



RUSTENBURG LOCAL MUNICIPALITY

RLM/BTO/0097/2023/24 - APPOINTMENT OF INSURANCE BROKER - FOR THE SHORT-TERM INSURANCE PORTFOLIO FOR PERIOD OF 3 YEARS

PARTICULARS OF THE BIDDER	
NAME OF THE BIDDING OR TENDERING COMPANY	
POSTAL ADDRESS	
	POSTAL CODE
STREET ADDRESS (PHICAL ADDRESS)	
	POSTAL CODE
E-MAIL ADDRESS	
TELEPHONE NUMBER (TELKOM LINE)	
CIDB CRS NUMBER (IF APPLICABLE)	
CELLPHONE NUMBER	
ALTERNATE CELLPHONE NO.	
CENTRAL SUPPLIER DATABASE NUMBER OF THE BIDDING COMPANY	

Employer

Witness 1

Witness 2

Contractor

Witness 1

Witness 2



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PORTFOLIO FOR PERIOD OF 3 YEARS
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TENDERING PROCEDURES:

DOCUMENT COMPLETION INSTRUCTION AND RETURNABLE DOCUMENTS SCHEDULE

- ✓ **NB! FAILURE TO ADHERE TO THE BELOW MENTIONED POINTS WILL INVALIDATE THE TENDER AND RESULT IN DISQUALIFICATION**

CENTRAL SUPPLIER DATABASE REGISTRATION (CSD)

- ✓ Bidders must be registered on CSD and provide their registration number on the tender/ quotation document.
- ✓ Bidders **must** submit both a hard copy document and an electronic tender document in the form of a USB (only) which must be clearly marked with the company name. (Bidders will be disqualified for not submitting a USB containing the scanned bidding documentation)

COMPLETION OF THE DOCUMENT

PLEASE READ AND FOLLOW INSTRUCTIONS BELOW ON HOW TO COMPLETE DIFFERENT FORMS IN THE DOCUMENT AND FILL THEM AS INSTRUCTED

- ✓ The tender documents must be completed in full i.e. Compulsory Questionnaire, MBD 1, Pricing Schedule, MBD 4, MBD 5, MBD 6.1, MBD 8, MBD 9, Section 38 and the Form of Offer, including all witness signatures on all the above stated forms.
- **COMPULSORY QUESTIONNAIRE** must be fully completed and signed.
 - ✚ ***In a case of Joint Venture separate COMPULSORY QUESTIONNAIRE forms must be completed and submitted.***
- **MBD 1** must be fully and correctly completed.
- **PRICING SCHEDULE** must be fully completed and signed.
- **MBD 4** -only tick the appropriate option. Please be informed that whether you scratch out, tick or circle, **your answer will be where the pen ink is reflecting.**
 - ✚ ***In a case of Joint Venture or multi- directors, full details of all Directors must be provided on the table on MBD 4.***
- **MBD 5** -only tick the appropriate answer. Please be informed that whether you scratch out, tick or circle, **your answer will be where the pen ink is reflecting.**
 - ✚ ***In a case of Joint Venture separate MBD 5 forms must be completed and submitted.*** (complete if applicable)
- **MBD 6.1** – must be fully and correctly completed.
- **MBD 8** - only tick the appropriate option, whether you scratch out, tick or circle, your answer will be where the pen ink is reflecting.
- **MBD 9** - must be fully and correctly completed.
- **SECTION 38** - only tick the appropriate option, whether you scratch out, tick or circle, your answer will be where the pen ink is reflecting. Must be fully and correctly completed.
 - ✚ Note that should you answer “NO” to any of the declaration questions on **section 38 form**, then supporting documents **MUST** be attached!

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- **SIGNATORY AUTHORISATION** – must be fully and correctly completed.

THE FOLLOWING MANDATORY DOCUMENTS MUST BE SUBMITTED TOGETHER WITH THE BID DOCUMENT

- ✓ Deposit slip with the unique tender reference number as stipulated in the tender advertisement.

FOR ALL DOCUMENTS THAT WILL NEED CERTIFICATION AND AFFIDAVITS WHERE APPLICABLE, BIDDERS ARE REQUIRED NOT TO SUBMIT COPIES OF CERTIFIED COPIES.

MUNICIPAL RATES AND TAXES STATEMENTS OF THE DIRECTORS

- ✓ Current municipal rates and taxes statement in the names of the director (from previous billable month determined by the date of tender closure) for each directors' address must be attached; or
- ✓ Valid lease agreement of the director/s with all critical contractual obligations or,
- ✓ An original letter from tribal authority not older than three (3) months if the director/s are residing in a tribal land, or
- ✓ If the rates and taxes account is not in the names of the director/s the attached municipal rates and taxes statement must be submitted together with an original affidavit from the property owner whose names are appearing on the municipal rates and taxes statement to confirm that the director resides in their property.

MUNICIPAL RATES AND TAXES STATEMENTS OF THE COMPANY

- ✓ Current municipal rates and taxes statement in the name of the company (from previous billable month determined by the date of tender closure) for the company's' address must be attached; or
- ✓ Valid lease agreement of the company (showing all critical contractual obligations, or
- ✓ An original letter from a tribal authority not older than three (3) months if the company is operating from a tribal, or
- ✓ If the rates and taxes account is not in the names of the company, the attached municipal rates taxes statement must be submitted together with an original affidavit from the property owner whose names are reflecting on the municipal rates and taxes statement to confirm that the company operates from their property.

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NB!!

THE COMPANY ADDRESS WRITTEN ON THE TENDER DOCUMENT, AND STATEMENT SUBMITTED MUST BE THE SAME AS THE ONE REFLECTING ON THE CSD REPORT

- ✓ **FOR PROCUREMENT EXPECTED TO BE LESS THAN 10 MILLION, AWARDS WILL NOT BE MADE TO BIDDERS OWING MUNICIPAL RATES AND TAXES FOR OVER 90 DAYS AT THE TIME OF TENDER CLOSURE**
- ✓ **FOR PROCUREMENT EXPECTED TO BE MORE THAN 10 MILLION, AWARDS WILL NOT BE MADE TO BIDDERS OWING MUNICIPAL RATES AND TAXES FOR OVER 30 DAYS AT THE TIME OF TENDER CLOSURE**
- ✓ Required CIDB Grading Certificate where applicable.
- ✓ Signatory resolution – Please attach a copy of Signatory resolution where instructed.
- ✓ If the submission is from a Joint Venture, then a JV agreement must be attached.

NB! Bidders will not be afforded a chance to rectify by either completing the tender document or submitting outstanding mandatory documents.

VERIFICATION OF DOCUMENTS AND INFORMATION.

- ✓ Please note that by submitting this tender document, you are agreeing to the verification process of your supporting documents by the Rustenburg Local Municipality.
- ✓ Tax compliance status will be verified using CSD number. (For a bidder to be considered for final award, their status must reflect “tax compliance” before final award is made)
- ✓ CIDB Grading will be verified.
- ✓ Sworn Affidavits will be accepted only if its originals submitted.

INSTRUCTION ON THE SUBMISSION OF TENDER DOCUMENTS

- ✓ A tender document must be in a sealed packaging that has the bid number and bid description on the outside. Both the bid number and the bid description must be on the packaging for the document to be acceptable.
- ✓ If the bid number and description are not clearly marked on the packaging, the bid will not be accepted.
- ✓ The tender document must be in the tender box before the specified closing time and date.
- ✓ .Submissions made after or during the tender opening will not be considered late and will not be accepted.

Employer

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ADDITIONAL TENDERING CONDITIONS

1. The document must be completed in full as per the guide provided under administrative evaluation - document completion.
2. All mandatory documents must be attached as per the guide under administrative evaluation - attachment of mandatory documents.
3. Bidders must be registered on CSD.
4. Only black pen ink must be used for completing the tender document (the BOQ can either be filled by blank ink pen or typed).
5. Documents must not be completed electronically.
6. Electronic signatures are not allowed.
7. Bidders are not allowed to use correction pens. In a case where a wrong answer is ticked, a straight line must be made across the wrong answer, then initial next to the mistake and a correct answer must be ticked or provided in writing.
8. Bidders must submit both a hard copy document and an electronic tender document in the form of a clearly marked USB. (Bidders will be disqualified for not submitting a USB with scanned bid documentation)
9. Rustenburg Local Municipality will not accept documents which are not in envelopes and clearly marked with the bid number and description.

NB! FAILURE TO ADHERE TO THE ABOVE INSTRUCTIONS WILL RENDER THE TENDER INVALID AND RESULT IN DISQUALIFICATION

Employer

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Contractor

Witness 1

Witness 2



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TENDER ADVERTISEMENT

1. Bid documents available at a non-refundable amount of **R 3 000-00** per bid document are available on the e-tender website and must be downloaded.
2. A compulsory briefing session will be conducted as follows: **Date: 19 July 2024 Time and Venue: 11h00 @ Corner Beyers Naude & Nelson Mandel Drive. Rustenburg Local Municipality**
3. Sealed bid documents marked: **“RLM/BTO/0097/2023/24 - Appointment of insurance broker - for the short-term insurance portfolio for period of 3 years”** must be placed in the bid box in the foyer of the Municipal offices, Missionary Mpheni House, Beyers Naude Drive, Rustenburg not later than **02 August 2024 @ 09H00**,
4. The bid will be evaluated as follows: **Administrative evaluation (document completion and attachment of mandatory documents) to include all necessary certifications, Registration with the Financial Sector Conduct Authority, attach a valid certified confirmation from the Financial Sector Conduct Authority reflecting the individuals registered, Risk Finance Resource, provide details and particulars of representatives, Professional Indemnity cover to the value of R50m, attach proof, Fidelity Guarantee cover to the value of R50 million, attach proof, FAIS qualification for the Project Manager, Functionality minimum qualifying score 70 out of 100 and 90/10 preferential point system (price = 90 & Specific goals = 10)**
5. Please note that no bid documents given to couriers will not be signed for by Rustenburg Local Municipality.
6. The Council will not be responsible for bids not received or received late by mail. Bids will remain valid for 90 days (Ninety).
7. All bids will be adjudicated based on the prescribed criterion as stipulated in the document.
8. An updated record of payment of rates, taxes and services to the relevant Municipality must be attached. Failure to do so will invalidate the bid submitted.
9. No bids will be considered from any person(s) in the service of the state (as defined in Regulation 1 of Local Government: Municipal Supply Chain Management Regulations).
10. Objections or complaints must be submitted in writing to the Municipal Manager at the address stated, and must contain the following:
 - (a) reasons and/or grounds for the objection or complaint.
 - (b) the way in which the objector or complainant's rights have been affected; and
 - (c) the remedy sought by the objector or complainant.
11. Any objection or complaint must reach the Municipal Manager with a 14-day period after award has been made. Late objections or complaints will not be entertained.
12. All bids must be submitted on the official forms provided and a successful bidder will be required to fill and sign a written Contract.



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PART A

MBD 1

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE RUSTENBURG LOCAL MUNICIPALITY

BID NUMBER:	RLM/BTO/0096/2023/24	CLOSING DATE:	02 AUGUST 2024	CLOSING TIME:	09H00
DESCRIPTION	APPOINTMENT OF SERVICE PROVIDER FOR ASSET MANAGEMENT SERVICES TO RUSTENBURG LOCAL MUNICIPALITY FOR A PERIOD OF 36 MONTHS				

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:

RUSTENBURG LOCAL MUNICIPALITY
MISSIONARY MPHENI HOUSE
CNR BEYERS NAUDE AND NELSON MANDELA DRIVE, RUSTENBURG

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:	



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<p>ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>[IF YES ENCLOSE PROOF]</p>	<p>ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>[IF YES, ANSWER PART B:3]</p>
<p>TOTAL NUMBER OF ITEMS OFFERED</p>		<p>TOTAL BID PRICE</p>	<p>R</p>
<p>SIGNATURE OF BIDDER</p>	<p>.....</p>	<p>DATE</p>	
<p>CAPACITY UNDER WHICH THIS BID IS SIGNED</p>			
<p>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:</p>		<p>TECHNICAL INFORMATION MAY BE DIRECTED TO:</p>	
<p>DEPARTMENT</p>	<p>SCM</p>	<p>CONTACT PERSON</p>	<p>Mr. E. Dibetso</p>
<p>CONTACT PERSON</p>	<p>Mr. J. Masinga</p>	<p>TELEPHONE NUMBER</p>	<p>014 590 3130</p>
<p>TELEPHONE NUMBER</p>	<p>014 590 3123</p>	<p>E-MAIL ADDRESS</p>	<p>edibetso@rustenburg.gov.za</p>
<p>E-MAIL ADDRESS</p>	<p>jmasinga@rustenburg.gov.za</p>		



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PART B**

TERMS AND CONDITIONS FOR BIDDING

- 1. BID SUBMISSION:**
- 1.1. **BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.**
 - 1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED, COMPLETED WITH A BLACK PEN
 - 1.3. **THIS BID IS SUBJECT TO THE RLM SUPPLY CHAIN MANAGEMENT POLICY, 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.**

- 2. TAX COMPLIANCE REQUIREMENTS**
- 2.1 **BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.**
 - 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.**
 - 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.**
 - 2.4 **FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.**
 - 2.5 **BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.**
 - 2.6 **IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.**
 - 2.7 **WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.**

3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS: (BIDDER MAY NOT BE DISQUALIFIED ON THIS PART IF INDICATED THAT THEY ARE NOT FOREIGN BASED SUPPLIER)

- 3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? YES NO
 - 3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA? YES NO
 - 3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? YES NO
 - 3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? YES NO
 - 3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? YES NO
- 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.

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS WILL 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:



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MBD 4: DECLARATION OF INTEREST

No bid will be accepted from persons in the service of the state.

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

- the bidder is employed by the state; and/or
- the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

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

- 2.1. Full Name of bidder or his or her representative:
- 2.2. Identity Number:
- 2.3. Position occupied in the Company (director, trustee, hareholder²):
- 2.4. Company Registration Number:
- 2.5. Tax Reference Number:
- 2.6. VAT Registration Number:.....
- 2.7. Personal Reference Tax Number.....

2.7.1. The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 3 below.

“State” means –

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

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



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2.8. Are you presently in the service of the state?

(Tick applicable box)

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

2.8.1. 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.

2.9. Have you been in the service of the state for the past twelve months?

(Tick applicable box)

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

2.9.1. If yes, furnish particulars.....

.....

2.10. 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?

(Tick applicable box)

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

2.10.1. If yes, furnish particulars.....



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2.11. 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?

(Tick applicable box)

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

2.11.1. If yes, furnish particulars.....

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

(Tick applicable box)

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

2.12.1. If yes, furnish particulars.....

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

(Tick applicable box)

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

2.13.1. If yes, furnish particulars.....

2.14. 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.

(Tick applicable box)

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

2.14.1. If yes, furnish particulars.....



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

Full Name	Identity Number	Personal Reference Tax Number	State Employee Number

NB: THE TABLE ABOVE IS TO BE FILLED IF THE COMPANY HAS MORE THAN ONE DIRECTOR.

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder



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MBD 5

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

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

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

*YES	NO
------	----

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

.....
.....

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

*YES	NO
------	----

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

2.2 If yes, provide particulars.

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

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

*YES	NO
------	----

3.1 If yes, furnish particulars

.....
.....



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4. Will any portion of goods or services be sourced from outside the Republic, and, if so, what portion of payment from the municipality / municipal entity is expected to be transferred out of the Republic?

*YES	NO
------	----

4.1 If yes, 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.

.....
Name/s and Surname of Bidder

.....
Signature

.....
Position in the Firm/Company

.....**2024**
Date



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MBD 6.1 PREFERENCE CLAIMED IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

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

1.2 To be completed by the organ of state

- a) The applicable preference point system for this tender is the 90/10 preference point system.
- b) The 90/10 will be applicable in this tender.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	90
SPECIFIC GOALS	10
Total points for Price and SPECIFIC GOALS	100

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.



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2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation.
- (b) **“price”** means an amount of money tendered for goods or services and includes all applicable taxes less all unconditional discounts.
- (c) **“Rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes.
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“The Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

80/20 or **90/10**

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

3.2.1. POINTS AWARDED FOR PRICE

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

80/20 or **90/10**

$$Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right) \quad \text{or} \quad Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender



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4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system, then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.



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Table 1: Specific goals for the tender and points claimed are indicated per the table below.

Note to tenderers: "The tenderer must indicate how they claim points for each preference point system. Points claimed will be verified by RLM using the CSD Report, and preference points will be allocated accordingly. Bidders who fail to complete the table below will NOT be disqualified BUT will not be allocated preference points.

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Means of Verification
Rustenburg Jurisdiction	2		Current municipal rates and taxes statement/ Traditional Council letter/ Original Affidavit for the company (from previous billable month determined by the date of tender closure) for the company's' address
Rural /Township Businesses	2		Current municipal rates and taxes statement/ Traditional Council letter/ Original Affidavit for the company (from previous billable month determined by the date of tender closure) for the company's' address
Black People	1		Full CSD Report
Persons with Disability	1		Full CSD Report
Youth	2		Full CSD Report
Women	1		Full CSD Report
SMME's	1		Full CSD Report
Total	10		

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One-person business/sole propriety
- Close corporation
- Public Company
- Personal Liability Company
- (Pty) Limited
- Non-Profit Company
- State Owned Company

[TICK APPLICABLE BOX]



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4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct.
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering process.
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person’s conduct.
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation.
 - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution, if deemed necessary.

.....
SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:

DATE:

ADDRESS:

.....

.....

.....



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MBD 8

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>	<input type="checkbox"/>	<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>	<input type="checkbox"/>	<input type="checkbox"/>
4.2.1	If so, furnish particulars:		



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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:		
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



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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.

I, the undersigned, in submitting the accompanying bid: **RLM/BTO/0097/2023/24 - APPOINTMENT OF INSURANCE BROKER - FOR THE SHORT-TERM INSURANCE PORTFOLIO FOR PERIOD OF 3 YEARS** (Bid Number and Description) in response to the invitation for the bid made by:

_____ **RUSTENBURG LOCAL MUNICIPALITY** _____

(Name of Municipality / Municipal Entity)

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

I certify, on behalf of: _____ that:

(Name of Bidder): Bidders are required to fill in the name of their company in the space provided above.

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



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(c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

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

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

- (a) prices;
- (b) geographical area where product or service will be rendered (market allocation)
- (c) methods, factors or formulas used to calculate prices;
- (d) the intention or decision to submit or not to submit, a bid;
- (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
- (f) bidding with the intention not to win the bid.

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

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

10. 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.

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.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder



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SECTION 38: DECLARATION FORM

Having examined the BID and the general conditions thereto, I/we hereby certify that the bid price in the bid schedules and the preference points claimed are correct.

I/We furthermore certify that I/we/the Company comply/complies with the issues around Section 38 of the Supply Chain Management Policy inter alia:

IF ALL IS IN PLACE IN RESPECT OF THE CONTRACTUAL ISSUES LISTED IN THE TABLE BELOW; THE ANSWER SHOULD BE YES. ATTACH SUPPORTING INFORMATION IF ANY OF THE ANSWERS IS NO.

Note that the Municipality's Procurement Section will verify the statements.

I/we certify the following:

No.	CONTRACTUAL ISSUES	YES	NO
1.	In terms of Section 38 (1) (c) that the Bidder or any of the Directors is not listed as a person prohibited from doing business with the Public Sector		
2.	In terms of Section 38 (1)(d) (i) that the Bidder or any of the Directors does not owe rates and taxes or Municipal service charges to any Municipality that is in any arrears for more than three (3) months. Copies of the latest Municipal service charges statement of the Bidder and the Directors must be attached to the tender/bid document		
3.	In terms of Section 38 (1) (d) (ii) that the Bidder or any of the Directors has not failed to perform satisfactorily on a previous/previous contract/s with the Municipality or any organ of state		
4.	In terms of Section 38 (i) (9) that the Bidder or any of the Directors has not been convicted for fraud or corruption during the past five (5) years		
5.	In terms of Section 38 (i) (9) (iv) that the Bidder or any of the Directors has not been listed in the Register Of Tender Defaulters in terms of Section 29 of the Prevention and Combating of Corrupt Activities Act, (Act No. 12 of 2004)		

.....
SIGNATURE OF BIDDER

.....2024.
DATE

.....
FULL NAME AND SURNAME OF BIDDER IN BLOCK LETTERS

COMPANY NAME:

PHYSICAL ADDRESS:

TELEPHONE NUMBER:

EMAIL ADDRESS:

WITNESS 1: WITNESS 2:



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SIGNATORY AUTHORISATION

(TO BE COMPLETED BY THE BIDDER)

I/We the undersigned, am/are authorized to enter into this contract on behalf of

(Name of Firm)

By resolution taken at a meeting held on the day of (month).....2024 resolved to authorise

..... holder of ID number to sign all the documents on behalf of the company.

Print name of authorised representative:

Signature:



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GENERAL CONDITIONS OF THE CONTRACT
(NOT TO BE ALTERED)

**PROCUREMENT: GENERAL CONDITIONS OF CONTRACT
Dated July 2010 as set out by the National Treasury: Republic of South Africa
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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 anything of value to influence the action of a public official in the procurement process or in contract execution.
- 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
- 1.7 "Day" means calendar day.
- 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
- 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
- 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the goods are so delivered and a valid receipt is obtained.
- 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.



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- 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 goods covered by the bid will be manufactured.
- 1.17“Local content” means that portion of the bidding price, which is not included in the imported content provided that local manufacture does take place.
- 1.18“Manufacture” means the production of products in a factory using labour, materials, 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“Supplier” means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.
- 1.26“Tort” means in breach of contract.
- 1.27“Turnkey” means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.
- 1.28“Written” or “in writing” means hand-written in ink or any form of electronic or mechanical writing.



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2. Application

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services (excluding professional services related to the building and construction industry), 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 goods, 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 nonrefundable fee for documents may be charged.

3.2 Invitations to bid are usually published in locally distributed news media and on the municipality/municipal entity website.

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 as 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.

6.2 When a supplier developed documentation / projects for the municipality / municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality / municipal entity.



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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.

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 goods to be produced or services to be rendered should at any stage be subject to inspections, tests and analyses, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser.

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 goods 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 goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6 Goods 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 goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected goods 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 goods, which do comply with the requirements of the contract. Failing such removal the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide



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the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods 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 22 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 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, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

10.1 Delivery of the goods and arrangements for shipping and clearance obligations shall be made by the supplier in accordance with the terms specified in the contract.

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.

12. Transportation

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

13. Incidental Services

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

- (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.



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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, 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.

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 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, 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.

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.



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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.

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 or in the purchaser's request for bid validity extension, as the case may be.

18. Variation orders

18.1 In cases where the estimated value of the envisaged changes in purchase does not vary more than 15% of the total value of the original contract, the contractor may be instructed to deliver the goods or render the services as such. In cases of measurable quantities, the contractor may be approached to reduce the unit price, and such offers may be accepted provided that there is no escalation in price.

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 these 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 delivery and/or 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 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 goods are required, or the supplier's services are not readily available.



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21.4 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 22.2 without the application of penalties.

21.5 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase goods 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 supplier as having no objection and proceed with the restriction.

23.5 Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, 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 purchaser actively associated.



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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. Antidumping 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 favourable difference shall on demand be paid forthwith by the supplier to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the supplier in regard to goods 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.



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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 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 for goods delivered and / or services rendered according to the prescripts of the contract.

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 not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

(b) the aggregate 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.

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.



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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 SARS must have certified that the tax matters of the preferred bidder are in order.

32.4 No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.

33. Transfer of contracts

33.1 The contractor shall not abandon, transfer, cede assign or sublet a contract or part thereof without the written permission of the purchaser

34. Amendment of contracts

34.1 No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.

35. Prohibition of restrictive practices

35.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of **restrictive practices** 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) is / are or a contractor(s) was / were involved in collusive bidding.

35.2 If a bidder(s) or contractor(s) based on reasonable grounds or evidence obtained by the purchaser has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in section 59 of the Competition Act No 89 Of 1998.

35.3 If a bidder(s) or contractor(s) has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.



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TERMS OF REFERENCE/ SPECIFICATIONS

1. INTRODUCTION

The Municipality hereby invites tenders from reputable Short-term Insurance Intermediaries, who are members of the Financial Intermediaries Association (F.I.A.) and who comply with the Financial Advisory and Intermediary Services (F.A.I.S.) Act, for the Management of the Short-term Insurance Portfolio of the Municipality for a contract period ending 30 September 2027.

The purpose of this bid is to ensure that the municipality maintains risk management by procuring the services of a broker to ensure cost effective and efficient insurance for the assets of the municipality.

2. BACKGROUND

2.1 Tenders must be compliant with all bid requirements stated in the tender document. Bidders are specifically referred to the requirements of the Preferential Procurement Regulations, 2022, including but not limited to prequalification criteria, functionality, eligibility, statutory, local content, compulsory sub-contracting, other objective, and price and preference criteria as stated in the tender document. Tenderers' attention is drawn to the registration requirements in the tender documents in respect of registration on the municipal supplier database, Central Suppliers' Database, etc.

2.3 In order to comply with the above Act and to ensure that the Municipality's assets are adequately insured, and any risk exposure is minimized, the Municipality needs to appoint a Service Provider to perform the following functions:

2.3.1. Negotiate and place the Municipality's insurance portfolio with insurance underwriters and present the underwriting terms to the Municipality for acceptance each year;

2.3.2. Administer the Municipality's short-term insurance portfolio; and

2.4 Assess the Municipality's insurance cover and provide advice on adequate cover to be taken out. The renewal of the insurance portfolio normally falls in line with the Municipality's financial year-end and therefore must be renewed each year to ensure that the Municipal assets are insured, and the liabilities are minimized.

2.5 The current contract for a Short-term Insurance Intermediary, however, will expire on 30th September 2024. The insurance portfolio will then have to be placed with the successful Bidder with effect from date of appointment.

2.6 BASIS FOR TENDERING

The submitted tenders will be adjudicated in accordance with the technical and performance specifications as outlined in the tender.

Evaluation of tenders will follow the requirement of the Preferential Procurement Policy Framework Act (Act 5 of 2000) and Regulation Preferential Procurement Regulations, 2022. It will be required from the selected Short-Term Insurance Broker to break down the Insurance Portfolio of the Rustenburg Local Municipality in the local and/or international insurance market in accordance with specific criteria.



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The emphasis will be on technical proposals made to the Rustenburg Local Municipality on the most cost-effective placement of the insurance portfolio in the insurance market, taking into serious consideration the mitigation of business risks and financial risks exposures.

The tender will call for technical and performance specifications of a Short-Term Insurance Broker with effect from 1 October 2024 to 30 September 2027. The requirements of Section 33(1) of Act No. 56 of 2003 will be adhered to. The Municipality reserves the right upon the expiry of the three-year contract to further extend the contract for two years with the successful bidder.

Cognizance should be taken that the appointed Short-Term Insurance Broker will not be allowed to increase their insurance premium in year 2 (two) and 3 (three) with more than the CPIX, unless substantiating proof from the quotations received from the insurers reflect a hardening insurance market based on valid known claims incidents.

In the event of organic growth of the portfolio including but not limited to inflationary increase of the sums insured and inclusion of additional cover and services the afore going rule limiting the premium growth to CPIX shall not apply. Quotations received by Short Term Insurance Broker from the insurers must annually with renewal be made available to the Rustenburg Local Municipality for scrutiny and approval by the Accounting Officer and the Chief Financial Officer.

3. GENERAL

It is emphasized that a contract will not necessarily result from the responses received to this request for proposal. Rustenburg Local Municipality reserves the right to enter into negotiations with any one or more of the respondents, should it be decided to proceed with the contract.

Rustenburg Local Municipality reserves the right not to evaluate and/or consider any proposals that does not comply strictly with the requirements as set out in this request.

Rustenburg Local Municipality reserves the right to make a decision /selection based solely on the information received in the proposals to this request.

In order to be considered for this tender you have to be registered with the Financial Sector Conduct Authority and (FSCA) and Financial Intermediaries Association of South Africa (FIAS) or any other reputable association recognized by FSCA.

Furthermore, to point 4, you will have to achieve a technical acceptability threshold of 70 out of 100 points in terms of the services required as per the DETAILED TENDER SPECIFICATION.

Scoring as indicated in 5. above will be calculated with the completion of the Compulsory Questionnaire. The number of questions responded to in the affirmative with the necessary proof provided, will be expressed as a % of the total number of questions.

The bid will be evaluated and adjudicated in accordance with the 90/10 points system prescribed in the Preferential Procurement Policy Framework Act, (Act No 5 of 2000)

4. Scope



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The scope of work will be as follows:

4.1 Placement of the Municipality's Insurance Portfolio – Effective for first period up to 30th September 2027.

The appointed Service Provider will be required to perform the following:

- 4.1.1. Assess the Municipality's insurance requirements as reflected in the Tender Specification;
- 4.1.2. Submit the Municipality's information regarding the latest insurance statistics to the proposed Insurance Underwriters;
- 4.1.3. Negotiate with the Insurance Underwriters on suitable insurance terms and premiums based on the quotations obtained by the Service Provider as set out in paragraph 6.3;
- 4.1.4. Attend insurance pre-placement meeting(s) with the Municipality to discuss the underwriting terms and premiums;
- 4.1.5. Advise the Municipality and provide quotations on additional insurance cover that might be necessary to take out to ensure that the Municipality's risk is minimized;
- 4.1.6. Place the Municipality's insurance portfolio with the Insurance Underwriters and provide the Municipality with written confirmation thereof together with details of the insurance cover placed.

4.2 Underwriting Administration

The appointed Service Provider will be required to perform the following:

- 4.2.1. Provide quotations on any additional insurance cover required by the Municipality and place the insurance cover with the Insurance Underwriters on the Municipality's instruction and provide the Municipality with written confirmation thereof together with details of the insurance cover placed;
- 4.2.2. Meet with the Municipality's Officials whenever required by either party to discuss and advise on insurance cover. The Service Provider's staff members required at these meetings will depend on the technicality of the issues to be discussed.

4.3 Claims Administration

The appointed Service Provider will be responsible to handle all aspects of claims as the Municipality will not communicate directly to any legal representatives of the service provider, third parties or the Underwriter where the insurance is placed. The appointed Service Provider will be required to perform at least the following:

- 4.3.1 Administer all the Municipality's insurance claims, which fall under the various categories of the insurance policies;
- 4.3.2 Administer all claims received by the Municipality from third party's claiming for personal injury or damage to their property. This includes liaising with the third parties on the Municipality's behalf;
- 4.3.3 Provide a motivation, based on substantive legal grounds, for all claims that are rejected by the Insurance Company. The Municipality reserves the right to reconsider any opinion received, to refer it back to the Broker for another opinion or recommendation. The Municipality will under no circumstances communicate directly with the Underwriter regarding any aspects of a claim;



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- 4.3.4 Submit monthly updated reports in respect of all of the Municipality's claims submitted, indicating the status of each claim;
- 4.3.5 Meet with the Municipality's relevant officials, individually or in groups, whenever required by either party to discuss and advise on insurance claims.
- 4.4 The appointed Service Provider will be required to perform the following before the renewal in respect of each year:**
- 4.4.1 Assess the Municipality's insurance requirements as reflected in the insurance policy;
- 4.4.2 Compile updated information for the Municipality with regard to the latest insurance statistics and submit this information to the Insurance Underwriters;
- 4.4.3 Negotiate with the Insurance Underwriters on suitable insurance terms and premium is based on the Municipality's existing insurance cover and updated asset register;
- 4.4.4 Attend insurance pre-renewal meeting(s) with the Municipality in respectively to discuss the underwriting terms and premiums;
- 4.4.5 Advise the Municipality and provide quotations on additional insurance cover that could become necessary to be taken out to ensure that the Municipality's risk is minimized;
- 4.4.6 Renew the Municipality's insurance portfolio with the Insurance Underwriters by no later than 01 October 2025 and 01 October 2026 respectively and provide the Municipality with written confirmation thereof, together with details of the insurance cover placed prior year.
- 4.4.7 **A Service Plan should be drawn annually with inception of a new insurance period detailing the actions to be taken in accordance with the Annual Placement Programme as well as an Annual Maintenance Programme for claims administration. The Portfolio Service and Maintenance Plan should reflect at least the following general insurance actions:**
- Internal and external discussions to set renewal and maintenance strategy;
 - Internal Strategy meetings;
 - Review existing cover;
 - Established uninsured risks and internal self-insurance capacity;
 - Review cover, limits and sums insured;
 - Review uninsured risks and exposure;
 - Re-broking and market exercise to obtain renewal terms;
 - Alignment of Insurance and Risk Management Philosophy;
 - Pre-renewal meeting to discuss excess structures and alternatives of renewal;



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- Renewal follow-up on alternative quotations;
- Presentation of renewal terms and recommended options;
- Confirmation of placement and 100% cover;
- Confirmation of credit rating of insurance and re-insurance markets;
- Premium allocations on recommended aggregates and service fees;
- Compilation of detailed insurance manual as well as full summary on cover, limits, conditions and exclusions;
- Check and provide issued policy as well as legal confirmation of statutory compliance;
- Quarterly claims audit and recommendations;
- Compilation of claims procedural manual
- Ad hoc adjustments and endorsements on sums insured and declarations to insurers/re-insures;
- Day-to-day correspondence and queries;
- Monitor premium payments and refunds in accordance with accounts and statement;
- Ad hoc training where required in terms of policy and procedural manual.

4.5. Handling of ongoing Claims

4.5.1. All claims that are ongoing / open as at 30 September 2024 must be covered by the current Service Provider, including claims with date of loss up to 30 September 2024 but only discovered and submitted on or after 01 October 2024;

4.5.2. Public Liability claims are dealt with on a claims-made basis, therefore any

Public Liability claims received up to 30 September 2024 will be dealt with by the current Service Provider. Public Liability claims received on or after the commencement date of the contract with the newly appointed Service Provider will be dealt with by the newly appointed Service Provide where the actual date of loss is before said date.

5. Statement of Requirements

- 5.1.1 A tender will NOT be regarded as an acceptable tender / responsive if it fails to achieve the minimum qualifying score of 70 out of a maximum of 100;
- 5.1.2. Tenderers must ensure that all relevant information as required per the pre-qualification criteria as set out in 4.1.5 below, has been submitted with the tender submission to ensure optimal scoring;
- 5.1.3. Tenders that have achieved the minimum qualifying score shall be evaluated further in terms of the preference point system;



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5.1.4. The evaluation of tenders will be done in terms of compliance to the below-mentioned criteria and bidders can potentially score a total of 70 points for the following:

The Successful service provider will be required to submit the following documents before commencement of the project.

1. Registration with the Financial Sector Conduct Authority, attach a valid certified confirmation from the Financial Sector Conduct Authority reflecting the individuals registered.
2. Risk Finance Resource, provide details and particulars of representatives.
3. Professional Indemnity cover to the value of R50m, attach proof
4. Fidelity Guarantee cover to the value of R50 million, attach proof

5.2 Evaluation

4.2.1. Tenders will be evaluated on a comparative basis, which is the reason for the design of the tender specification and additional schedules containing the detail information for inclusion on the insurance portfolio;

5.2.2. All tenders received shall be evaluated in accordance with the Municipal Finance Management Act, Act 56 of 2003 (read with its accompanying Supply Chain Management Regulations), Rustenburg Municipality's SCM Policy and the Preferential Procurement Policy Framework Act, Act 5 of 2000 (read with its accompanying regulations).

5.3 Pricing Requirements

5.3.1. Tender prices must be in ZAR Currency (Rand);

5.3.2. Tender rates must be submitted exclusive of VAT, but the final bid price submitted must include VAT;

5.3.3. The tenderer must provide maximum amounts payable per line item, in respect of Excess Payments for each asset, as per applicable column in the detailed pricing schedules. In these instances, where maximum amounts will not be tendered on any specific asset, this should be stated clearly as such next to the particular line item, and the applicable rate must then be stated for these exceptions;

5.3.4. All Brokers fees and any other administrative fees that will be payable, must Be indicated as separate items in the Gross insurance premium tendered;

5.3.5. Where extensions are granted free of charge, please state "free" in t Premium column;

5.3.6. Where a line of cover or an extension is not tendered for, please state "No Tender" in the premium column;

5.3.7. The liability for payment of Assessor Fees must be for the account of the tenderer in all instances, inclusive of alternative tenders.

5.3.8. The premium tendered must remain firm for the initial period of 12 months, Thereafter the annual escalation in the Rand value of the premium for year 2 and 3 must not exceed the reasonably anticipated industry-related CPI as at 30 April of each year;



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- 5.3.9. The annual renewal premium for the outer two years will be based on the Escalated premiums quoted as per paragraph 5.3.8, subject to any addition and / or reductions required as per the updated information supplied by the Municipality.
- 5.3.10. Pricing Schedule: A summary of assets attached as Annexure A must be use to determine the pricing
- 5.3.11 Total Sum of values of is items listed in 5.4 “Detail Cover”: As per the table submitted the bidder is required to provide one-year pricing schedule. **The increase will be based on the CPI applicable on the anniversary of the contract.**

DETAIL COVER

5.4.1. Below is a schedule with the details of the cover required as at 31 March 2024:

SECTION	SUM INSURED
COMBINED	
Standard and Non-Standard Construction	
Inventory total (Central Stores)	R 6 700 000.00
1. Buildings (Including Store rooms, Workshops , Parks Offices and Nursery)	R186 811 881
2. Plant and Machinery	
3. Thatch buildings/structure & their Contents Rustenburg Flea Market/ Inform. Centre)	R 10 776 800
4. Private Dwellings, Residential Units ,Hotels and Flats	R 140 000 000
5. Substations, Mini sub-stations, Transformers , etc	R 926 442 508
6. Other (Multiple layers possible as below)	
- Libraries and related Contents	R 28 723 545
- Cemeteries	R 1 350 000
- Sports and Recreation Facilities	R 26 910 463
- Transfer Stations	R 1 372 263
- Reservoirs	R 3 300 000
- All sewerage works, pump stations, etc	R 2 800 000
- Property in the open	
- Non-standard structures – Mobile offices (fixed)	
- All water and purification works and pump stations	R 217 386 192
- Air Monitoring Systems	R 583 000
- Community Buildings	R 166 730 782
- Buildings above R100 000 000 (Civic Centre, Mpheni Buildingand Olympia park Stadium)	R 641 759 735



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- Substations Buildings	R 40 029 445
- Clinics	R 11 307 814
- Fire Stations	R 69 699 450
- Power Sage (2%)	R 38 941 788
- Private Dwelling (Mayors House)	R 3 300 000
- Non-standard Private Dwellings Residential Units	R 40 850 000
- Rustenburg Airport	R 1 553 914
- Factory Buildings	R 5 924 833
- Filling station	R 1 360 765
15% Escalation	R 441 000
20% Capital Additions	R 331 000 000
Reasonable Precaution	R 20 000
HOUSE OWNERS	
Standard Constructions	R 80 417 656
Non-Standard Constructions	R 20 850 000
Removal of Debris	R 40 000
Professional Fees	R 50 000
Extensions	
Subsidence and Landslip	R 250 000
Motor Vehicles whilst parked at Insured	R 1 000 000
- Power Sage (2%) (Limited to R1 000 000) per Item	R 38 941 788
- Leakage of oils, chemicals or other fluids	R 20 000
- Theft of immovable Property	R 500 000
- Malicious Damage	R 500 000
- Thatch structures	R 100 000
- Reasonable Precautions	R 500 000
Claims Preparation Costs	R 100 000
TOTAL BUILDING COMBINED	R 3 590 315 426
BUSINESS INTERRUPTION	



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Electricity Sales	R 146 400 000
Water Sales	R 122 000 000
Sewerage Sales	R 97 600 000
Refuse Removal	R 73 000 000
Increase in cost of Working	R 5 750 000
Additional Increase in cost of Working	R 115 000
Fines and Penalties	R 100 000
TOTAL BUSINESS INTERRUPTION	R 445 165 000
OFFICE COMBINED	
Office Contents	R 36 874 422
Loss of Documents	R 1 000 000
Legal Liability	R 1 000 000
Theft (forcible & Violent entry or exit)	R 8 755 520
Extensions	
Sum Insured	R 50 000
Debris Removal	R 10 000
Locks and Keys	R 10 000
Reasonable Precautions	R 10 000
Claims Preparation Costs	R 100 000
TOTAL OFFICE CONTENTS	R 47 799 962
ACCOUNTS RECEIVABLES	
Accounts Receivables	
Outstanding Debit Balances	R 30 000 000
Extensions	
Claims Preparation Costs	R 100 000
TOTAL ACCOUNT RECEIVABLE	R 30 100 000
BUSINESS ALL RISKS	
General Specified Items	R 41 138 299



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Laptops & Tablets/ I pads	R 20 487 385
Cameras	R 200 000
Tractor Slashers	R 136 433
License Scanners	R 180 000
Extensions	
Sum Insured	R 10 000
Locks and Keys	R 15 000
Claims Preparation Costs	R 100 000
TOTAL BUSINESS ALL RISKS	R 62 267 117
THEFT	
First Los Limit	R 1 000 000
Extensions	
Property in Open	R 500 000
Malicious Damage	R 100 000
Reasonable Precautions	R 20 000
Locks and Keys	R 30 000
Claims Preparation Costs	R 100 000
TOTAL THEFT	R 1 750 000
MONEY	
Major Limit	R 2 300 000
Seasonal Increase	R 2 000 000
Money in the custody of Authorised Council Employee Away on Business Trip	R 20 000
On premises outside business hours in locked Safe	R 10 000
Extensions	
Reasonable Precautions	R 10 000
Locks and Keys	R 30 000
Credit Cards	R 5 000
Personal Accident	



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Capita Sum	R 30 000
Weekly Amount	R 250
Medica Expenses	R 5 000
Vending Machines	R 30 000
Claims Preparation Costs	R 100 000
TOTAL MONEY	R 4 540 250
FEDELITY GUARENTEE	
Limit of Indemnity	R 950 000
Extensions	
Claims Preparation Costs	R 100 000
TOTAL FIDELITY GUARANTEE	R 1 050 000
GOODS IN TRANSIT	
Limit of Indemnity	R 300 000
Extensions	
Removal of Debris	R 100 000
Fire Extinguishers	R 100 000
Claims Preparation Costs	R 100 000
TOTAL GOODS IN TRANSIT	R 600 000
ACCIDENTAL DAMAGE	
Limit of Indemnity	R 600 000
Claims Preparation Costs	R 100 000
TOTAL ACCIDENTAL DAMAGE	R 700 00
PUBLIC LIABILITY	
Limit of Indemnity	R100 000 000
SUB-LIMITS	
Wrongful Arrest and defamation	R 2 250 000
Errors and Omissions	R 2 250 000



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Products Liability and Detective Workmanship	R 2 250 000
Legal Defense Cost	R 2 250 000
Professional Liability in respect of Medical Practitioners or Other Medical Officials	R 2 250 000
Spread of Fire	R 1 000 000
Municipal Police Liability	R 2 250 000
Su-limit use of firearms	R 250 000
Sub-limit Wrongful arrest & defamation	R 250 000
TOTAL PUBLIC LIABILITY	R115 000 000
DIRECTORS AND OFFICIALS	
Limit of Indemnity	R 3 000 000
Total Directors & Officials	R 3 000 000
EMPLOYER'S LIABILITY (Workman's Comp)	
Limit of Indemnity	R 20 000 000
Total Employer's Liability	R 20 000 000
GROUP PERSONAL ACCIDENT	
Councillors 24 HOURS (2.5 X Annual Package)	90 Councillors
Spouses, Activities Only	90 Councillors
Total Personal Accident	R 82 000 000
SASRIA [88 COUNCILLORS @ R800,000 PER COUNCILLOR]	
GLASS	
General Limit	R 100 000
Extension	
Claims Preparation Costs	R 100 000
ELECTRONIC EQUIPMENT	
Computer Equipment	R 33 306 975
Software and Licence:	R -



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Tablets/lpads	R 1 047 502
Laptops	R 20 487 385
Increase in Cost of Working	R 100 000
Extensions	
Reconstruction of data	R 100 000
Claims Preparation Costs	R 100 000
Total - Electronic Equipment	R 55 041 862
MACHINERY BREAKDOWN	
Specified Machinery	R 987 860 160
Extensions	
Claims Preparation Costs	R 100 000
Total – Machinery Breakdown	R 987 960 160
MOTOR VEHICLES	
407 x Council Vehicles	
- 347 x Council Vehicles of Limit < R500,000	R 76 026 642
- 60 x Council Vehicles of Limit > R500,000	R 89 935 086
- Sub-Total – Council Vehicles	R 165 961 728
SPECIALISED VEHICLES	
51 x Council Vehicles	
- 37 x Council Vehicles of Limit > R500,000	R 68 265 731
- 14 x Council Vehicles of Limit < R500,000	R 4 784 515
- Sub-Total – Specialised Vehicles	R 68 740 246
- Grand Sub-Total – Vehicle Fleet	R 234 701 974
CAR HIRE	
- Executive Mayor	R 30 000
- Speaker	R 30 000
- Single Whip	R 30 000



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Sub-Total – Car Hire		R 90 000
Roadside Assistance		R 44 100.00
Sub-Total – Roadside Assistance		R 44 100.00
Detailed list of Specialised Vehicles	Number	Amount
Excavators	1	R 2 748 386
Fire Engines	14	R 19 722 448
Case 4x4 Tlb Backactor	20	R 22 703 597
Refuse Trucks	7	R 18 154 493
Frontloaders	2	R 5 661 292
Graders	4	R 6 284 023
Sewer Trucks	1	R 2 184 560
Cherry Picker Trucks	2	R 960 759
Waste Street Sweeper Truck	1	R 2 180 690
Man 15,220 5ton Roll Back	2	R 3 587 659
Bomag Compactor	1	R 7 391
Sub-Total – Specialised Vehicles	55	R112 244 730

Detailed list of Motor Vehicles	Number	Amount
Water Trucks	3	R 1 927 590
Trucks	48	R 37 747 276
Crew Cab Trucks	16	R 7 910 868
Tippers Trucks	20	R 34 885 928
Buses	2	R 1 761 033
Crane Trucks	1	R 458 273
Brakeakdown Truck	1	R 467 838
Double cab Bakkies	117	R 25 445 708
Single cab Bakkies	64	R 12 438 186
Extendered Cab Bakkies	1	R 348 082
Landcruiser Bakkies	5	R 3 224 061



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Sedan	66	R 18 439 687
Sport Utility Vehicle	3	R 2 176 237
Motorcycles	3	R 84 381
Kombi	13	R 3 653 409
Panel Van	2	R 1 054 198
Forklift	1	R 506 715
Tractors	7	R 579 716
Trailers and Caravans	30	R 582 009
- Sub-Total – Council Vehicles	403	R 151 237 041

5.4.2. The detailed Asset Registers are included as part of the tender for pricing purpose.

6. Claims History

Following please find a schedule with the claims history of the Rustenburg Municipality for the past three financial years up to 31 March 2024:

CLAIMS HISTORY			
Class of Insurance	2021	2022	2023/2024
			up to 31 March 2024
Accounts Receivable	R 0.00	R0.00	R 0.00
Business All Risk	R 566 000	R 132 500.00	R 150 000
Combined	R 1 000 000	R 462 001.00	R 70 000
Directors & Officials	R 0.00	R 0.00	R 0.00
Electronic Equipment	R 162 378	R 147 000.00	R 125 000
Employer's Liability	R0.00	R0.00	R0.00
Fidelity Guarantee	R 0.00	R 0.00	R 0.00
Glass	R 10 000	R 0.00	R 0.00 (1)
Goods in Transit	R0.00	R0.00	R0.00
House Owners	R 0.00	R 0.00	R 0.00
Loss of Income	R 0.00	R 0.00	R 0.00



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Machinery Breakdown	R 0.00	R 0.00	R 0.00
Money	R 256 535.66	R 0.00	R 0.00
Office Combined (contents)	R 6 000	R 0.00	R 0.00
Personal Accident	R 0.00	R 0.00	R 0.00
Public Liability	R 1 053 758	R 642 177.00	R 495 030
Theft	R 467 640.00	R 45 520.00	R 50 000
Vehicle Fleet	R 1 445 811	R 779 260.70	R 213 292.15
HVV	R 0.00	R 0.00	R 0.00
Motor Liability	R 485 836	R 1 690 762	R 60 000
Total Claims	R 4 968 319	3 899 220	1 163 322

7. Deductions (EXCESS)

Deductions (Excess) are to be shown clearly, otherwise the Municipality will accept that no deductible will apply, and this may not be rectified afterwards.

8. Estimated Quantities Required

- 8.1. The values and amounts indicated in the tender document fairly represent the value of assets and / or cover required by the Municipality, but will inevitably be amended upon conclusion of the final contract as the Asset Register is continuously updated and new budgets considered.
- 8.2. These are the values to be applied for the purpose of this tender assessment, based -on the assumption that the portfolio will remain unchanged.

8.3 Bid validity

Tenders must be valid for a period of 90 days.

9. Remuneration

Remuneration will be as follows:

- 9.1 The services of the successful tenderer will be for a contract period ending 30 September 2027. The Short-Term Insurance Cover of the Municipality is due for placing effective from 01 October 2024 and then for renewal / re-structuring by the appointed Service Provider effective from 01 October 2025 and 01 October 2026.
- 9.2 The Broker Fee and Underwriting Premium as detailed in the Pricing Schedule are Payable annually by the Municipality and will be paid by 31 August of each year in respect of the fee for each respective period being insured.



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10. Information to be provided by the Tenderer

- 10.1 In order to ensure that the Municipality's assets are adequately insured and any risk exposure is minimized, including keeping abreast with the latest insurance developments, it is imperative that the relevant industry related administrative assistance is provided in order to support the existing capacity that the Municipality has.
- 10.2 The municipality expects the following minimum requirements from the Service Provider:
- 10.2.1. The tenderer must be a member of the Financial Intermediaries Association (F.I.A.). Proof of such membership must be submitted with the tender.
- 10.2.2. The tenderer must provide details of their Financial Advisory and Intermediary Services (F.A.I.S.) Act compliancy; i.e. a copy of the F.A.I.S. Certificate. A copy of the F.A.I.S. certificate must be submitted with the tender.
- 10.2.3. The tenderer must have a minimum limit of R50,000,000 (50 million rand) Professional Indemnity insurance. A copy of the insurance policy schedule reflecting the limit, excess, Insurers and renewal date must be submitted with the tender.
- 10.2.4. The tenderer must have a minimum limit of R50,000,000 (50 million rand) Fidelity Guarantee insurance. A copy of the insurance policy schedule reflecting the limit, excess, Insurers and renewal date must be submitted with the tender.
- 10.3 Bidders must obtain a minimum of two quotations, from the different companies Offering insurance to Local Authorities, on each of the policies included in this document and must give clear motivation on the quotes recommended and substantive reasons where the lowest quotes were not recommended in full or for a certain policy type.
- 10.4 Notwithstanding the aforementioned, the following documentation must also be submitted as part of the tender:
- 10.4.1. Proof of Insurers Solvency Margin;
- 10.4.2. Letter of Authority;
- 10.4.3. Company Registration Certificate;
- 10.4.4. Ownership Certificate & Change of Name Certificate;
- 10.4.5. Latest audited financial statements for both the Broker and the proposed underwriter.
- 10.5 Tenderers must submit fully completed schedules of items for insurance cover together with each tender submitted, containing the detailed premium calculations for each class of insurance. Tenderers must ensure that the tender submission and all the relevant schedules are duly signed off.
- 10.6 The tenderer must disclose the insurer or consortium of insurers on each policy type.
- 10.7 The tenderer must submit the draft proposed Policy Documents on each policy type.



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- 10.8 The tenderer must submit a tender for Full Insurance Cover as per detailed schedules that are provided as part of the tender documents.
- 10.9 The tenderer may submit additional alternative tenders for Partial Self Insurance as per detailed schedules that are provided as part of the tender documents. The tenderer's proposal in this regard should be accompanied by a detailed summary of the relevant features of before-mentioned insurance structure.
- 10.10 The Municipality reserves the right to accept alternative tenders. The Municipality is not bound to accept the lowest or any tender and reserves the right to accept any tender either wholly or a part thereof.
- 10.11 Unless otherwise specified, it is accepted that, in the case of every type of policy tendered for, the tenderer will be willing to underwrite any individual policy type at the premium tendered, without any other individual policies being awarded to him.
- 10.12 A detail description of the assets, amounts insured, et cetera, is furnished herewith according to information currently available. However, the Municipality reserves the right to adjust details in respect of final number, description and value of individual items for insurance cover, if necessary, at the final placement of the insurance.
- 10.13 The submission of a tender signifies complete acceptance of the conditions contained in these instructions, the Form of Tender and the annexures.
- 10.14 Any deviations, limitations or unfamiliar conditions in respect of each policy type must be clearly stipulated and highlighted in the tender submission.
- 10.15 The Municipality reserves the right to notify the tenderer of any adjustments, additions and or disposals during the period of the contract, for which the appropriate adjustments in premium payable / refundable must be affected.



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11. Special Conditions

The following special conditions will apply:

11.1 If:

11.1.1. the tenderer should fail to arrange the short-term insurance with insurer/consortium stated in the contract; or

11.1.2. the Municipality should suffer damage as a result of the tenderer's failure to perform,

11.1.3. The tenderer will pay to the Municipality the following amounts, in each case to be determined by the Municipal Manager, as liquidated damages and not a penalty:

11.1.3.1. in the event of 11.1.1, an amount equal to any additional costs over and Above the tender price incurred by the Municipality to arrange the short-term insurance in terms of the contract in a manner deemed fit by the Municipality, together with all costs and expenses involved. or

11.1.3.2. in the event of 11.1.2, an amount not exceeding the actual damage sustained By the Municipality.

11.2 The Municipal Manager will also determine the manner in which and the time when such payment of additional costs or damages are to be paid to the Municipality and the decision of the Municipal Manager will be binding in each case.

11.3 The Municipality will have the right, without prejudice to the rights of the Municipality, to summarily sue the tenderer for any damage suffered by the Municipality as a result of breach of contract by the tenderer or failure as stated and to terminate the contract without any compensation to the tenderer in the following instances:

11.3.1 In the event of any breach of or failure by the tenderer to comply with any of The provisions of this contract;



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11.3.2 In the event of an order, provisional or final, for the sequestration of the of the tenderer or, if an application is made for such order or, if the tenderer should make an application for the surrender of his estate or, if he should enter into, make or execute, a deed of settlement for, or compound or otherwise agree to such surrender of his estate for the benefit of his creditors or proposes to do so or, where the tenderer is a company, make a decision or, where the court issues an order for the liquidation of such company.

12. EVALUATION FOR PRICE

- 12.1 Bidders may approach all Insurers complying with the relevant statutory solvency and other requirements.
- 12.2 Bidders proposals should be accompanied by a detailed summary of the salient features of your recommended insurance structure.
- 12.3 Support for the Bidders proposals should be evidenced by a signed participation confirmation from Insurers/Reinsurers who will support your recommended structure at the terms, conditions and exceptions proposed by yourselves.
- 12.4 All premiums are to be rounded off to the next full rand. Where extensions are granted free of charge, please state "free" in the premium column. Where a line of cover or an extension is not tendered for, please state "no tender" in the premium column. All premiums quoted are to INCLUDE VAT. Should a deposit premium apply, it must be shown, and a full explanation must be given as to how the deposit premium will operate. Nevertheless, only the 100% or maximum premiums must be shown in the summary page of insurance cost. If your policy is subject to declarations, please advise how it would affect the premium.
- 12.5 Bidders proposals should be accompanied by a detailed premium calculation for each class of insurance submitted.
- 12.6 The Bid must disclose the insurer or consortium of insurers on each policy type as well as the type of policy wording as indicated in tender documents.
- 12.7 Failure to comply with the above requirements may render the Tender invalid at the option of the Council.



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13. ADDITIONAL CONDITIONS

- 13.1 Particulars of property, sums insured and limits of indemnity are based on the existing sums insured / limits. However, the Municipality reserves the right to adjust details, if necessary, at the final placement of the insurance, as well as during the period of the contract.
- 13.1.1 The minimum requirement in respect of policy conditions, limitations and exceptions are equal to a Multimark III policy wording. Policy wordings that are tailor made for local authorities with wider cover would be an advantage.
- 13.1.2 If any limitations and/or uncommon conditions and exclusions are to be imposed, this must be stated very clearly in respect of each class of insurance of the policies.
- 13.1.3 Deductibles are to be shown clearly, otherwise the Council will assume that no deductible will apply and this may not be rectified afterwards.
- 13.1.4 Your bid is to be valid until the preferred bidder is appointed and Insurers will undertake not to amend their terms.
- 13.1.5 No tender will be considered, unless accompanied by sufficient information so as to indicate that the amount tendered will include the total cost of the insurance premium.
- 13.1.6 Insurance Markets
- 13.1.7 Does your proposed market have experience with Local Authorities?
- 13.1.8 Are your insurance policies specially designed for local authorities?
- 13.1.9 Please provide copies of your insurance policies
- 13.1.10 Please provide a letter as proof of support by the insurers or underwriters for all classes of insurance that you have bid for
- 13.1.11 Provide the Solvency margin of insurer

14. ANALYSIS OF PROPERTY PLANT AND EQUIPMENT

- 14.1 An asset register is attached as Annexure A.



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FUNCTIONALITY

NB: For a bidder to qualify, it is a requirement for a prospective bidder to score a minimum of 70 out of 100 points for functionality. Values: 1 = Poor, 3 = Good, 5 = Excellent

Rustenburg Local Municipality reserves the right to verify all the information provided.

ITEM	CRITERIA	WEIGHT	VALUE	SCORE	VERIFICATION METHOD
1. Company experience		40			
1.1 Company experience: Experience of the tenderer in years of operation as short-term Insurance Manager / Broker.					Attach a detailed company profile
	1 – 5 years (Value = 01)				
	6 - 8 years (Value = 03)				
	9 years and above (Value = 05)				
	Non-Submission or less than the expected minimum submission (Value = 0)				
1.2 Track record of the tenderer with Government sector in the past 3 (three) years as a short-term insurance broker on an insurance portfolio (Reference letter)		30			Attach appointment letters and reference for similar projects. Please attach a letter for each project
	1 project (Value = 01)				
	2 projects (Value = 03)				
	3 projects and above (Value = 05)				
	Non-Submission or less than the expected minimum submission (Value = 0)				
2. Key Personnel					



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2.1 Project Manager experience		30		Attach certified copies of qualifications (minimum NQF level 5) in a field related to Insurance, Finance, or Business, and a 3-page comprehensive CV detailing related experience,	
	3 - 4 years' experience (Value=1)				
	5 - 6 years' experience (Value=3)				
	7 years' experience and above (Value=5)				
	Non-Submission or less than the expected minimum submission (Value = 0)				
TOTAL		100			

Calculate the points scored according to the following formula:

$$Ps = \frac{[So]}{Ms} \times Ap$$

Where:

- Ps = percentage scored for functionality by the bid under consideration
- So = total score of bids under consideration, i.e. weight X value = score
- Ms = maximum possible score = 500
- Ap = percentage allocated

$$\text{Total percentage scored by the bidder on functionality: } Ps = \frac{\quad}{500} \times 100 =$$

NB: No tender will be regarded as an acceptable tender/responsive if it fails to achieve the minimum qualifying score for functionality of 70 out of a maximum of 100 points.



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PRICING SCHEDULE

SECTION	SUM INSURED	ANNUAL PREMIUM
COMBINED		
Standard and Non-Standard Construction		
Inventory total (Central Stores)	R 6 700 000.00	
7. Buildings (Including Store rooms, Workshops , Parks Offices and Nursery)	R186 811 881	
8. Plant and Machinery		
9. Thatch buildings/structure & their Contents Rustenburg Flea Market/ Inform. Centre)	R 10 776 800	
10. Private Dwellings, Residential Units ,Hotels and Flats	R 140 000 000	
11. Substations, Mini sub-stations, Transformers , etc	R 926 442 508	
12. Other (Multiple layers possible as below)		
- Libraries and related Contents	R 28 723 545	
- Cemeteries	R 1 350 000	
- Sports and Recreation Facilities	R 26 910 463	
- Transfer Stations	R 1 372 263	
- Reservoirs	R 3 300 000	
- All sewerage works, pump stations, etc	R 2 800 000	
- Property in the open		
- Non-standard structures – Mobile offices (fixed)		
- All water and purification works and pump stations	R 217 386 192	
- Air Monitoring Systems	R 583 000	
- Community Buildings	R 166 730 782	
- Buildings above R100 000 000 (Civic Centre, Mpheni Buildingand Olympia park Stadium)	R 641 759 735	
- Substations Buildings	R 40 029 445	
- Clinics	R 11 307 814	
- Fire Stations	R 69 699 450	
- Power Sage (2%)	R 38 941 788	
- Private Dwelling (Mayors House)	R 3 300 000	



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- Non-standard Private Dwellings Residential Units	R 40 850 000	
- Rustenburg Airport	R 1 553 914	
- Factory Buildings	R 5 924 833	
- Filling station	R 1 360 765	
15% Escalation	R 441 000	
20% Capital Additions	R 331 000 000	
Reasonable Precaution	R 20 000	
HOUSE OWNERS		
Standard Constructions	R 80 417 656	
Non-Standard Constructions	R 20 850 000	
Removal of Debris	R 40 000	
Professional Fees	R 50 000	
Extensions		
Subsidence and Landslip	R 250 000	
Motor Vehicles whilst parked at Insured	R 1 000 000	
- Power Sage (2%) (Limited to R1 000 000) per Item	R 38 941 788	
- Leakage of oils, chemicals or other fluids	R 20 000	
- Theft of immovable Property	R 500 000	
- Malicious Damage	R 500 000	
- Thatch structures	R 100 000	
- Reasonable Precautions	R 500 000	
Claims Preparation Costs	R 100 000	
TOTAL BUILDING COMBINED	R 3 590 315 426	
BUSINESS INTERRUPTION		
Electricity Sales	R 146 400 000	
Water Sales	R 122 000 000	
Sewerage Sales	R 97 600 000	
Refuse Removal	R 73 000 000	
Increase in cost of Working	R 5 750 000	



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Additional Increase in cost of Working	R 115 000	
Fines and Penalties	R 100 000	
TOTAL BUSINESS INTERRUPTION	R 445 165 000	
OFFICE COMBINED		
Office Contents	R 36 874 422	
Loss of Documents	R 1 000 000	
Legal Liability	R 1 000 000	
Theft (forcible & Violent entry or exit)	R 8 755 520	
Extensions		
Sum Insured	R 50 000	
Debris Removal	R 10 000	
Locks and Keys	R 10 000	
Reasonable Precautions	R 10 000	
Claims Preparation Costs	R 100 000	
TOTAL OFFICE CONTENTS	R 47 799 962	
Accounts Receivables		
Outstanding Debit Balances	R 30 000 000	
Extensions		
Claims Preparation Costs	R 100 000	
TOTAL ACCOUNT RECEIVBLE	R 30 100 000	
BUSINESS ALL RISKS		
General Specified Items	R 41 138 299	
Laptops & Tablets/ I pads	R 20 487 385	
Cameras	R 200 000	
Tractor Slashers	R 136 433	
License Scanners	R 180 000	
Extensions		



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Sum Insured	R 10 000	
Locks and Keys	R 15 000	
Claims Preparation Costs	R 100 000	
TOTAL BUSINESS ALL RISKS	R 62 267 117	
THEFT		
First Los Limit	R 1 000 000	
Extensions		
Property in Open	R 500 000	
Malicious Damage	R 100 000	
Reasonable Precautions	R 20 000	
Locks and Keys	R 30 000	
Claims Preparation Costs	R 100 000	
TOTAL THEFT	R 1 750 000	
MONEY		
Major Limit	R 2 300 000	
Seasonal Increase	R 2 000 000	
Money in the custody of Authorised Council Employee Away on Business Trip	R 20 000	
On premises outside business hours in locked Safe	R 10 000	
Extensions		
Reasonable Precautions	R 10 000	
Locks and Keys	R 30 000	
Credit Cards	R 5 000	
Personal Accident		
Capita Sum	R 30 000	
Weekly Amount	R 250	
Medica Exenses	R 5 000	
Vending Machines	R 30 000	
Claims Preparation Costs	R 100 000	



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TOTAL MONEY	R 4 540 250	
FIDELITY GUARENTEE		
Limit of Indemnity	R 950 000	
Extensions		
Claims Preparation Costs	R 100 000	
TOTAL FIDELITY GUARANTEE	R 1 050 000	
GOODS IN TRANSIT		
Limit of Indemnity	R 300 000	
Extensions		
Removal of Debris	R 100 000	
Fire Extinguishers	R 100 000	
Claims Preparation Costs	R 100 000	
TOTAL GOODS IN TRANSIT	R 600 000	
ACCIDENTAL DAMAGE		
Limit of Indemnity	R 600 000	
Claims Preparation Costs	R 100 000	
TOTAL ACCIDENTAL DAMAGE	R 700 000	
PUBLIC LIABILITY		
Limit of Indemnity	R100 000 000	
SUB-LIMITS		
Wrongful Arrest and defamation	R 2 250 000	
Errors and Omissions	R 2 250 000	
Products Liability and Detective Workmanship	R 2 250 000	
Legal Defense Cost	R 2 250 000	
Professional Liability in respect of Medical Practitioners or Other Medical Officials	R 2 250 000	
Spread of Fire	R 1 000 000	
Municipal Police Liability	R 2 250 000	



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Su-limit use of firearms	R 250 000	
Sub-limit Wrongful arrest & defamation	R 250 000	
TOTAL PUBLIC LIABILITY	R115 000 000	
DIRECTORS AND OFFICIALS		
Limit of Indemnity	R 3 000 000	
Total Directors & Officials	R 3 000 000	
EMPLOYER'S LIABILITY (Workman's Comp)		
Limit of Indemnity	R 20 000 000	
Total Employer's Liability	R 20 000 000	
GROUP PERSONAL ACCIDENT		
Councillors 24 HOURS (2.5 X Annual Package)	90 Councillors	
Spouses, Activities Only	90 Councillors	
Total Personal Accident	R 82 000 000	
SASRIA [88 COUNCILLORS @ R800,000 PER COUNCILLOR]		
GLASS		
General Limit	R 100 000	
Extension		
Claims Preparation Costs	R 100 000	
ELECTRONIC EQUIPMENT		
Computer Equipment	R 33 306 975	
Software and Licence:	R -	
Tablets/lpads	R 1 047 502	
Laptops	R 20 487 385	
Increase in Cost of Working	R 100 000	
Extensions		
Reconstruction of data	R 100 000	



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Claims Preparation Costs	R 100 000	
Total - Electronic Equipment	R 55 041 862	
MACHINERY BREAKDOWN		
Specified Machinery	R 987 860 160	
Extensions		
Claims Preparation Costs	R 100 000	
Total – Machinery Breakdown	R 987 960 160	
MOTOR VEHICLES		
407 x Council Vehicles		
- 347 x Council Vehicles of Limit < R500,000	R 76 026 642	
- 60 x Council Vehicles of Limit > R500,000	R 89 935 086	
- Sub-Total – Council Vehicles	R 165 961 728	
SPECIALISED VEHICLES		
51 x Council Vehicles		
- 37 x Council Vehicles of Limit > R500,000	R 68 265 731	
- 14 x Council Vehicles of Limit < R500,000	R 4 784 515	
- Sub-Total – Specialised Vehicles	R 68 740 246	
- Grand Sub-Total – Vehicle Fleet	R 234 701 974	
CAR HIRE		
- Executive Mayor	R 30 000	
- Speaker	R 30 000	
- Single Whip	R 30 000	
Sub-Total – Car Hire	R 90 000	
Roadside Assistance	R 44 100.00	
Sub-Total – Roadside Assistance	R 44 100.00	



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Detailed list of Specialised Vehicles	Number	Amount	
Excavators	1	R 2 748 386	
Fire Engines	14	R 19 722 448	
Case 4x4 Tlb Backactor	20	R 22 703 597	
Refuse Trucks	7	R 18 154 493	
Frontloaders	2	R 5 661 292	
Graders	4	R 6 284 023	
Sewer Trucks	1	R 2 184 560	
Cherry Picker Trucks	2	R 960 759	
Waste Street Sweeper Truck	1	R 2 180 690	
Man 15,220 5ton Roll Back	2	R 3 587 659	
Bomag Compactor	1	R 7 391	
Sub-Total – Specialised Vehicles	55	R112 244 730	
TOTAL ANNUAL PREMIUM			
VAT			
TOTAL ANNUAL PREMIUM INCLUDING VAT			

NB! Escalations for Year 2 and 3 will be based on CPI.