

# *éDumbe Municipality*

10 Hoog Street  
Private Bag X308  
PAULPIETERSBURG 3180



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ALL CORRESPONDENCE TO BE ADDRESSED TO THE MUNICIPAL MANAGER

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## **EDUMBE LOCAL MUNICIPALITY**

### **DEPARTMENT OF INFRASTRUCTURE AND PLANNING**

#### **BID INVITATION**

#### **FOR**

#### **PANEL OF SERVICE PROVIDERS FOR PLANT AND EQUIPMENT HIRE**

**BID NUMBER:** EDUMT37/2018/19  
**DELIVERY PERIOD:** 36 Months as and when required.

***EMPLOYER:***

Municipal Manager  
éDumbe Local Municipality

**SCM**

Contact Person: Mr BW Buthelezi  
Tel no: 034 995 1650

**TECHNICAL**

Contact Person: Mr MB Buthelezi  
Tel no: 034 995 1873

***TENDERER:*** .....

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# INVITATION TO BID

Tenderers are hereby invited from suitably qualified service providers for the **PANEL OF SERVICE PROVIDERS FOR PLANT AND EQUIPMENT HIRE** bid number **EDUMT37/2018/19** for a period of **36 months as and when required**.

This bid will be evaluated in terms of the 80/20 Supply Chain Management Policy, Preferential Procurement Point system.

Bid documents will be obtainable from **13<sup>th</sup> March 2019** at **10H00** from the SCM Office and arrangements should be made with Mr BW Buthelezi on 034 995 1650 prior to collection of documents. Bid document reservation fee is R 678.95 per document and payment can be made at the cashiers of the municipality or alternatively through the EFT and proof of payment must be furnished before a document can be supplied.

Banking Details: eDumbe Local Municipality, FNB - Acc No: 532 8000 5944, Br Code: 270 624 (the proof of payment must reflect the bid number and bidder's name as reference).

Contractor documents to be submitted with the bid:

- Original and valid tax clearance certificate
- A certified copy of the most recent municipal account in which the business is registered. Local or District Municipality (rates, water, electricity and other) or if the bidder is a tenant (within Local or District Municipality) then a letter or certificate from the landlord indicating that the levies are not in arrears.
- Bids to be submitted in original format.

Fully completed bid document sealed in an envelope marked "Bid No: EDUMT37/2018/19 - **PANEL OF SERVICE PROVIDERS FOR PLANT AND EQUIPMENT HIRE, for 36 months as and when required**" should be deposited not later than the closing date and time at the Bid Box at eDumbe Local Municipality, 10 Hoog Street, Paulpietersburg, 3180.

The closing date is on 25<sup>th</sup> March 2019 at 12H00. Late, posted or faxed bid documents will not be accepted and the eDumbe Local Municipality reserves the right not to make an appointment and further has the right to accept the offer in whole or in part. Failure to comply with the above conditions will invalidate your offer.

Enquiries may be directed to the following persons during office hours

Procurement enquiries: Mr BW Buthelezi  
Telephone no.: 034 995 1650

Technical enquiries: Mr MB Buthelezi  
Telephone no.: 034 995 1873

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Municipal Manager

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## 1. SPECIFICATIONS OF TENDERS.

### 1.1 BACKGROUND

Due to financial constraints the eDumbe Local Municipality is experiencing a huge backlog on provision of new roads infrastructure as well as provision of proper roads maintenance of unpaved roads and mostly located in rural areas, therefore the successful contractors will be required to supply plant as per accompanied bill of quantities on an as and when required basis for a period of three years.

This Contract will be based on the "General Conditions of Contract for Construction Works – 3rd Edition 2015", issued by the South African Institution of Civil Engineering (abbreviated title: "General Conditions of Contract 2015").

### 1.1.1 SCOPE OF WORK AND DUTIES OF THE CONTRACTOR.

- The successful service providers will be required to **con-currently** supply the following plant on an as and when required basis
  - 10 ton roller
  - Tipper trucks (10 m<sup>3</sup>)
  - Excavator
  - Water kart/tanker (10 m<sup>3</sup>)
  - Smooth Roller
  - Pad foot Roller
  - TLB
  - Low Bed Truck
  - Bin Skip Remover
- Wet rate per hour inclusive of VAT to be quoted.
- Provision for operator and his/ her accommodation included on the rate quoted.
- Insurance of equipment to be provided
- Company to comply with Health and Safety Regulations in terms of OHS act.
- 3<sup>rd</sup> party liability to be provided.
- It is the responsibility of the service provider to provide security for the plant particularly to prevent any theft of fuel, batteries etc.
- It is the contractor's duty to prove and ensure protection of existing services, any damaged caused will be contractor's responsibility to fix or will be cost that municipality has incurred and will be recovered on contractor's due payment.
- The contractor must acquire approval from the Municipal representative in order to commence or proceed with the construction stages.
- In terms of the plant breakdown, you will be given 9 hours to fix or replace the plant. Note that the breakdown hours does not form part of the working hours.
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The work will be supervised by the municipality.

### 1.2 CONTRACT DURATION

The contract period shall be **36 Months**

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### 1.3 TRAINING

- The Employer may request from time to time that Contractors assist with the provision of practical "on the job" training for Departmental apprentices and learners in order for them to complete their apprenticeship and learnership.
  - By participating in this Contract, the Contractor shall accept and acknowledge that, if requested to provide practical training:
  - He shall submit a monthly progress report on any Departmental apprentice / learner assigned to him for practical training.
  - Whilst the trainee is under the supervision of the Contractor it shall be a requirement that the trainee complies with the regulations of general conduct laid down by the Contractor.
  - Any breach of discipline by the trainee must be reported immediately to the Department.
  - Wherever possible the Contractor should follow the training schedule as laid down by the Department.
  - The Contractor will be reimbursed for any agreed extra costs incurred by himself, which can be attributed directly to the provision of training to the apprentice / learner.
  - The Contractor shall be responsible and liable for the apprentice's / learner's work performance during the period of training.
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## 1.4 EVALUATION CRITERIA

### FUNCTIONALITY

Bids will firstly be on functionality, and thereafter on a preferential procurement point system.

Functionality Criteria	Sub-Criteria	Points	Maximum Points
1) Locality (Promotion of local companies)	Proof of physical address of the company or lease agreement. <ul style="list-style-type: none"> <li>I. Business operating within eDumbe Local Municipality Boundary</li> <li>II. Business operating within Zululand District Municipality Boundary</li> <li>III. Business operating within KZN</li> <li>IV. Business operating within South Africa</li> <li>V. Business operating outside South Africa</li> </ul>	<b>10 points</b>  <b>5 points</b>  <b>2 points</b> <b>1 point</b> <b>0 points</b>	<b>Max 10</b>
3) Supplier Experience	Letter of appointment and completion certificates for road construction. <ul style="list-style-type: none"> <li>I. Experience of similar nature of Works (5 appointment letters and completion certificates)</li> <li>II. Experience of similar nature of Works (3 appointment letters and completion certificates)</li> <li>III. No proof submitted.</li> </ul>	<b>30 points</b>  <b>10 points</b>  <b>0 points</b>	<b>Max 30</b>
4) Plant Proof of Ownership of plant as per specification.	<ul style="list-style-type: none"> <li>I. Proof of ownership of ALL of the plant and equipment.</li> <li>II. Proof of ownership of some and proof of plant hire of some of the plant and equipment.</li> <li>III. Letter of agreement for plant hire for 36 months of all of the plant and equipment.</li> <li>IV. No proof or agreement submitted.</li> </ul>	<b>30 points</b>  <b>25 points</b>  <b>20 points</b>  <b>0 points</b>	<b>Max 30</b>
5) Qualified Personnel/Operators	Only accredited institution will be accepted. <ul style="list-style-type: none"> <li>I. Proof of valid copies of the Operators Certificates.</li> <li>II. No proof submitted.</li> </ul>	<b>5 points</b>  <b>0 points</b>	<b>Max 5</b>
<b>TOTAL POINTS</b>			<b>75</b>

Only bidders who score a minimum score of 45 points (60%) shall be considered for further evaluation. Bidders who fail to score a minimum score of 45 points (60%) shall be disqualified and will not be considered for further evaluation as indicated below.

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## 1.5 Price and Preference Points

Bids who qualify for the next stage of evaluation will be evaluated in terms of the Preferential Procurement Regulations 2017, pertaining to the Preferential Procurement Policy Framework Act, 2000 ( Act 5 of 2000) and the Council's approved evaluation criteria.

The 80/20 preference point scoring system will be applied with points allocated as follows:-

- 80 points for the price.
- 20 points for B-BBEE status

The preference points will be allocated based on B-BBEE status level of contributor and as per the table below:-

Status Level of Contributor	Preference Points on scorecard (80/20 System)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-contributor	0

Bids are required to be valid for a period of 90 days.

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**SCHEDULE OF RATES**

Item	Description – Low-bed Truck	Unit	Quantity	Rate (R)
	<b>Rates must exclude VAT</b>			
	Manufacture:	No	1	N/A
	Model:			
	Year:			
	Engine Rating (kw):			
	Transport: Rate per kilometer	Km	Rate only	

Item	Description – Grader 20 Ton	Unit	Quantity	Rate (R)
	<b>Rates must exclude VAT</b>			
	Manufacture:	No	1	N/A
	Model:			
	Year:			
	Engine Rating (kw):			
	Rate	Day	Rate only	
	Rate	Hr	Rate only	

Item	Description - Roller	Unit	Quantity	Rate (R)
	<b>Rates must exclude VAT</b>			
	Manufacture:	No	1	N/A
	Model:			
	Year:			
	Engine Rating (kw):			
	Rate	Day	Rate only	
	Rate	Hr	Rate only	

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EDUMBE LOCAL MUNICIPALITY  
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Item	Description – Water tanker 1600- 1800 litres	Unit	Quantity	Rate (R)
	Rates must exclude VAT			
	Manufacture:	No	1	N/A
	Model:			
	Year:			
	Engine Rating (kw):			
	Rate	Day	Rate only	
	Rate	Hr	Rate only	

Item	Description – Excavator	Unit	Quantity	Rate (R)
	Rates must exclude VAT			
	Manufacture:	No	1	N/A
	Model:			
	Year:			
	Engine Rating (kw):			
	Rate	Day	Rate only	
	Rate	Hr	Rate only	

Item	Description – Tipper Truck	Unit	Quantity	Rate (R)
	Rates must exclude VAT			
	Manufacture:	No	1	N/A
	Model:			
	Year:			
	Engine Rating (kw):			
	Rate	Day	Rate only	
	Rate	Hr	Rate only	

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EDUMBE LOCAL MUNICIPALITY  
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Item	Description – Skip Loader Truck	Unit	Quantity	Rate (R)
	Rates must exclude VAT			
	Manufacture:	No	1	N/A
	Model:			
	Year:			
	Engine Rating (kw):			
	Rate	Day	Rate only	
	Rate	Hr	Rate only	

Item	Description – TLB 4x4	Unit	Quantity	Rate (R)
	Rates must exclude VAT			
	Manufacture:	No	1	N/A
	Model:			
	Year:			
	Engine Rating (kw):			
	Rate	Day	Rate only	
	Rate	Hr	Rate only	

Item	Description – CRANE TRUCK	Unit	Quantity	Rate (R)
	Rates must exclude VAT			
	Manufacture:	No	1	N/A
	Model:			
	Year:			
	Engine Rating (kw):			
	Rate	Day	Rate only	
	Rate	Hr	Rate only	

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<b>Item</b>	<b>Description – TRUCK MOUNTED LIFTING BOOM (CHERRY PICKER)</b>	<b>Unit</b>	<b>Quantity</b>	<b>Rate (R)</b>
	<b>Rates must exclude VAT</b>			
	Manufacture:	No	1	N/A
	Model:			
	Year:			
	Engine Rating (kw):			
	Rate	Day	Rate only	
	Rate	Hr	Rate only	

<b>Item</b>	<b>Description – TAR MIXER</b>	<b>Unit</b>	<b>Quantity</b>	<b>Rate (R)</b>
	<b>Rates must exclude VAT</b>			
	Manufacture:	No	1	N/A
	Model:			
	Year:			
	Engine Rating (kw):			
	Rate	Day	Rate only	
	Rate	Hr	Rate only	

<b>Item</b>	<b>Description – JACK HAMMER</b>	<b>Unit</b>	<b>Quantity</b>	<b>Rate (R)</b>
	<b>Rates must exclude VAT</b>			
	Manufacture:	No	1	N/A
	Model:			
	Year:			
	Engine Rating (kw):			
	Rate	Day	Rate only	
	Rate	Hr	Rate only	

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EDUMBE LOCAL MUNICIPALITY  
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Item	Description – INDUSTRIAL GENERATOR 500KVA 11KV 3 PHASE	Unit	Quantity	Rate (R)
	Rates must exclude VAT			
	Manufacture:	No	1	N/A
	Model:			
	Year:			
	Engine Rating (kw):			
	Rate	Day	Rate only	
	Rate	Hr	Rate only	

Item	Description – Heavy Duty Chainsaw (min 70cm3)	Unit	Quantity	Rate (R)
	Rates must exclude VAT			
	Manufacture:	No	1	N/A
	Model:			
	Year:			
	Engine Rating (kw):			
	Rate	Day	Rate only	
	Rate	Hr	Rate only	

Item	Description – TOW TRUCK	Unit	Quantity	Rate (R)
	Rates must exclude VAT			
	Manufacture:	No	1	N/A
	Model:			
	Year:			
	Engine Rating (kw):			
	Rate	Day	Rate only	
	Rate	Hr	Rate only	

EDUMBE LOCAL MUNICIPALITY  
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 PANEL OF SERVICE PROVIDER TO HIRE PLANT AND EQUIPEMENT

Item	Description – TRACTOR TRAILER	Unit	Quantity	Rate (R)
	Rates must exclude VAT			
	Manufacture:	No	1	N/A
	Model:			
	Year:			
	Engine Rating (kw):			
	Rate	Day	Rate only	
	Rate	Hr	Rate only	

Item	Description – TRACTOR 4X4 72KW MINIMUM	Unit	Quantity	Rate (R)
	Rates must exclude VAT			
	Manufacture:	No	1	N/A
	Model:			
	Year:			
	Engine Rating (kw):			
	Rate	Day	Rate only	
	Rate	Hr	Rate only	

Item	Description – MINI EXCAVATOR	Unit	Quantity	Rate (R)
	Rates must exclude VAT			
	Manufacture:	No	1	N/A
	Model:			
	Year:			
	Engine Rating (kw):			
	Rate	Day	Rate only	
	Rate	Hr	Rate only	

EDUMBE LOCAL MUNICIPALITY  
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 PANEL OF SERVICE PROVIDER TO HIRE PLANT AND EQUIPEMENT

Item	Description – DOZER (D6 OR SIMILAR)	Unit	Quantity	Rate (R)
	Rates must exclude VAT			
	Manufacture:	No	1	N/A
	Model:			
	Year:			
	Engine Rating (kw):			
	Rate	Day	Rate only	
	Rate	Hr	Rate only	

Item	Description – PEDESTRIAN ROLLER (WALK BEHIND VIBRATING)	Unit	Quantity	Rate (R)
	Rates must exclude VAT			
	Manufacture:	No	1	N/A
	Model:			
	Year:			
	Engine Rating (kw):			
	Rate	Day	Rate only	
	Rate	Hr	Rate only	

Item	Description – DIGGER LOADER (91-120KW)	Unit	Quantity	Rate (R)
	Rates must exclude VAT			
	Manufacture:	No	1	N/A
	Model:			
	Year:			
	Engine Rating (kw):			
	Rate	Day	Rate only	
	Rate	Hr	Rate only	

EDUMBE LOCAL MUNICIPALITY  
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 PANEL OF SERVICE PROVIDER TO HIRE PLANT AND EQUIPEMENT

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Item	Description – MINI LOADER (BOBCAT OR SIMILAR)	Unit	Quantity	Rate (R)
	Rates must exclude VAT			
	Manufacture:	No	1	N/A
	Model:			
	Year:			
	Engine Rating (kw):			
	Rate	Day	Rate only	
	Rate	Hr	Rate only	

COMPANY STAMP

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**Bidders Signature**

**A. VALID TAX CLEARANCE CERTIFICATE (ORIGINAL) VALID AS AT DATE OF TENDER CLOSING**

Tenderers are required to be registered for VAT and will need to submit an original SARS Tax Compliance Certificate with their tender, in order to be considered.

This original certificate shall be affixed to this page and must detail:

- VAT number
- PAYE number
- Income Tax number

**SIGNED ON BEHALF OF TENDERER:** .....

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**B. COMPANY / CC / TRUST / PARTNERSHIP / REGISTRATION CERTIFICATES AND COPIES OF IDENTITY DOCUMENT OF DIRECTORS.**

**Attach proof to this page**

**SIGNED ON BEHALF OF TENDERER: .....**

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**C. WORKMEN'S COMPENSATION REGISTRATION CERTIFICATE  
(Certified copy)**

**Attach proof to this page**

**SIGNED ON BEHALF OF TENDERER: .....**

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**D. PROOF OF OWNERSHIP (LOG BOOK REFLECTING COMPANY NAME OR DIRECTOR'S NAME)**

**Attach proof to this page: Plant Log book (Reflecting company name/ Director Name) or**

**Memorandum of agreement signed by both parties, with plant log books reflecting company in agreement with)**

**SIGNED ON BEHALF OF TENDERER: .....**

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**E. BBBEE CERTIFICATE.**

Certified **copy (not a copy of a copy)** of B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or an Accounting Officer as contemplated in the Close Corporation Act (CCA) to this page.

**SIGNED ON BEHALF OF TENDERER:** .....

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## 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 TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
  - 2 Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website [www.sars.gov.za](http://www.sars.gov.za).
  - 3 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website [www.sars.gov.za](http://www.sars.gov.za).
  - 4 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.
  - 5 The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
  - 6 In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
  - 7 Copies of the TCC 001 "Application for a Tax Clearance" form are available from any SARS branch office nationally or on the website: [www.sars.gov.za](http://www.sars.gov.za).
  - 8 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website [www.sars.gov.za](http://www.sars.gov.za).
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### DECLARATION OF INTEREST

1.	No bid will be accepted from persons in the service of the state*.	
2.	Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in the 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 / her representative: .....	
3.2	Identity number: .....	
3.3	Position occupied in the Company (director, trustee, shareholder <sup>2</sup> ): .....	
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 (where applicable) must be indicated in paragraph 4 below.	
3.8	Are you presently in the service of the state?*	<b>YES / NO</b>
3.8.1	If yes, furnish the following particulars:	
	Name of person / director / trustee / shareholder member: .....	
	Name of state institution at which you or the person connected to the bidder is employed: .....	
	Position occupied in the state institution: .....	
	Any other particulars: .....	

3.9	Have you been in the service of the state for the past twelve	<b>YES / NO</b>
3.9.1	months? If so, furnish particulars. ..... .....	
3.10  3.10.1	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?  If yes, furnish the following particulars:  Name of person: .....  Name of state institution at which you or the person connected to the bidder is employed: .....  Position occupied in the state institution: .....  Any other particulars: ..... .....	<b>YES / NO</b>
3.11  3.11.1	Are you aware of any relationship (family, friend, other) between the bidder and any person in the service of the state who may be involved with the evaluation and or adjudication of this bid?  If yes, furnish the following particulars:  Name of person: .....  Name of state institution at which you or the person connected to the bidder is employed: .....  Position occupied in the state institution: .....  Any other particulars: ..... .....	<b>YES / NO</b>
3.12  3.12.1	Are any of the company's directors, managers, principal shareholders or stakeholders in the service of the state?  If yes, furnish the following particulars: Name of person / director / trustee / shareholder / member:	<b>YES / NO</b>

	<p>.....</p> <p>Name of state institution at which you or the person connected to the bidder is employed:</p> <p>.....</p> <p>Position occupied in the state institution: .....</p> <p>Any other particulars: .....</p> <p>.....</p>	
<p>3.13</p> <p>3.13.1</p>	<p>Is any spouse, child or parent of the company’s directors, trustees, managers, principle shareholders or stakeholders in the service of the state?</p> <p>If yes, furnish the following particulars:</p> <p>Name of person / director / trustee / shareholder / member:</p> <p>.....</p> <p>Name of state institution at which you or the person connected to the bidder is employed:</p> <p>.....</p> <p>Position occupied in the state institution: .....</p> <p>Any other particulars: .....</p> <p>.....</p>	<p><b>YES / NO</b></p>
<p>3.14</p> <p>3.14.1</p>	<p>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?</p> <p>If yes, furnish particulars:</p> <p>.....</p> <p>.....</p>	<p><b>YES / NO</b></p>

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

**THE FOLLOWING INFORMATION IS COMPULSORY TO COMPLETE:**

Full Name	Identity Number	Individual Tax Number for each Director	State Employee Number (where applicable)

**5. The contract will be automatically cancelled if there is a conflict of interest which is not disclosed by the bidder.**

.....  
Signature

.....  
Date

.....  
Capacity

.....  
Name of Bidder

<sup>1</sup>MSCM Regulations: "in the service of the state" means to be -

- (a) a member of –
  - (i) any municipal council;
  - (ii) any provincial legislature; or
  - (iii) the National Assembly or the National Council of Provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official or 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 entity; or
- (f) an employee of Parliament or a provincial legislature.

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



## 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.**

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### 1. GENERAL CONDITIONS

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

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

1.2 The value of this bid is estimated not to exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable.

1.3 Preference points for this bid shall be awarded for:

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

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

	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTION	20
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

1.5 Failure on the part of a bidder to submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS or a sworn affidavit confirming annual turnover and level of black ownership in case of an EME and QSE 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.

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## 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) **“black designated groups”** has the meaning assigned to it in the codes of good practice issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
  - (d) **“black people”** has the meaning assigned to it in section 1 of the BroadBased Black Economic Empowerment Act;
  - (e) **“Broad-Based Black Economic Empowerment Act”** means the BroadBased Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
  - (f) **“co-operative”** means a co-operative registered in terms of section 7 of the Cooperatives Act, 2005 (Act No. 14 of 2005);
  - (g) **“designated group”** means:
    - 1. black designated groups;
    - 2. black people;
    - 3. women;
    - 4. people with disabilities; or
    - 5. small enterprises, as defined in section 1 of the National Small Enterprise Act, 1996 (Act No. 102 of 1996);
  - (h) **“designated sector”** means a sector, sub-sector or industry or product designated in terms of regulation 8(1)(a);
  - (i) **“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;
  - (j) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents;
  - (k) **“military veteran”** has the meaning assigned to it in section 1 of the Military Veterans Act, 2011 (Act No. 18 of 2011);
  - (l) **“National Treasury”** has the meaning assigned to it in section 1 of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
  - (m) **“people with disabilities”** has the meaning assigned to it in section 1 of the Employment Equity Act, 1998 (Act No. 55 of 1998);
  - (n) **“price”** includes all applicable taxes less all unconditional discounts;
  - (o) **“proof of B-BBEE status level of contributor”** means:
    - (i) the B-BBEE status level certificate issued by an authorised body or person;
    - (ii) a sworn affidavit as prescribed by the B-BBEE Codes of Good Practice; or
    - (iii) any other requirement prescribed in terms of the Broad-Based Black Economic Empowerment Act;
  - (p) **“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;
  - (q) **“Rand value”** means the total estimated value of a contract in Rand, calculated at the time of the tender invitation;
  - (r) **“rural area”** means:
-

- (i) a sparsely populated area in which people farm or depend on natural resources, including villages and small towns that are dispersed through the area; or
- (ii) an area including a large settlement which depends on migratory labour and remittances and government social grants for survival, and may have a traditional land tenure system;
- (s) **“stipulated minimum threshold”** means the minimum threshold stipulated in terms of regulation 8(1)(b);
- (t) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);
- (u) **“township”** means an urban living area that any time from the late 19th century until 27 April 1994, was reserved for black people, including areas developed for historically disadvantaged individuals post 27 April 1994;
- (v) **“treasury”** has the meaning assigned to it in section 1 of the Public Finance Management Act, 1999 (Act No. 1 of 1999); and
- (w) **“youth”** has the meaning assigned to it in section 1 of the National Youth Development Agency Act, 2008 (Act No. 54 of 2008).

### 3. ADJUDICATION USING A POINT SYSTEM

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

### 4. POINTS AWARDED FOR PRICE

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

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

$$\begin{array}{ccc}
 \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\
 \\
 P_s 801 \frac{\quad}{P_{min}} P_t P_{min} & or & P_s 901 \frac{\quad}{P_{min}} P_t P_{min}
 \end{array}$$

Where

- P<sub>s</sub> = Points scored for comparative price of bid under consideration
- P<sub>t</sub> = Comparative price of bid under consideration
- P<sub>min</sub> = Comparative price of lowest acceptable bid

**5. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTION**

- 5.1 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 BBBEE 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

- 5.2 A bidder who qualifies as an EME in terms of the B-BBEE Act must submit a sworn affidavit confirming Annual Total Revenue and Level of Black Ownership.
- 5.3 A Bidder other than EME or QSE must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Verification Agency accredited by SANAS.
- 5.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 5.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.
- 5.6 Tertiary Institutions and Public Entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the BBBEE Codes of Good Practice.
- 5.7 A tenderer may not be awarded points for B-BBEE status level of contributor if the tender documents indicate that the tenderer intends subcontracting more than 25% of the value of the contract to any other person not qualifying for at least the points that the tenderer qualifies for, unless the intended subcontractor is an EME that has the capability to execute the subcontract.
- 5.8 The points scored by a tenderer for B-BBEE in terms of subregulation (2) must be added to the points scored for price under subregulation (1).
- 5.9 The points scored must be rounded off to the nearest two decimal places.
- 5.10 Subject to subregulation (9) and regulation 11, the contract must be awarded to the tenderer scoring the highest points.
- 5.11 (a) If the price offered by a tenderer scoring the highest points is not market related, the organ of state may not award the contract to that tenderer.  
 (b) The organs of state may  
 (i) negotiate a market-related price with the tenderer scoring the highest points or cancel the tender;

- (ii) if the tenderer does not agree to a market-related price, negotiate a market-related price with the tenderer scoring the second highest points or cancel the tender;
  - (iii) if the tenderer scoring the second highest points does not agree to a market-related price, negotiate a market-related price with the tenderer scoring the third highest points or cancel the tender.
- (c) If a market-related price is not agreed as envisaged in paragraph (b)(iii), the organ of state must cancel the tender.

**6. BID DECLARATION**

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

**7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 5.1**

7.1 B-BBEE Status Level of Contribution: = (maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a BBBEE certificate issued by a Verification Agency accredited by SANAS or a sworn affidavit.

**8. SUB-CONTRACTING**

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

(Tick applicable box) 

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
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8.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted..... %
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME.

(Tick applicable box) 

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
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**9. DECLARATION WITH REGARD TO COMPANY/FIRM**

9.1 Name of company/firm:.....

9.2 VAT registration number:.....

9.3 Company registration number:.....

9.4 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

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9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

9.6 COMPANY CLASSIFICATION

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

9.7 MUNICIPAL INFORMATION

Municipality where business is situated:.....

Registered Account Number: .....

Stand Number:.....

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

9.9 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 contribution indicated in paragraph 7 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 7, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's PERFORM;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution.

## 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 as a company or person 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 National Treasury after the <i>audi alteram partem</i> rule was applied).</p> <p><b>The Database of Restricted Suppliers now resides on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</b></p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <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><b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b></p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
4.2.1	If so, furnish particulars:		

EDUMBE LOCAL MUNICIPALITY  
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4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
<b>Item</b>	<b>Question</b>	<b>Yes</b>	<b>No</b>
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"/>
4.5.1	If so, furnish particulars:		

**CERTIFICATION**

**I, THE UNDERSIGNED (FULL NAME) ..... CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS TRUE AND CORRECT.**

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

.....  
 Signature

.....  
 Date

.....  
 Capacity

.....  
 Name of a bidder



## CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Municipal Bidding Document (MBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *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 (MBD9) must be completed and submitted with the bid:

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

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

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## **CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

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(Bid Number and Description)

in response to the invitation for the bid made by:

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**EDUMBE LOCAL MUNICIPALITY**

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

I certify, on behalf of: \_\_\_\_\_ that:  
(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
  2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
  3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
  4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
  5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
    - (a) has been requested to submit a bid in response to this bid invitation;
    - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
    - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder.
  6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
  7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding prices;
    - (a) geographical area where product or service will be rendered (market allocation)
    - (b) methods, factors or formulas used to calculate prices;
-

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- (c) the intention or decision to submit or not to submit, a bid;
  - (d) the submission of a bid which does not meet the specifications and conditions of the bid;  
or
  - (e) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No. 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No. 12 of 2004 or any other applicable legislation.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

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**DECLARATION OF INTEREST**

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

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

3.1 Full Name:.....

3.2 Identity Number:.....

3.3 Company Registration Number:.....

3.4 Tax Reference Number:.....

3.5 VAT Registration Number:.....

3.6 Cell Number:.....

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

3.6.1 If so, furnish particulars.  
.....

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

3.7.1 If so, furnish particulars.  
..... **YES/ NO**  
.....

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3.8 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?

3.8.1 If so, furnish particulars.

..... YES / NO  
.....

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

3.9.1 If so, furnish particulars

..... YES / NO  
.....

3.10 Are any of the company's directors, managers, principal shareholders or stakeholders in service of the state?

3.10.1 If so, furnish particulars.

..... YES / NO  
.....

3.11.1 Are any spouses, child or parent of the company's directors, managers, principal shareholders or stakeholders in service of the state?

3.11.2 If so, furnish particulars.

..... YES / NO

**CERTIFICATION**

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

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

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

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EDUMBE LOCAL MUNICIPALITY

BID NO: EDUMT

PANEL OF SERVICE PROVIDER TO HIRE PLANT AND EQUIPEMENT

