-total			
VAT			
Total			

NB - The above pricing rates will be used as when there is assignment allocated.

General valuation roll

The pricing on general valuation roll will be based on average number of properties provided by the municipality and rate will have to be provided

Subsequent services

Supplementary valuation roll and adhoc services bidders will have to provide the rates

For investment properties and disposals of the related properties, Municipality will request quotations as an when required

Rates to be adjusted annually in accordance with CPIX

VALUATION

The tender requires a valuation roll to be compiled in terms of section 34(b) of the Act together with the compilation of annual supplementary valuation rolls.

The following is an approximate summary of the number of entries appearing in the current Valuation roll:

<u>CATEGORIES</u>	<u>NUMBER OF ENTRIES</u>
AGRICULTURAL PROPERTIES	837
BUSINESS PROPERTIES	428
INDUSTRIAL PROPERTIES	149
MINING	22
MUNICIPAL PROPERTIES	56
PUBLIC SERVICE INFRASTRUCTURE (PSI)	83
PLACE OF WORSHIP (PW)	13
RESIDENTIAL PROPERTIES	7 835
SS UNITS(RESIDENTIALMPROPERTIES)	271
STATE OWNED PROPERTIES	298
VACANT	1 652
TOTAL ESTIMATED NO OF ENTRIES	11 664

Tenderer(s) shall base their tender on the estimated number of entries above. Upon submission of the certified valuation roll an adjustment based on the actual number of entries as reflected in the Property Master will be made and compared to the above estimate. The tender price will then be adjusted pro rata on the difference of entries and the price will be calculated on the type of category relating to the entry under item 1.1 to 1.10 of Schedule 3 hereof.

Where a property has been valued in terms of its multiple uses. each multiple use will count as a separate entry in the calculation of final entries and price.

Tenderer shall provide municipality with documented proof of the total number of entries contained in the property master file and the municipality reserves the right to check, audit and verify such entries.

Where a municipality has no existing valuation roll, Tenderer will establish the estimated entries and will thereafter base his tender in terms of the categories reflected under Schedule 3 hereof.

The winner bidder will be required to submit a certified supplementary valuation roll by the 31st of March of each year.

Supplementary Valuations will be compiled on an ongoing basis as they occur and supplied to municipalities as soon as is reasonably possible. Tenderer will supply the municipality with a monthly schedule of all supplementary valuations compiled by him and ensure that the property master file is updated continuously as a result of such changes.

Where Tenderer has been appointed to supply GIS services to the municipality, Tenderer will be obliged to maintain the GIS and reconcile supplementary valuations made with the GIS not less than once a month.

Municipality will require that Tenderer maintains a register of all supplementary valuations in the course of being compiled by Tenderer and such register will contain provision for monthly reporting on all outstanding supplementary valuations and the reasons thereof.

All terms, conditions and references applicable to the compilation of the valuation roll shall be applicable to the compilation of supplementary valuation rolls.

The cost of compiling supplementary valuation rolls and the maintenance thereof shall be based on the fees as set out in **Schedule 3** hereof.

Tenderer shall if required by the municipality as part of the maintenance of the valuation roll, to annually re-inspect and review the valuations relating specifically to properties subjected to sections 9 & to 5 of the Act.

8. OBJECTIONS

Tenderer must comply with the provisions of section 51, 52 & 53 of the Act.

The cost of complying with the objection process is reflected in **Schedule 3**.

10 APPEALS

The Tenderer must attend all hearings of the valuation appeal board hearings. The costs of attending to the hearings are reflected in **Schedule 3**.

11 DATA COLLECTION AND DATA COLLECTION SYSTEMS

Tenderer will be fully responsible for the obtainment of all data necessary for tenderer to compile the Valuation Roll and Supplementary Rolls.

The data collected by Tenderer must be capable of being checked, audited, verified and monitored.

Municipality will establish or have established whether the standard of data collection is accurate and in accordance with generally accepted valuation standards suggested by either The South African Institute of Valuers, or The South African Council for the Property Profession and/or any other recognised South African bodies relating to the valuation profession.

If the findings of the municipality and/or the said described bodies indicate that the standard of data collection is not in accordance with the above standards, the municipality will give Tenderer 30 day's written notice setting out their findings and request Tenderer to rectify such default, failing which municipality shall be entitled to cancel this tender without further notice.

Tenderer will be given the opportunity to explain to the municipality the differences between the findings of the municipality relating to data randomly checked by them and data supplied to them by Tenderer. All data collected by Tenderer in no matter what format is the property of the municipality.

The collection of data on behalf of the municipality is critical and vital in the determination of true and accurate municipal valuations.

Where Tenderer has made use of aerial photography and or satellite imagery utilizes at his discretion and/or supplied by him either voluntarily or on behalf of the municipality, such aerial photographs and/or satellite imagery will become the data of the municipality and the Tenderer shall have no lien thereon.

Notwithstanding Section 45(2)(a) of the Act, whereby inspections are optional. Tenderer will be, required to adhere to the following minimum data collection requirements: -

In all cases the following data will be applicable: -

- Extent of erf
- Date of purchase (where available)
- Purchase price (where available)
- Multiple uses (if applicable)
- Name of owner (including part owners)
- Street address (where available)
- Zoning and use

In addition to the above data the following minimum data is required: -

12. RESIDENTIAL ERVEN AND BUILDINGS

- Age
- Adverse features i.e., next to informal settlement, busy road, etc.
- Condition and rating
- Number of storeys
- Quality
- Size or dwelling/s, outbuildings and other structures on the property
- Special features i.e., swimming pool, walling
- Topography

SECTIONAL TITLE RESIDENTIAL SCHEMES

- Age
- Adverse features
- Condition of section
- Condition of scheme
- Developable Land reserved for future extension of scheme
- Erf no (cross referred)
- Exclusive use area
- Floor level
- Name of scheme
- No of storeys in the scheme
- Participation quota
- Positive features

Registration no of scheme
Unit and flat no
Unit type i.e. simplex, duplex, etc

INCOME PRODUCING PROPERTIES

Condition rating
Description of units i.e., 12 x 1 bedroom flats, 6 x ground floor shops
Expense ratio to gross income
Rentable or usable area
Gross building area
Other income factors e.g., car bays
Quality of building rating
Rentals actual and/or estimates provided by agents, tenants, landlords, etc.
Sales capitalization rates and other information obtained from agents, brokers, purchasers, etc.
Surplus developable land
Turnover contribution if available

SPECIALISED PROPERTIES

Data relating to specific type of property e.g., number of beds in hospital etc.
Schedule reflecting description and use of buildings
Size of all buildings

PROPERTIES USED FOR AGRICULTURAL PURPOSES

Analysis of land e.g., Irrigation dry land, grazing, homestead land etc.
Description of all buildings including use, condition and functionality
Schedule of estimated building sizes
Investigation of land claims, land tenure etc.

AGRICULTURAL SMALL HOLDINGS

Where used as a firming unit 13/5 will apply
Where used for other purposes 1 3/1, 1 Y3 and 1 3/4 may have to be followed.

URBAN VACANT LAND

Adverse features
Positive features
Topography/slope
Soil conditions
Services
View

MINING LAND

All data relating to the freehold including inter alia offices, hostels, dwellings etc.

Buildings must be measured and fully described.
Mining equipment and/or machinery i.e., shafts, headgear etc. are excluded.

Where mining land is held under separate mining title all details of the activities relating to the title must be stated in full including inter alia: - size and description of buildings and improvements that are not deemed to be plant or equipment.

REGISTERED LEASES

Salient features of the lease.

PUBLIC INFRASTRUCTURE

All relevant data including description. Size and use of buildings. All equipment and/or machinery relating to Public Infrastructure must be excluded from the valuation process.

GENERAL

Sales are to be comprehensively inspected and analyzed during the compilation and maintenance phase of this tender.

Such analysis is to be fully documented and made available for internal and external monitoring purposes.

In the case of all properties other than agricultural farming units, where aerial photography and/or satellite imagery is not being used a digitised site plan must be submitted.

This requirement will apply to the compilation of the valuation roll as well as the supplementary valuation rolls.

Records relating to rentals, vacancies, expense, ratios, capitalization rates, construction costs and any other data that will have a bearing on the influence on market value are to be documented, recorded and analysed during the duration of this tender.

Sales are to be recorded and distinguished between vacant and Improved sales.

If building plans are used, they are to be verified and checked against actual buildings erected on the property and the data collected must reflect an "as is" situation found on the site. Categories of properties as well as multiple purposes properties are to be reflected.

Actual use and town planning zonings are to be reflected. This includes illegal uses.

All data collected will be internally monitored, verified and checked by the municipality on an ongoing basis.

The municipality does not guarantee the accuracy or correctness of any data supplied to Tenderer and it is the responsibility of Tenderer to check and correct any such data supplied.

Tenderer(s) must satisfy themselves in regard to the number of entries both registered and unregistered forming part of the existing Municipal records and reflected under paragraph 9 hereof. The valuation roll must be fully compatible with the billing system of the municipality. Other data must be capable of being adapted to other systems of the municipality.

INFORMATION AND SERVICES TO BE PROVIDED BY THE MUNICIPALITY AND/OR TENDERER

a. UPON APPOINTMENT, THE MUNICIPALITY WILL PROVIDE TENDERER WITH THE FOLLOWING DATA:

1. Current Valuation Roll (where no valuation roll exists municipality to specify);
2. Copies of all Supplementary Valuation Rolls;
3. Available data such as field sheets, valuation records etc.

OPTIONS

The Municipality will make the following data available to Tenderer and what data it requires Tenderer to obtain at their cost.

DATA RELATING TO COMPILATION OF GENERAL VALUATION ROLL

	<u>FUNCTION</u>	<u>MUNICIPALITY TO PROVIDE</u>	<u>TENDERER PROVIDE/OBTAIN</u>
1.	Aerial photographs/satellite imagery	X	
2.	Building plans		
3.	Bulk deeds download at commencement date	X	
4.	Cadastre	X	
5.	Copies of all offers received to purchase and/or lease Municipal properties	X	
6.	Copies all sales/rental agreements relating to properties sold by municipality whether registered or not	X	
7.	Copies of all consent use applications received, approved or declined	X	
8.	Copies of all township applications, rezoning, consolidations, notarial ties submitted to municipality	X	
9.	Copies of all approvals and or rejections by municipality of the above	X	
10,	Copies all policy decisions relating to immovable property within municipality	X	
12.	Development Plan	X	
13.	Geographic information system	X	
14.	Monthly clearance certificates	X	
15.	Monthly deeds downloads		X

16.	Monuments and Heritage buildings declared from time to time	X	
17.	Occupation Certificates where available	X	
18.	Planned roads and other infrastructure services, i.e. proposed reservoirs, power lines, sewer mains, water mains, etc	X	
19.	Reports of properties affected by environmental restraints or subjected to onerous environmental impact assessment requirements	X	
20.	Reports on properties that are adversely affected by adverse soil conditions or prohibition on development i.e. land subject to dolomite etc.	X	
21.	Town planning scheme	X	
22.	With each approved subdivision, consolidation and/or Township Proclamation or opening of a township Register <ul style="list-style-type: none"> - Copy of Proclamation Notice. - Amendment scheme, - Services agreement 	X	

SUPPLEMENTARY VALUATION ROLL

The Municipality will make the following data available to Tenderer and what data it requires Tenderer to obtain at their cost.

	<u>FUNCTION</u>	<u>MUNICIPALITY</u> <u>PROVIDE</u>	<u>to</u>	<u>TENDERER TO</u> <u>PROVIDE/OBTAIN</u>
1	Aerial photographs/satellite imagery	X		
2	Building plans	X		
3.	Cadastre monthly updates/GIS Data	X		
4.	Monthly copies of all offers received to purchase and/or lease Municipal properties	X		
5.	Monthly copies of all sales/rental agreements relating to properties sold by municipality whether register or not	X		
6	Monthly copies of all consent use applications received, approved or declined.	X		
7	Monthly copies of all township applications, re-zonings, consolidations, notarial ties submitted to municipality	X		
8.	Monthly copies of all approvals and/or rejections by municipality of the above	X		
9.	Monthly copies of all policy decisions relating to immovable property within municipality	X		
11	Development Plan and changes thereto	X		
12	Geographic information system – monthly maintenance thereof— if applicable	X		
13.	Monthly clearance certificates	X		
14.	Monthly deeds downloads			X
15.	Monuments and Heritage buildings declared from time to time	X		
16.	Occupation Certificates where available	X		
17.	Planned roads and other infrastructure services, i.e. proposed reservoirs, power lines, sewer mains. water mains, etc. ongoing basis	X		

18.	Regular reports of properties affected by environmental restraints or subjected to onerous environmental impact assessment requirements — ongoing basis	X	
19.	Reports on properties that are adversely affected by adverse soil conditions or prohibition on development i.e. land subject to dolomite etc.	X	
20.	Town planning scheme - updates thereof	X	
21.	With each approved subdivision, consolidation and; or Township Proclamation or opening of a Township Register <ul style="list-style-type: none"> - Copy of Proclamation Notice, - Amendment scheme, - Services agreement 	X	
22	Annual inspection and review of section 9 & 15 properties referred to in the Act		X
23.	Monthly diagrams from surveyor general		X
24.	Notices appearing in gov/political gazettes relating to properties within the municipality		X
25	Annual review of rates policy copy thereof	X	

NOTE: Where the municipality fails to provide the Tenderer with any of the information it undertakes to do so in terms hereof resulting in delays being incurred in the compilation of the supplementary valuation rolls, Tenderer will not be held liable for any such delays. Tenderer will however be held fully liable for any delays in the submission of supplementary valuations to the municipality.

Where the municipality is not fulfilling their obligations in terms of this paragraph Tenderer will advise the Municipal Manager of such default and request that the default of municipality be rectified by them.

14 PRINTING AND BINDING OF ROLLS

Tenderer shall be responsible for providing ten copies of the valuation roll, one of which will be certified by him. The valuation rolls shall be printed in A4 format, and shall be appropriately indexed.

The valuation roll shall be spirally bound and each volume shall be numbered and contain a cover and back page. All pages of the valuation roll shall be consecutively numbered. The printing and binding of the valuation roll shall be for the account of the Tenderer. In addition, Tenderer shall provide the municipality with an electronic copy of the valuation roll and supplementary rolls in printable format.

Additional copies of the valuation roll and/or supplementary valuation rolls will be as indicated in **Schedule 3** hereof.

15 VALUATION SYSTEM

Tenderer shall satisfy municipality that its valuation system will adequately be capable of not only producing the valuation rolls, but also storing historic data necessary in terms of the Promotion of Access to Information Act, Act 2 of 2002. The minimum, requirements of the Valuation System must be as follows:

- 15.1 if a mass valuation system is used by Tenderer, the system must be compatible with the valuation system of the municipality if applicable;
- 15.2 The valuation system must be compatible with the GIS systems utilized, by the municipality as well as other management systems that are affected by the valuation process;
- 15.3 The valuation system must be compatible with the billing system of the municipality;
- 15.4 The valuation systems must have an audit trail and the system must be able to verify all data that has an influence on values;
- 15.5 It must have adequate securities and controls to ensure that critical valuation data cannot be manipulated or corrupted
- 15.6 In the case of property data
The valuation system must be able to store changes relating to inter alia; -

Land use, zonings, size, sub divisions, consolidations, excisions, notarial ties etc.

Current and previous owners
Date of sale and transfer
Sales price
Title deed numbers
Servitudes
Caveats
Type of sale i.e., vacant or improved
Road reserves

In the case of Valuations

All current and future valuations
All changes to valuations to be historically reflected
Ability to produce monthly supplementary rolls for auditing and checking purposes

Objections

The valuation system must be capable of recording objections and appeals and must reflect: -

- Name of objector
- Name of owner
- Objection number
- Entry required by objector
- Decision of- valuer
- Reasons of valuer
- Decision of appeal board
- Existing valuations and valuations reflected in the valuation roll
- Adjustments made by the appeal board
- Historic records of all objections lodged in terms of the Act against the property from date of commencement and the full duration hereof.

Other

The valuation System must be capable of string inter alia: -

Building plan data were used in the valuation process, site plans, aerial photographs, GIS data and all other pertinent data on a historic basis. Such data must be capable of being linked to each erf in a way that a full history of all data from date of appointment in terms of this tender, pertaining to that erf can be extracted by reference on that erf.

The valuation system must be capable of extracting all properties that are subject to multiple entries, rebates, reductions and exemptions.

The valuation system must be able to extract properties on specific owner type i.e. municipal properties; state owned properties as well as categories of properties in terms of the rates policy of the municipality.

The valuation system must also be able to extract vacant properties and other information that the municipality may require for statistical purposes.

The valuation system must be able to download data directly from the deeds offices as well as recording and linking properties form various databases with the property key number of the Surveyor General.

16.1 DATA BACK UP AND DISASTER RECOVERY PLAN

All data collected by Tenderer is the property of the municipality.

Tenderer will be required at all times to fully protect such data against theft, data corruption, data espionage and data loss.

The maintenance and protection of data on behalf of municipality is critical and vital.

Tenderer will ensure that all data protected and backed up is capable of being restored and reinstalled into the valuation system of either municipality or Tender is less than seven working days from date of data disaster.

Where Tenderer utilizes data collection methods such as aerial photographs, electronic measurements, GIS etc. such data will also have to be fully protected and capable of restoration in the event of a data disaster. All such data will be made available to municipality in a format specified by municipality.

Municipality reserves the right to appoint either its own officials to assess the data protection and disaster recovery procedure or appoint independent specialists to evaluate and consider the merits and adequacy of the plan as set out under **Schedule 4** hereof.

- Tenderer will comply with the following minimum requirements for data protection and data recovery;
- Tenderer will ensure that all data collected manually on paper be scanned into PDF document "read only" format;
- Tenderer shall keep an original copy of the document in conjunction with the document in electronic PDF format stored on magnetic based media;
- Tenderer shall enforce all other static documents -- formats are set as read only and set the relative permissions on GIS and all third-party data;
- All data stored on any magnetic based media shall be hosted by an operating system **capable of setting security permissions down to the individual file level**;
- Tenderer will ensure that all scanned documents attributes stored on magnetic based media are filled in accurately and to the requirements requested by the municipality;
- Tenderer will ensure that all servers hosting the documents referred to in this paragraph and schedule be protected and accessed at server level by the Tenderer(s) appointed network administrator/s only;
- Tenderer will ensure strong password protection at the administrator level on the servers referred to in this section;
- Tenderer(s) will ensure that data which is available to the public and not of a confidential nature is in "read only format" and the original data or documents cannot be altered in any form whatsoever, whilst hosted on the tenderer's infrastructure or appointed third party service providers' infrastructure.
- Tenderer will ensure that all meta data stored in custom designed relational database systems. cannot be altered once entered into the database and must be protected by the maximum levels of protection recommended by the manufacturers and as set out in this schedule.
- Tenderer may make use of approved "open source" software products available on the market, to build proprietary systems, provided prior approval is obtained from the municipality
- Tenderer will ensure that all data is backed up on a daily basis and verified.
- Tenderer will ensure that 2 sets of media be created and used for backup purposes each set will be used and alternated on a separate weekly basis;
- Tenderer will create a fortnightly backup independent of the weekly backups, to be stored off site from the next business day 'When the backup is completed.
- Tenderer will ensure that a monthly backup be enforced on the last business day of the month, this backup set will be removed the next business day and stored off site in a secure facility;
- Tenderer will ensure that this backup cycle be enforced for the duration of the tender.
- Tenderer will adhere to and implement the backup software vendors "best practice" specifications;
- Tenderer will adhere to and comply with the backup hardware manufacturers specifications;

- Tenderer will ensure that all backup hardware is serviced regularly: service intervals shall not exceed a period of 120 days between intervals.

Municipality may review and amend this requirement at any time to keep pace with changes in technology and equipment. Should municipality require that a revised basis of back-up be implemented that is substantially different from that contained herein they will consider a contribution towards the cost of Tenderer, implementing such changes.

Municipality reserves the right to authorise and appoint a third-party consultant, to check and monitor the data protection methods of Tenderer during the duration of this tender.

Tender shall ensure that the data protection policy implemented by Tenderer is within the specifications and requirements of the municipality for the full period of this tender.

In the absence of a data protection policy, annexed to this tender the following minimum data collection specifications will apply to the appointed Tenderer/s.

16.2 DATA TRANSFER

Bulk data transfer shall be made available to municipality in a format specified by municipality.

Tenderer will ensure that a minimum of 2 Tape Backup technology or equivalent is utilised on a daily basis.

Municipality may request these tapes/media from time to time to verify and ensure data integrity.

Tenderer may utilise optical based media technology for archiving purposes.

Tenderer may utilise optical based media technology for data presentation.

Tenderer will ensure that all optical based media be "read only"

Tenderer will ensure secure site protocols are enforced for all website/internet available data.

Tenderer will ensure that all data collected be transferred to municipality on a minimum of a fortnightly basis.

16.3 GENERAL

Tenderer will ensure that he fully acquaints himself with the amount of data to be stored and what data needs to be protected and satisfies the municipality or its duly appointed consultant that the Tenderer has an adequate Computer System to frilly comply with the needs of paragraph 1 7 hereof as well as any other computer needs of the Tenderer.

17 GUIDELINES OF WHAT IS REQUIRED IN EACH STAGE:

Accurate data collection is critical during the duration of' the entire contract Tenderer(s) will have to ensure that data collected can be monitored by municipality and verified. Critical data that has a direct effect on valuations i.e. size, zoning,

values, etc. must be able to be fully audited by way of an acceptable audit trail.

Failure to meet the deadlines will result in a cumulative knock-on effect with regard to the submission of the certified roll and subsequent rendering of Municipal rates and taxes accounts.

Failure to meet the deadlines in regard to the submissions of draft and certified valuation rolls will result in delays in the finalisation of the annual rates policy, which will ultimately affect the determination of the rates structure of the municipality. Although stages may overlap each other it is critical that each stage be completed within the prescribed deadlines. Deadlines may only be changed with the written approval of the municipality.

Payments will be effected on a pro-rata basis payable either at the end of a stage or in progressive performance related payments during a stage.

18. MINIMUM REQUIREMENTS PER STAGE

Stage 1: DOCUMENTATION

Obtain the following as indicated under item 14.2:

Copy of current valuation roll
All supplementary valuations roll
Cadastre information (if available)
Aerial photographs (if available)

Bulk Deeds downloads

Download all data onto Tenderer(s) valuation system and create properly master.

Compare cadastre with the deeds downloads and existing Municipal Valuation Roll

Download other data in terms of section 48(2)

Order aerial photographs if not supplied by municipality

Stage 2: DATA COLLECTION

Includes:

Inspections, measurements, sales, field sheets, data capture forms, updating of historic sales, obtaining relevant data applicable to specific property types, i.e., rentals, turnover, yields, etc.

Use of aerial photographs for identification and/or electronic measurement.

Stage 3: VALUATION COMPILATION

Analysis of all data and compiling of draft valuations.

Stage 4: INTERNAL MONITORING OF VALUATIONS

Internal quality control to be conducted by Tenderer and measured against current sales and other relevant market data and adjusted to date of valuation.

Basis on which the initial roll has been internally monitored must be made available to the municipality of its appointed monitors.

The initial roll after internal monitoring must be amended and/or corrected if necessary.

This includes cross boundary monitoring within the Municipal area if applicable.

Stage 5: SUBMISSION OF DRAFT ROLL

Draft roll to be submitted and internally checked and/or monitored by the municipality at their sole discretion.

Stage 6: CORRECTIONS TO DRAFT ROLL AND SUBMISSION OF CERTIFIED ROLL

Tenderer will be required to correct any entry that has been found to be incorrect in terms of size, description, zoning, ownership, etc. as well as incorrect valuations based on sales ratio analysis and other factually indicated market trends.

All draft valuation rolls submitted by be subjected to external monitoring by the municipality.

After correcting the Draft Roll, if it is a requirement of municipality to do so, Tenderer shall bind and certify the roll for submission to the Municipal Manager.

Stage 7: OBJECTION PROCESS

Tenderer will be obliged to attend to the following:

Receive objections in terms of Section 50(5)

Comply with section 51 and where section 52(1) is applicable comply with section 52(a)

Comply with section 53(l) and 53(3)

Stage 8: VALUATION APPEALS BOARD HEARINGS

In terms of section 34(f) Tenderer shall be obliged to attend all sittings of the Valuation Appeals Board

Stage 9: ATTENDING TO ALL VALUATION ENQUIRIES

Tenderer will, if required by municipality attend to all valuation enquiries from time to time regarding the valuation roll and supplementary valuation rolls.

Stage 10: SUBMISSION OF ALL DATA OR COPIES THEREOF TO MUNICIPALITY & ISSUING OF FINAL DELIVERY CERTIFICATE

Tenderer(s) will have to ensure that within 30 (thirty) days of submission of the valuation roll and each supplementary valuation roll thereafter that a copy of all data in their possession has been provided to municipality in either an electronic or hard copy format. A final delivery certificate can only be issued once this provision has been fulfilled.

To enable municipality to issue a final delivery certificate, Tenderer shall issue a signed declaration that he has transferred copies of all data in either electronic or hard copy format to municipality and will continue to do so on monthly intervals thereafter.

PUBLIC PARTICIPATION AND AWARENESS

Tenderer(s) may be required to attend meetings regarding the rating policy as well as being involved in public awareness relating to the valuation process. Tenderer(s) may be required by the municipality to handle all valuation enquiries on their behalf particularly during the objection notice period and the months during which the first rates account based on the new valuation roll are levied. The costs hereof are set out in **Schedule 3** hereof.

If the municipality elect to require Tenderer to participate in public awareness and/or public participation, they shall issue a schedule of their requirements which they will attach to this tender

19 GEOGRAPHIC INFORMATION SYSTEM (GIS) SPECIFICATION

This section will only apply if required by the municipality. If the Tenderer is required to provide a GIS, the following will be the minimum requirements and specifications of such a system.

GENERAL DESCRIPTION OF SERVICE

The Tenderer will employ GIS in a supportive role to:

- Identity and describe the cadastral boundaries of each property within the municipal area;
- Guide Valuation Inspectorate to the sites to be inspected;
- Balance the properties of the municipal area with the entries registered in the Deeds Office as well as the Surveyor-General;
- Display geo-referenced aerial photographs of the area so as to provide the Valuer with a clear picture of the subject properties;
- Maintain the cadastral data during the maintenance period so as to reflect the properties contained in the valuation roll at all times.

GIS DATA STANDARDS

The following minimum standards will apply in respect of the GIS data format and compatibility:

- All GIS data will be available in a format compatible with the GIS of the municipality (if applicable);
- Cadastral data will be available in geographic coordinates on the WGS84 datum;
- The size of cadastral entities represented by means of the GIS, shall match the registered size of such properties, subject to a deviation of acceptable tolerance;
- A copy of all aerial photography used by Tenderer will be provided to municipality in either electronic and/or hard copy versions, 30 (thirty) days after submission of the certified valuation roll;
- Municipality must state the maximum age of aerial photography and/or satellite imagery to be used. As a guide fine where no spatial data base representing footprints of buildings is available, older aerial photographs which are more economical to obtain can be used. However, where aerial photographs are required to detect changes in the data from year to year, only new photographs can be used.
- Despite the age of the aerial photography used in the valuation process, it remains the responsibility of the Tenderer to ensure that the data reflected on the valuation roll is an accurate and true reflection as at date of valuation of what is found on the properties comprising the roll. Tenderer(s) must therefore use ground control measures to verify and confirm the results obtained from aerial photography.

- The GIS shall be fully compatible with the Tenderer(s) valuation system. As well as being compatible with the municipal system.

20 SPECIFICATIONS OF AERIAL PHOTOGRAPHY REQUIRED FOR DATA COLLECTION

Where Tenderer is required as a condition of tender to supply such photography in terms of item I, paragraph 14.2 hereof. The following minimum specifications will apply:

DESCRIPTION	SPECIFICATION	
	Urban	Rural
Colour	Nice to have but panchromatic will surface	
Scale of negatives	1:10 000	n.a.
Digital format	Tiff or Mr Sid with the applicable world file (*.tifw or */sidw)	
Projection	Transverse Mercator 29 East	
Datum	WGS84	
Accuracy	<=1m	5m to 15m
Resolution	<=0125m	0,50 to 1,25m
Ground control	Yes	No
Ortho rectification	Yes	Yes
Mosaicing	Yes	Yes
Geo-referencing	Yes	Yes
Collection method	Aerial photography	Aerial photography or satellite imagery
Application	Suitable for capturing footprints of buildings and structures as well as broad land uses	Suitable for capturing broad land uses and identify position and approximate size buildings and structures
Cloud cover	<5%	

COMPULSORY MUNICIPAL BID DOCUMENTS

MBD 2: TAX CLEARANCE CERTIFICATE

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 form TCC001 "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. Copies of form TCC 001 are available from any SARS branch office nationally or on the website www.sars.gov.za.
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 Tax Clearance Certificate must be submitted together with the bid. Failure to submit the TCC pin/ number will result in the invalidation of the bid.
4. In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
5. 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.

MBD 4

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.

.....

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

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

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

3.9 Have you been in the service of the state 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:

.....

(a) 4. Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	State Employee Number

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder

BROAD-BASED BLACK ECONOMIC EMPOWERMENT (B-BBEE) STATUS LEVEL CERTIFICATES

Bidders are required to submit original and valid B-BBEE Status Level Verification Certificates or certified copies thereof together with their bids, to substantiate their B-BBEE rating claims.

Bidders who do not submit B-BBEE Status T Level Verification Certificates or are non-compliant contributors to B-BBEE do not qualify for preference points for B-BBEE but should not be disqualified from the bidding process. They will score points for out of 90 or 80 for price only and zero points out of 10 or 20 for B-BBEE.

Under the amended B-BBEE codes, Accounting officers and verification professionals are no longer permitted to issue B-BBEE certificates to Exempt Micro Enterprises (EMEs) and black controlled and owned Qualifying Small Enterprises (QSEs). **Only the sworn affidavits and certificates issued by SANAS accredited agencies are acceptable.**

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

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

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

1. GENERAL CONDITIONS

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

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

1.21.2

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

1.3 Points for this bid shall be awarded for:

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

1.4 The maximum points for this bid are allocated as follows: 80/20 or 90/10

	POINTS	POINTS
PRICE	80	90
B-BBEE STATUS LEVEL OF CONTRIBUTOR	20	10
Total points for Price and B-BBEE must not exceed	100	100

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

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

2. DEFINITIONS

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

3. POINTS AWARDED FOR PRICE

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

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

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

Where

Ps = Points scored for price of bid under consideration

Pt = Price of bid under consideration
Pmin = Price of lowest acceptable bid

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

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

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

5. BID DECLARATION

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

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

6.1 B-BBEE Status Level of Contributor: . =(maximum of 10 or 20 points)
(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. SUB-CONTRACTING

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

(Tick applicable box)

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

7.1.1 If yes, indicate:

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 or QSE

(Tick applicable box)

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

v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations,2017:

Designated Group: An EME or QSE which is at last 51% owned by:	EME	QSE
	√	√
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name of company/firm:.....

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

- Y Partnership/Joint Venture / Consortium
- Y One person business/sole propriety
- Y Close corporation

Company
 (Pty) Limited
[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

8.6 COMPANY CLASSIFICATION

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

8.7 MUNICIPAL INFORMATION

Municipality where business is situated:
.....
Registered Account Number:
Stand Number:.....

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

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

- (a) disqualify the person from the bidding process;
- (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
- (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution.

WITNESSES

1.

2.

.....
SIGNATURE(S) OF BIDDERS(S)

DATE:

ADDRESS

.....

.....

CONTRACT FORM - RENDERING OF SERVICES

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

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

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

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES	
1
2
DATE:	

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I, in my capacity as

accept your bid under reference number dated..... for the rendering of services indicated hereunder and/or further specified in the annexure(s).

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

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

Table with 5 columns: a. 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

Empty box for official stamp

WITNESSES section with lines for 1, 2, and 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?</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>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	<p>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?</p>	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 or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <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

MBD 9**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:

(Name of Bidder) that:

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.

³ **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

FORM OF OFFER AND ACCEPTANCE

Form of Offer

The employer, identified in the acceptance signature block, has solicited offers to enter into a contract for the procurement project name: APPOINTMENT OF A SERVICE PROVIDER FOR COMPILATION OF MUNICIPAL VALUATION ROLL FOR A PERIOD OF 3 YEARS (36 MONTHS) WITH OPTION TO RENEW FOR 2 YEARS FOR SUPPLEMENTARY VALUATION

The tenderer, identified in the offer signature block, has examined the documents listed in the tender data and addenda thereto as listed in the returnable schedules, and by submitting this offer has accepted the conditions of tender.

By the representative of the tenderer, deemed to be duly authorized, signing this part of this form of offer and acceptance, the tenderer offers to perform all of the obligations and liabilities of the contractor under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the conditions of contract identified in the contract data.

***THE OFFERED TOTAL OF THE PRICES INCLUSIVE OF VALUE ADDED TAX IS:**

.....
.....

(rands)(in words);

R(in figures)

This offer may be accepted by the employer by signing the acceptance part of this form of offer and acceptance and returning one copy of this document to the tenderer before the end of the period of validity stated in the tender data, whereupon the tenderer becomes the party named as the contractor in the conditions of contract identified in the contract data.

Signature Block: Tenderer	
Signature	Date
.....	
Name	
.....	
Capacity	
.....	
Name of organization	
.....	
Address of organization	
.....	
.....	
Signature of witness	Date
Name of witness	
.....	

BIDDERS HAVE TO COMPLETE THE OFFERED TOTAL OF THE PRICES IN WORDS AS WELL AS IN FIGURES

Form of Acceptance

By signing this part of this form of offer and acceptance, the employer identified below accepts the tenderer's offer. In consideration thereof, the employer shall pay the contractor the amount due in accordance with the conditions of contract identified in the contract data. Acceptance of the tenderer's offer shall form an agreement between the employer and the tenderer upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

Deviations from and amendments to the documents listed in the tender data and any addenda thereto as listed in the tender schedules as well as any changes to the terms of the offer agreed by the tenderer and the employer during this process of offer and acceptance, are contained in the schedule of deviations attached to and forming part of this agreement. No amendments to or deviations from said documents are valid unless contained in this schedule.

The tenderer shall within two weeks after receiving a completed copy of this agreement, including the schedule of deviations (if any), contact the employer's agent (whose details are given in the contract data) for delivery of any bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the conditions of contract identified in the contract data. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect on the date when the tenderer receives one fully completed original copy of this document, including the schedule of deviations (if any). Unless the tenderer (now contractor) within five working days of the date of such receipt notifies the employer in writing of any reason why he cannot accept the contents of this agreement, this agreement shall constitute a binding contract between the parties.

Signature Block: Employer	
Signature	Date.....
Name	
Capacity	
for the Employer	Fetakgomo Tubatse Municipality P.O. Box 206, Burgersfort, 1150
Signature of witness	Date.....
Name of witness	

Schedule of Deviations

1 Subject:

.....
Details:
.....
.....
.....
.....

2 Subject:

.....
Details:
.....
.....
.....
.....

3 Subject:

.....
Details:
.....
.....
.....
.....
.....
.....
.....

4. Subject:

.....
Details:
.....
.....
.....
.....

5 Subject:

.....

Details:

.....

.....

.....

.....

By the duly authorised representatives signing this agreement, the employer and the tenderer agree to and accept the foregoing schedule of deviations as the only deviations from and amendments to the documents listed in the tender data and addenda thereto as listed in the tender schedules, as well as any confirmation, clarification or changes to the terms of the offer agreed by the tenderer and the employer during this process of offer and acceptance.

It is expressly agreed that no other matter whether in writing, oral communication or implied during the period between the issue of the tender documents and the receipt by the tenderer of a completed signed copy of this Agreement shall have any meaning or effect in the contract between the parties arising from this agreement.

**GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT**

15 NOTES

The purpose of this document is to:

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

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

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

TABLE OF CLAUSES

1. Definitions
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General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 “Day” means calendar day.
 - 1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.
 - 1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.
 - 1.10 “Delivery into consignee store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
 - 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable.

Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

- 1.13 “Fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 “GCC” means the General Conditions of Contract.
- 1.15 “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 components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 “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, components 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 “Services” means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.

- 2. Application**
- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.
- 3. General**
- 3.1 unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za
- 4. Standards**
- 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.
- 5. Use of contract documents and information; inspection.**
- 5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.
- 6. Patent rights**
- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.
- 7. Performance security**
- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
 - (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
 - (b) a cashier's or certified cheque
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with

supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

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

14. Spare parts

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

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
 - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

- 16. Payment**
- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.
- 17. Prices**
- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.
- 18. Contract amendments**
- 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
- 19. Assignment**
- 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
- 20. Subcontracts**
- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the supplier's performance**
- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

- 21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.
- 21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

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

23. Termination for default

- 23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
 - (b) if the Supplier fails to perform any other obligation(s) under the contract; or
 - (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.
- 23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.
- 23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard

the intended penalty as not objected against and may impose it on the supplier.

- 23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.
- 23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
- (i) the name and address of the supplier and / or person restricted by the purchaser;
 - (ii) the date of commencement of the restriction
 - (iii) the period of restriction; and
 - (iv) the reasons for the restriction.

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

- 23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

24. Anti-dumping and countervailing duties and rights

- 24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favorable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him

25. Force Majeure

- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security,

damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

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

27. Settlement of Disputes

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.5 Notwithstanding any reference to mediation and/or court proceedings herein,

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

(b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

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

30. Applicable law

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

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31. Notices

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

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

32. Taxes and duties

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

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

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

33. National Industrial Participation (NIP) Programme

33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.