



**PROVINCE OF KWAZULU-NATAL**  
**DEPARTMENT OF PUBLIC WORKS**

**ZNT NUMBER : 4/15/16**

**DESCRIPTION OF SERVICES : THE DISPOSAL ( SALE AND OR LETTING) OF STATE OWNED PROPERTIES**

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## SECTION A INVITATION TO BID

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE KZN DEPARTMENT OF PUBLIC WORKS.**

**BID NUMBER: ZNT 4/16/17**

**CLOSING DATE: 11 November 2016 at 11h00am**

**DESCRIPTION: The disposal option (Sale and or Letting) of three state owned properties:**

1. Property 1 – The Seaman's Institute, Portion 226 Of Erf 10054 Durban, Extent 1486.0000 Square Metres Located At 154 Mahatma Ghandi Street, EThekwini

2. Property 2 – The Westpoint Lodge, Portion 81 Of Erf 10004 Durban, Extent 280.0000 Square Metres Located At 131 Margaret Mncandi Street, EThekwini

3. Property 3 - The Palm Beach Hotel, Portion 1 Of Erf 10177 Durban, Extent 664.0000 Square Meters Located At 106/108 Gillespie Street, EThekwini

### **COMPULSORY BRIEFING SESSION**

Date: 31 October 2016

Time: 10h00am

Venue: Lecture hall, Department of Public Works, EThekwini Region, 455 Jan Smuts Avenue, Mayville.

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BID DOCUMENTS MAY BE POSTED TO  
KZN DEPARTMENT OF PUBLIC WORKS, HEAD OFFICE  
PRIVATE BAG X 9041  
PIERTERMARITZBURG  
3200

OR

DEPOSITED IN THE BID BOX SITUATED AT (*STREET ADDRESS*)  
KZN DEPARTMENT OF PUBLIC WORKS, HEAD OFFICE  
191 PRINCE ALFRED STREET  
PIERTERMARITZBURG  
3200

**Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration.**

The bid box is generally open 24 hours a day, 7 days a week.

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS – (NOT TO BE RE-TYPED)

THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

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

NAME OF BIDDER .....

POSTAL ADDRESS .....

STREET ADDRESS .....

TELEPHONE NUMBER CODE.....NUMBER.....

CELLPHONE NUMBER .....

FACSIMILE NUMBER CODE ..... NUMBER.....

E-MAIL ADDRESS .....

VAT REGISTRATION NUMBER .....

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN SUBMITTED? (SBD 2) YES or NO

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

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT  
(CCA).....☐  
A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM  
(SANAS); OR.....☐  
A REGISTERED AUDITOR .....☐  
[TICK APPLICABLE BOX]

**(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE MUST BE SUBMITTED IN ORDER TO  
QUALIFY FOR PREFERENCE POINTS FOR B-BBEE)**

ARE YOU THE ACCREDITED REPRESENTATIVE  
IN SOUTH AFRICA FOR THE GOODS / SERVICES / WORKS OFFERED?  
YES or NO

[IF YES ENCLOSE PROOF]

SIGNATURE OF BIDDER .....

DATE .....

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

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**ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:**

**Department:** KZN - Department of Public Works  
**Contact Person:** Ms Nonhlanhla Zulu  
**Tel:** 033 -355 5563  
**E-mail address:** Nonhlanhla.zulu@kznworks.gov.za

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

**Contact Person:** Mrs Sindisiwe Linda/Mrs Glenda Dayaram  
**Tel:** 033-355 5533/033 2604031  
**E-mail address:** sindi.linda@kznworks.gov.za/Glenda.dayaram@kznworks.gov.za

**SECTION B**

**SPECIAL INSTRUCTIONS AND NOTICES TO BIDDERS REGARDING THE COMPLETION OF BIDDING FORMS. PLEASE NOTE THAT THIS BID IS SUBJECT TO THE PRESCRIPTS OF THE KWAZULU-NATAL LAND ADMINISTRATION AND IMMOVABLE ASSET MANAGEMENT ACT, 2014 (ACT 2 OF 2014), TREASURY REGULATIONS AND THE KWAZULU-NATAL SUPPLY CHAIN MANAGEMENT POLICY FRAMEWORK, GUIDELINES, DECEMBER 2005 AS WELL AS GENERAL CONDITIONS OF CONTRACT.**

**1. COMPLETION, LODGING AND CLOSING OF BIDS**

- 1.2.1 Unless inconsistent with or expressly indicated otherwise by the context, the singular shall include the plural and visa versa and with words importing the masculine gender shall include the feminine and the neuter.
- 1.2.2 Under no circumstances whatsoever may the bid forms be retyped or redrafted. Photocopies of the original bid documentation may be used, but an original signature must appear on such photocopies.
- 1.2.3 The bidder is advised to check the number of pages and to satisfy himself that none are missing or duplicated.
- 1.2.4 Bids submitted must be complete in all respects and initial each page.
- 1.2.5 Bids shall be lodged at the address indicated not later than the closing time specified for their receipt, and in accordance with the directives in the bid documents.
- 1.2.6 Each bid shall be addressed in accordance with the directives in the bid documents and shall be lodged in a separate sealed envelope, with the name and address of the bidder, the bid number and closing date indicated on the envelope. The envelope shall not contain documents relating to any bid other than that shown on the envelope. If this provision is not complied with, such bids may be rejected as being invalid.
- 1.2.7 All bids received in sealed envelopes with the relevant bid numbers on the envelopes are kept unopened in safe custody until the closing time of the bids. Where, however, a bid is received open, it shall be sealed. If it is received without a bid number on the envelope, it shall be opened, the bid number ascertained, the envelope sealed and the bid number written on the envelope.
- 1.2.8 A specific box is provided for the receipt of bids, and no bid found in any other box or elsewhere subsequent to the closing date and time of bid will be considered.
- 1.2.9 No bid sent through the post will be considered if it is received after the closing date and time stipulated in the bid documentation, and proof of posting will not be accepted as proof of delivery.
- 1.2.10 No bid submitted by telefax, telegraphic or other electronic means will be considered.
- 1.2.11 Any alteration made by the bidder must be initialed.
- 1.2.12 Use of correcting fluid is prohibited
- 1.2.13 Bids will be opened in public as soon as practicable after the closing time of bid.
- 1.2.14 Where practical, prices are made public at the time of opening bids.
- 1.2.15 If it is desired to make more than one offer against any individual item, such offers should be given on a photocopy of the page in question. Clear indication thereof must be stated on the schedules attached.
- 1.2.16 The whole of this bid document is to be returned by a Bidder at the time of submitting a bid with all the blank spaces properly and fully completed and properly signed (by the Bidder) and witnessed where required.

## SECTION C

### DECLARATION OF INTEREST

Any legal person, including persons employed by the state<sup>1</sup>, 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 an advertised competitive bid, a limited bid, a proposal or written price quotation). 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, shareholder<sup>2</sup>, member):

.....

2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust: .....

2.5	Tax	Reference	Number:
	.....		

2.6	VAT	Registration	Number:
	.....		

2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / PERSAL numbers must be indicated in paragraph 3 below.

<sup>1</sup>"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.

<sup>2</sup>"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.

- 2.7 Are you or any person connected with the bidder presently employed by the state? **YES / NO**
- 2.7.1 If so, furnish the following particulars:
- Name of person / director / trustee / shareholder/ member:  
.....
- Name of state institution at which you or the person connected to the bidder is employed :  
.....
- Position occupied in the state institution:  
.....
- Any other particulars:  
.....  
.....  
.....
- 2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? **YES / NO**
- 2.7.2.1 If yes, did you attach proof of such authority to the bid document? **YES / NO**
- (Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.
- 2.7.2.2 If no, furnish reasons for non-submission of such proof:  
.....  
.....  
.....
- 2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? **YES / NO**
- 2.8.1 If so, furnish particulars:  
.....  
.....  
.....
- 2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**
- 2.9.1 If so, furnish particulars.  
.....  
.....  
.....
- 2.10 Are you, or any person connected with the bidder, **YES/NO**

aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid?

2.10.1 If so, furnish particulars.

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

2.11 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract?

**YES/NO**

2.11.1 If so, furnish particulars:

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

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

Full Name	Identity Number	Personal Income Tax Reference Number	State Employee Number / Persal Number



**4     DECLARATION**

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

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS  
CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME SHOULD

THIS DECLARATION PROVE TO BE FALSE.

.....  
**Signature**

.....  
**Date**

.....  
**Position**

.....  
**Name of bidder**

## **SECTION D**

**BID NUMBER : ZNT 4/16/17**

### **1. BACKGROUND**

- 1.1 The Department of Public Works is the custodian of all provincial immovable assets within the Province of KwaZulu-Natal. The Department is guided by the Government Immovable Asset Management Act, 2007 (Act 19 of 2007) (GIAMA) and the KZN Disposal of Immovable Asset Strategy to achieve the objectives of the legislation regulating the administration and disposal of immovable properties.
- 1.2 Provincial owned properties are acquired for government functions and should such properties become redundant to government needs, they are disposed in line with the said legislation.
- 1.3 In view hereof, the three (3) properties indicated in the bid have been declared redundant by the User Department: Human Settlements and were therefore surrendered to the Department of Public Works as the Custodian for disposal purposes.
- 1.4 The Provincial Government of KZN is fully committed to addressing the economic imbalances of the past, therefore in line with the KZN LAND DISPOSAL STRATEGY 2008 the properties listed herein are to be disposed either as an outright sale or optional lease (operational) for a period not exceeding 9 years and 11 months. The said sale and or lease is therefore intended to contribute to the advancement of the Urban Inner City Regeneration programme of the Ethekwini Municipality and the Radical Economic Transformation Policies of the Government.
- 1.5 These properties for disposal are strategically located and their potential can be un-locked to meet government objectives at a broader level. The properties in question are located within the EThekweni Central Business District and as such the disposal thereof will contribute towards the Inner City Regeneration programmes.
- 1.6 The Department intends to implement the disposal process by way of outright sale of the properties or a long term lease with an option to purchase based on the Economic and social proposals advanced by Bidders. Bidders who intend to lease these properties need to provide a detailed methodology statement as to how they intend to rehabilitate these buildings and the intended usage to unlock its fair potential for a maximum duration of 9 years and 11 months with an option to purchase after the expiry of the lease. In the event that a lease proposal is considered the conditions attached to that will include the calculation of the purchase price at the conclusion of the 9 years and 11 months. Any amendments and or improvements made to the building will also be considered.

- 1.7 The KZN land disposal strategy approved by Provincial cabinet clearly articulates measures that can be taken to address the skewed ownership and or advancement of categories of persons to transform the Property sector. This includes deliberate measures to increase black participation in, and benefit from, property disposals and in the services surrounding these processes. Provides an assurance that the disposal process will be implemented in the context of the transformation within the property sector and will promote BBBEE and the development of micro and small enterprises.

Bids will only be considered as follows:

African Black individuals(100%) and or  
Companies or Consortiums with a minimum of 51% shareholding in the hands of African Black.

Bidders who are current landlords who have leases with any organ of state in excess of R2 m will not be eligible to be considered.

## **2. DESCRIPTION OF PROPERTIES FOR SALE OR LETTING (LEASE)**

- 2.1 The Department has taken a decision to dispose of the following properties by way of a sale of the properties or Letting lease (9 years, 11 months) with an option to purchase at the end of the lease.

<b>DESCRIPTION OF PROPERTY</b>	<b>TITLE DEED NUMBER</b>	<b>REG DIV</b>	<b>DIAGRAM DEED</b>	<b>ZONING Town (Planning Scheme Attached to Bid document)</b>
1.SEAMAN'S INSTITUTE, PORTION 226 OF ERF 10054 DURBAN, EXTENT 1486.000 SQUARE METRES LOCATED AT 154 MAHATMA GHANDI STREET, ETHEKWINI (ZONED AS COMMERCIAL ONLY)	T51951/2002	FU	T3161/935	General Business (Central)
2.THE WESTPOINT LODGE, PORTION 81 OF ERF 10004 DURBAN, EXTENT 280.0000 SQUARE METRES LOCATED AT 131 MARGARET MNCANDI STREET, ETHEKWINI	T74634/2002	FU	T1701/902	General Residential 5

3.PALM BEACH HOTEL, PORTION 1 OF ERF 10177 DURBAN, EXTENT 664.0000 SQUARE METRES LOCATED AT 106/108 GILLESPIE STREET, ETHEKWINI	T74635/2002	FU	T9092/948	General Business (Central)
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### 3. SPECIAL CONDITIONS OF SALE OR LONG TERM LEASE

- 3.1 In the case of a sale, the Bidder shall not transfer ownership of the property without the written consent of the Department within a period of 10 years. Such condition will be imposed on the title deed
- 3.2 The successful bidder for either the sale or long term lease of property must be African Black individuals as defined or companies with 51% shareholding in the hands of African Black person/s.  
Current Landlords who have leases with any organ of state to the value in excess of R2m will not be considered eligible to Bid and or lease any of these properties.
- 3.3 The Purchaser or leesees will be expected to provide the Department with a methodology statement/proposed plan indicating inter alia, how it intends to rehabilitate each of the buildings and its intended use. The proposal also needs to address measures that will be taken to procure goods and services from local supplies after the acquisition as well as how one intends to advance employment equity.
- 3.4 The Department reserves the right to evaluate this bid on the basis of increasing ownership and contribution to the urban precinct and not necessarily to the highest bidder.
- 3.5 The Department reserves the right to request the Director General of Department of Labour to conduct a review on the employment equity during the term of the defined period.
- 3.6 A key objective of this exercise is to address the grossly disproportionate ownership profile of commercial property in the Province especially against the background of the demographic profile of leases with government.
- 3.7 In the case of the sale of the property, if the bid has been accepted a 10% bank guarantee per property from a registered financial institution will be called for prior to the conclusion of the sale. This will be based on the tendered price.
- 3.8 Kindly note that the some of these building are illegally occupied and although every effort will be made to accommodate the illegals in the various housing projects within EThekwini, there is **no guarantee** that free and vacant possession will be given on registration of transfer or occupation by the lessee.

- 3.9 It is the intention of the Department to award the three properties to different entities/persons so that the broad aims of the BBBEE Act is achieved. Whilst it will not be precluded for bidders to submit bids for one or more of the properties, preference will be given so as to ensure that there is separate and distinct ownership of all three properties.

#### **4. TERMS AND CONDITIONS OF SALE:**

- 4.1 The purchase price payable by the bidder to the Department of Public Works shall be paid to the Department of Public against registration of transfer of the property into the name of the Purchaser. Pending registration of transfer, the Purchaser shall within thirty **(30) days** of signing the sale agreement furnish the Department with an approved bank guarantee for the full purchase price.
- 4.2 The Purchaser shall be liable for all costs associated with any survey, if any of the Property and the preparation and obtaining of all sub-divisional diagrams as well as any and all costs of registering transfer of the Property into the name of the Purchaser.
- 4.3 The Department of Public Works shall be liable for payment of rates (if any) up to the date of registration of transfer of the property into the name of the Purchaser. In the event that a lease is concluded then the rates and taxes shall be borne by the lessor for a period not exceeding 3 years. These costs will be factored into the final sale price at the expiry of the lease.
- 4.4 It is agreed that the Purchaser is liable for all costs of transfer. It is the prerogative of the Purchaser to select the conveyancer to be appointed to attend to the transfer of the Property. In the event of a lease, the bidder will be liable for all costs associated with the rehabilitation and maintenance during the period of the lease.
- 7.5 Should a conveyancer not be selected by the Purchaser, the Department reserves the right to appoint a conveyancer to attend to the registration of transfer and, the Purchaser shall be liable for all costs of the transfer.
- 4.6 Possession and occupation of the Property shall be given to the Purchaser on the date of registration of transfer or on a mutually agreed date after signing of the Sale Agreement and from which date all risk in and to the Property shall pass to the Purchaser.

#### **5. VOETSTOETS CLAUSE**

The property/ies is sold “voetstoets” and subject to all conditions and servitudes mentioned or referred to in the current title deed and to all such other conditions and servitudes which may exist in regard thereto.

The Department of Public Works shall not be liable for any defects, latent or otherwise, in the property nor for any damage occasioned or suffered by the Purchaser by reason of such defects. Furthermore, the Department of Public

shall not be liable for any deficiency in the extent of the property nor shall it benefit by any excess in extent thereof.

The Department of Public Works will not provide any compliance certificate in respect of the buildings on tender.

## **6. CONDITIONS OF THE AGREEMENT OF SALE**

- 6.1 The agreement of sale will constitute the entire contract between the parties and no warranties, representations or conditions not recorded therein shall be binding upon the Department of Public Works unless recorded in writing and signed by the parties hereto. Likewise any variation of the terms and conditions hereof shall be of no force and effect unless reduced to writing and signed by both parties hereto;
- 6.2 Any latitude or extension of time which may be allowed by the Seller including the granting of any concession or condonation of any breach of the conditions hereof shall not in any way constitute, operate as, or be deemed to be a waiver by the Seller of any of the Seller's rights nor shall it constitute a novation hereof.
- 6.3 In the event that the Seller should wish to institute any action against the Department of Public Works arising out of the terms of the sale agreement, he shall be entitled but not obliged to do so in the Magistrate's Court of the district in which the property is situate and for the purposes hereof the Purchaser hereby consents in terms of Section 28 of the Magistrate's Court Act to the jurisdiction of such Magistrate's Court;
- 6.4 In the event of the Seller instructing an attorney to take action against the Purchaser in respect of any proven breach of the Purchaser's obligations in terms of the agreement of sale, the Department of Public Works shall be liable for and shall pay all disbursements and legal costs on an attorney and client scale including collection charges;
- 6.5 All amounts payable to the Seller shall be paid without deduction or demand and free from bank exchange in the currency of the Republic of South Africa.

## **7. BREACH OF SALE AGREEMENT CONTRACT**

- 7.1 In the event of a breach of any of the terms and condition set out in the sale agreement and the bid document by the Purchaser, and in the event of the Purchaser failing to rectify such breach within twenty-one (21) days of written notice being given by the Department of Public Works to the Purchaser to rectify such breach, the Department shall -
  - (a) be entitled to cancel this agreement and the bidder forfeits the 10% guarantee.
  - (b) The Department reserves the right to consider an award to the next bidder in line

- (c) be entitled to proceed for such damages as the Seller may have incurred as a result of such breach and/or cancellation

## **8. CONDITIONS OF LONG TERM LEASE**

- 8.1 The proposed long term lease agreement will be for a period of 9 years and 11 months with an option to purchase at the end of the lease period
- 8.2 No rentals will be charged for the first 5 (five) years of the lease agreement due to the current condition of the building which must be upgraded/rehabilitated by the successful bidder at his or her own costs prior to your tenants taking occupation of the building.
- 8.3 The maximum period required for commencement of lease after signing of lease agreement is to be indicated by the bidder and agreed upon by the Department.
- 8.4 All the rates quoted should include annual escalation for the full period of the Lease agreement.
- 8.5 Rent will only be due after the first five years of the lease.

## **9. VALIDITY PERIOD**

- 9.1 The bids must be valid for a period of 60 days from the closing date of the bid.

## **10. EVALUATION CRITERIA**

- 10.1 This bid will be evaluated as follows:

### **Stage 1: Functionality**

<b>FUNCTIONALITY CRITERIA</b>		
<b>SECTION A: MANDATORY REQUIREMENTS (20 POINTS)</b> <b>(Minimum of 20 points required)</b>		
<b>Functionality</b>	<b>Points</b>	<b>Comments</b>
<b>1. OWNERSHIP</b> <ul style="list-style-type: none"><li>African Black individuals or companies with 51% shareholding in the hands of African Black person/s.</li><li>Current landlords or individuals who have leases with any organ of state in excess of R2 m</li></ul>	10  10	No points will be allocated if the ownership criteria is not met and the bid will not be considered further. Letter from Bidders confirming that they do not have any leases with any organ of state.
<b>SECTION B: MANDATORY REQUIREMENTS (15 POINTS)</b> <b>(Minimum of 15 points required)</b>		

<p><b>2. FINANCIAL CAPACITY</b></p> <p>A letter from a registered financial institution indicating that a 10% bank guarantee can be furnished immediately on acceptance of the bid. This is based on the tendered price.</p> <p>In the case of a long term lease bidders are to display that funding to rehabilitate manage and operate the building can be sourced from black investors or empowerment schemes</p>	15	<p>No points will allocated if the intention to provide a guarantee is not submitted and the bid will not be considered further.</p> <p>In the case of leasing no points will be awarded if letters are not provided from black investors, financial institutions and or empowerment schemes who intend to fund this initiative.</p>
<p><b>SECTION C (TOTAL 65 POINTS)</b></p> <ul style="list-style-type: none"> <li>- <b>CRITERIA 3: 50</b></li> <li>- <b>CRITERIA 4: 15</b></li> </ul>		
<p><b>3. METHODOLOGY STATEMENT</b></p> <p>3.1 Bidders are required to submit a detailed business plan indicating how they intend to rehabilitate the property. The plan to include the intended use of the building aligned to the City of Durban's Urban Rehabilitation Plan. This must address the issues of economic expansion, eradication of property alleviation and the creation of sustainable employment.</p> <p>3.2 The bidder is to demonstrate how he intends to engage local suppliers, contractors with a view to improving local spend.</p> <p>3.3 At least 51% of all facilities management services to be rendered by 100% African owned companies. Schedule of service provider together with CIPC certificate to be produced with the bid</p>	<p>20</p> <p>15</p> <p>15</p>	
<p>8 A letter of intent from the bidder's accountant or auditor that the funding will be sourced from a registered financial institution or sufficient collateral is available to raise funding from Black investors, financial institutions and empowerment schemes, and that ownership will remain intact for at least the first 10 years.</p>	15	

10.1.2 Bidders are to obtain a minimum of **70 points** for functionality to be considered for price.

10.1.3 Shortlisted bidders maybe be required to conduct a presentation to demonstrate



their business proposal.

## 10.2 STAGE 2 – PRICING OFFER

10.2.1 Only bidders who meet the minimum qualifying 70 points for functionality will be considered further for this bid.

## 11. BIDDER'S FINANCIAL STANDING

In terms of the Conditions of this bid the Department reserves the right to make inquiries to obtain a bank rating from the bidder's bank and or verify letters of intent from potential investors and empowerment schemes.

**I / We furnish the following information and hereby authorize the Department to approach the Bank for a reference.**

Name of Account holder

.....

Name of Bank: .....

Branch:.....

Account number..... Type of account:

.....

Telephone number: ..... Facsimile number: .....

Name of contact person (*at bank*): .....

I / We agree, if required, to furnish a copy of the latest audited set of financial statements together with my / our Director's and Auditors' report for consideration by the Employer. The Employer undertakes to treat the information thus obtained as confidential, strictly for the use of evaluation of the tender submitted by the Tenderer.

SIGNATURE: ..... DATE: .....

(Of person authorized to sign on behalf of the Bidder)

**SECTION E**  
(To be completed by bidder)

**BID NUMBER ZNT 4/16/17 – STATE PROPERTY 1**

The Seaman's Institute, Portion 226 Of Erf 10054 Durban, Extent 1486.0000 Square Metres  
Located At 154 Mahatma Ghandi Street, EThekwini

1. BID OFFER: R.....(V.A.T. EXCLUSIVE)
2. AMOUNT IN WORDS.....  
.....  
.....(V.A.T. EXCLUSIVE)
3. VALIDITY OF PRICE ----- DAYS. (The bidder must, if requested.  
by the Department, consider extending validity period stated in the bid  
document for as agreed additional period)

**BIDDERS ARE TO NOTE THAT ALL COSTS RELATING TO THE TRANSFER AND  
REGISTRATION OF THE PROPERTY, IF PAYABLE, WILL BE TO THE ACCOUNT  
OF THE PURCHASER.**

NAME OF BIDDER:	SIGNATURE	DATE:
.....		
<b>ADDRESS</b> .....		
.....		
<b>TEL :</b> ..... <b>FAX :</b> .....		
.....		
<b>WITNESS</b>	1. <b>NAME:</b> .....	
	<b>SIGNATURE</b> .....	
	2. <b>NAME:</b> .....	
	<b>SIGNATURE:</b> .....	

**SECTION E**  
(To be completed by bidder)

**BID NUMBER ZNT 4/16/17 – STATE PROPERTY 1**

The Seaman's Institute, Portion 226 Of Erf 10054 Durban, Extent 1486.0000 Square Metres  
Located At 154 Mahatma Gandhi Street, EThekweni

THE BIDDER MUST CLEARLY INDICATE TOTAL LEASE AMOUNT IN SOUTH AFRICAN CURRENCY AS APPENDED HEREUNDER:

Period (maximum of 10 years)	Lease Agreement		Total Lease Amount
	Yearly Rental	Escalation (fixed)	
*Note: No rentals will be charged for the first 5 (five) years of the lease agreement due to the current condition of the building which must be upgraded/rehabilitated by the successful bidder at his or her own costs prior to your tenants taking occupation of the building.			
Year 6			
Year 7			
Year 8			
Year 9			
Year 10			
	Total excluding VAT		
	VAT		
	Total including VAT		

**TOTAL AMOUNT IN WORDS INCLUSIVE OF VAT**

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

NAME OF BIDDER:	SIGNATURE	DATE:
.....	.....	.....
<b>ADDRESS</b> ..... ..... <b>TEL :</b> ..... <b>FAX :</b> .....		
<b>WITNESS</b>	1. <b>NAME:</b> ..... <b>SIGNATURE</b> ..... 2. <b>NAME:</b> ..... <b>SIGNATURE:</b> .....	

**SECTION E**  
(To be completed by bidder)

**BID NUMBER ZNT 4/16/17 – STATE PROPERTY 2**

The Westpoint Lodge, Portion 81 of Erf 10004 Durban, Extent 280.0000 Square Metres Located  
At 131 Margaret Mncandi Street, EThekweni

1. BID OFFER: R.....(V.A.T. EXCLUSIVE)
2. AMOUNT IN WORDS.....  
.....  
.....(V.A.T. EXCLUSIVE)
3. VALIDITY OF PRICE ----- DAYS. (The bidder must, if requested  
by the Department, consider extending validity period stated in the bid  
document for as agreed additional period)

**BIDDERS ARE TO NOTE THAT ALL COSTS RELATING TO THE TRANSFER AND  
REGISTRATION OF THE PROPERTY, IF PAYABLE, WILL BE TO THE ACCOUNT  
OF THE PURCHASER.**

NAME OF BIDDER:	SIGNATURE	DATE:
.....		
<b>ADDRESS</b> .....		
.....		
<b>TEL :</b> ..... <b>FAX :</b> .....		
<b>WITNESS</b>		
1.	<b>NAME:</b> ..... <b>SIGNATURE</b> .....	
2.	<b>NAME:</b> ..... <b>SIGNATURE:</b> .....	

**SECTION E**  
(To be completed by bidder)

**BID NUMBER ZNT 4/16/17 – STATE PROPERTY 2**

The Westpoint Lodge, Portion 81 Of Erf 10004 Durban, Extent 280.0000 Square Metres Located  
At 131 Margaret Mncandi Street, EThekwini

THE BIDDER MUST CLEARLY INDICATE TOTAL LEASE AMOUNT IN SOUTH AFRICAN CURRENCY AS APPENDED HEREUNDER:

Period (maximum of 10 years)	Lease Agreement		Total Lease Amount
	Yearly Rental	Escalation (fixed)	
*Note: No rentals will be charged for the first 5 (five) years of the lease agreement due to the current condition of the building which must be upgraded/rehabilitated by the successful bidder at his or her own costs prior to your tenants taking occupation of the building.			
Year 6			
Year 7			
Year 8			
Year 9			
Year 10			
	Total excluding VAT		
	VAT		
	Total including VAT		

**TOTAL AMOUNT IN WORDS INCLUSIVE OF VAT**

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

NAME OF BIDDER:	SIGNATURE	DATE:
.....	.....	.....
<b>ADDRESS</b> ..... ..... <b>TEL :</b> ..... <b>FAX :</b> .....  <b>WITNESS</b>		
	<b>1. NAME:</b> ..... <b>SIGNATURE</b> .....	
	<b>2. NAME:</b> ..... <b>SIGNATURE:</b> .....	

**SECTION E**  
(To be completed by bidder)

**BID NUMBER ZNT 4/16/17 – STATE PROPERTY 3**

The Palm Beach Hotel, Portion 1 Of Erf 10177 Durban, Extent 664.0000 Square Meters Located At 106/108 Gillespie Street, EThekwini

1. BID OFFER: R.....(V.A.T. EXCLUSIVE)
2. AMOUNT IN WORDS.....  
.....  
.....(V.A.T. EXCLUSIVE)
3. VALIDITY OF PRICE ----- DAYS. (The bidder must, if requested. by the Department, consider extending validity period stated in the bid document for as agreed additional period)

**BIDDERS ARE TO NOTE THAT ALL COSTS RELATING TO THE TRANSFER AND REGISTRATION OF THE PROPERTY, IF PAYABLE, WILL BE TO THE ACCOUNT OF THE PURCHASER.**

NAME OF BIDDER:	SIGNATURE	DATE:
.....		
<b>ADDRESS</b> .....		
.....		
<b>TEL :</b> .....		<b>FAX :</b> .....
.....		
<b>WITNESS</b>	1.	<b>NAME:</b> .....
		<b>SIGNATURE</b> .....
	2.	<b>NAME:</b> .....
		<b>SIGNATURE:</b> .....

**SECTION E**  
(To be completed by bidder)

**BID NUMBER ZNT 4/16/17 – STATE PROPERTY 3**

The Palm Beach Hotel, Portion 1 Of Erf 10177 Durban, Extent 664.0000 Square Meters Located  
At 106/108 Gillespie Street, EThekweni

THE BIDDER MUST CLEARLY INDICATE TOTAL LEASE AMOUNT IN SOUTH AFRICAN CURRENCY AS APPENDED HEREUNDER:

Period (maximum of 10 years)	Lease Agreement		Total Lease Amount
	Yearly Rental	Escalation (fixed)	
*Note: No rentals will be charged for the first 5 (five) years of the lease agreement due to the current condition of the building which must be upgraded/rehabilitated by the successful bidder at his or her own costs prior to your tenants taking occupation of the building.			
Year 6			
Year 7			
Year 8			
Year 9			
Year 10			
	Total excluding VAT		
	VAT		
	Total including VAT		

**TOTAL AMOUNT IN WORDS INCLUSIVE OF VAT**

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

NAME OF BIDDER:	SIGNATURE	DATE:
.....	.....	.....
<b>ADDRESS</b> ..... ..... <b>TEL :</b> ..... <b>FAX :</b> .....		
<b>WITNESS</b>	1. <b>NAME:</b> ..... <b>SIGNATURE</b> ..... 2. <b>NAME:</b> ..... <b>SIGNATURE:</b> .....	

**SECTION F**  
**OFFICIAL BRIEFING MEETING**

Site/building/institution involved:

Bid No : 4/16/17

Service: The sale of three state owned properties.

Date: 31 October 2016

Time: 9h30am

Venue: Lecture hall, Department of Public Works, EThekweni Region, 455 Jan Smuts Avenue,  
Mayville

\*\*\*\*\*

THIS IS TO CERTIFY THAT (NAME) .....

ON BEHALF OF .....

VISITED AND INSPECTED THE SITE ON .....(DATE)

AND IS THEREFORE FAMILIAR WITH THE CIRCUMSTANCES AND THE  
CONDITIONS OF THE SALE.

.....  
**SIGNATURE OF BIDDER OR AUTHORISED REPRESENTATIVE**  
(PRINT NAME)

**DATE:** .....

.....  
**SIGNATURE OF DEPARTMENTAL REPRESENTATIVE**  
(PRINT NAME)

**DEPARTMENTAL STAMP :**  
(OPTIONAL)

**DATE:** .....



## SECTION G

### AUTHORITY TO SIGN A BID

#### A. COMPANIES

If a Bidder is a company, a certified copy of the RESOLUTION BY THE BOARD OF DIRECTORS, personally signed by the chairperson of the board, authorising the person who signs this bid to do so, as well as to sign any contract resulting from this bid and any other documents and correspondence in connection with this bid and/or contract on behalf of the company must be submitted with this bid, that is before the closing time and date of the bid

If the company is a private (PTY) LTD company, the bidder must submit ARTICLES OF AGREEMENT AND SHAREHOLDING CERTIFICATE(s), ENDORSED BY AN AUDITOR

In the case of a public company, the bidder must submit a letter from their auditors, certifying their status as a public company and a certified copy of the Bidder's ARTICLES OF AGREEMENT must be attached.

#### AUTHORITY BY BOARD OF DIRECTORS

By resolution passed by the Board of Directors on.....20.....,  
Mr/Mrs.....  
(whose signature appears below) has been duly authorised to sign all documents in connection with this bid on behalf of

(Name of Company) .....

IN HIS/HER CAPACITY AS: .....

SIGNED ON BEHALF OF COMPANY: .....

.....  
(PRINT NAME)

SIGNATURE OF SIGNATORY: ..... DATE: .....

WITNESSES: 1 Name: .....

Signature: .....

2 Name: .....

Signature: .....

**B. SOLE PROPRIETOR (ONE - PERSON BUSINESS)**

I, the undersigned..... hereby confirm that I  
am the sole owner of the business trading as

.....  
.....

.....  
**SIGNATURE**

.....  
**DATE**

**C. PARTNERSHIP**

The following particulars in respect of every partner must be furnished and signed by  
every partner and ATTACH CERTIFIED COPY/COPIES OF ID DOCUMENT(s):  
(If there are more than 4 members to the partnership, a copy of this page must be made, completed  
and attached to the document).

Full name of partner

Residential address

Signature

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

We, the undersigned partners in the business trading as.....

hereby authorise .....to sign this bid as well as

any contract resulting from the bid and any other documents and correspondence in

connection with this bid and /or contract on behalf of.....

.....  
(NAME OF PARTNERSHIP)

.....  
**SIGNATURE**

.....  
**SIGNATURE**

.....  
**SIGNATURE**

.....  
**DATE**

.....  
**DATE**

.....  
**DATE**

**D. CLOSE CORPORATION**

In the case of a close corporation submitting a bid, a CERTIFIED COPY OF THE FOUNDING STATEMENT (CKI) of such corporation shall be included with the bid, together with the resolution by its members authorising a member or other official of the corporation to sign the documents on their behalf.

By resolution of members at a meeting on ..... 20..... at .....  
Mr/Ms....., whose  
signature appears below, has been authorised to sign all documents in connection with  
this bid on behalf of (Name of Close Corporation) .....

**SIGNED ON BEHALF OF CLOSE CORPORATION:** .....  
(PRINT NAME).....

**IN HIS/HER CAPACITY AS** ..... **DATE:** .....

**SIGNATURE OF SIGNATORY:** .....

**WITNESSES: 1**                      **Name:** .....

**Signature:** .....

**2**                                      **Name:** .....

**Signature:** .....

If a close corporation has a sole member / one member entity

**PRINT NAME OF MEMBER:** .....

**SIGNATURE OF SIGNATORY:** .....

**CAPACITY:** .....

**DATE:** .....

## **E CO-OPERATIVE**

A certified copy of the Constitution of the co-operative must be included with the bid, together with the resolution by its members authorising a member or other official of the co-operative to sign the bid documents on their behalf.

By resolution of members at a meeting on ..... 20..... at .....

Mr/Ms....., whose signature appears below, has been authorised to sign all documents in connection with this bid on behalf of (Name of co-operative).....

**SIGNATURE OF AUTHORISED REPRESENTATIVE/SIGNATORY:**

.....

**IN HIS/HER CAPACITY AS:.....DATE: .....**

**SIGNED ON BEHALF OF CO-OPERATIVE:.....**

**NAME IN BLOCK**

**LETTERS:.....**

**WITNESSES: 1**

**Name: .....**

**Signature: .....**

**2**

**Name: .....**

**Signature: .....**

## F. TRUST

The following particulars in respect of every trustee must be furnished and signed by every trustee and ATTACH CERTIFIED COPY OF A TRUST DEED(s):

(If there are more than 4 members to the trust, a copy of this page must be made, completed and attached to the document).

Full name of trustee	Residential address	Signature
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....

We, the undersigned trustees in the business trading as.....

hereby authorise .....to sign this bid as well as any contract resulting from the bid and any other documents and correspondence in connection

with this bid and /or contract on behalf of.....  
.....  
(NAME OF TRUST)

..... <b>SIGNATURE</b>	..... <b>SIGNATURE</b>	..... <b>SIGNATURE</b>
---------------------------	---------------------------	---------------------------

..... <b>DATE</b>	..... <b>DATE</b>	..... <b>DATE</b>
----------------------	----------------------	----------------------

## G. NATURAL PERSON

If the bidder is a natural person, the bidder must submit CERTIFIED COPY OF ID DOCUMENT.

I,.....(full name and surname) hereby confirm that I am bidding as a natural person

Identity number.....

..... <b>SIGNATURE</b>	..... <b>DATE</b>
---------------------------	----------------------

## H. LEGAL ENTITY

If the bidder is a legal entity, CERTIFIED COPY OF RESOLUTION authorising a person to sign document must be attached.

By resolution of members at a meeting on ..... 20..... at .....

Mr/Ms.....

whose signature appears below, has been authorised to sign all documents in

connection with this bid on behalf of (Name of Legal Entity).....

.....

**SIGNED ON BEHALF OF LEGAL ENTITY:** .....

(PRINT

NAME).....

**IN HIS/HER CAPACITY AS** ..... **DATE:** .....

**SIGNATURE OF SIGNATORY:** .....

**WITNESSES: 1**                      **Name:** .....

**Signature:** .....

**2**                                      **Name:** .....

**Signature:** .....

## F JOINT VENTURE

If a bidder is a joint venture, a certified copy of the resolution/agreement passed/reached signed by the duly authorised representatives of the enterprises, authorising the representatives who sign this bid to do so, as well as to sign any contract resulting from this bid and any other documents and correspondence in connection with this bid and/or contract on behalf of the joint venture must be submitted with this bid, before the closing time and date of the bid.

### AUTHORITY TO SIGN ON BEHALF OF THE JOINT VENTURE

By resolution/agreement passed/reached by the joint venture partners on.....20.....

Mr/Mrs.....,Mr/Mrs.....,

Mr/Mrs.....and Mr/Mrs.....  
(whose signatures appear below) have been duly authorised to sign all documents in  
connection with this bid on behalf of:

(Name of Joint Venture).....

**IN HIS/HER CAPACITY AS:**.....

**SIGNED ON BEHALF OF (COMPANY NAME):**.....  
(PRINT NAME)

**SIGNATURE :**..... **DATE:**.....

**IN HIS/HER CAPACITY AS:**.....

**SIGNED ON BEHALF OF (COMPANY NAME):**.....  
(PRINT NAME)

**SIGNATURE:**..... **DATE:**.....

**IN HIS/HER CAPACITY**  
**AS:**.....

**SIGNED ON BEHALF OF (COMPANY NAME):**.....  
(PRINT NAME)

**SIGNATURE:**..... **DATE:**.....

**IN HIS/HER CAPACITY AS:**.....

**SIGNED ON BEHALF OF (COMPANY NAME):**.....  
(PRINT NAME)

**SIGNATURE:**..... **DATE:**.....

**G. CONSORTIUM**

If a bidder is a consortium, a certified copy of the resolution/agreement passed/reached signed by the duly authorised representatives of concerned enterprises, authorising the representatives who sign this bid to do so, as well as to sign any contract resulting from this bid and any other documents and correspondence in connection with this bid and/or contract on behalf of the consortium must be submitted with this bid, before the closing time and date of the bid.

**AUTHORITY TO SIGN ON BEHALF OF THE CONSORTIUM**

By resolution/agreement passed/reached by the consortium on.....20...

Mr/Mrs.....  
(whose signature appears below) have been duly authorised to sign all documents in connection with this bid on behalf of:

(Name of Consortium).....

**IN HIS/HER CAPACITY**

**AS:**.....

**SIGNATURE:**..... **DATE:**.....



## **SECTION H**

### **SPECIAL CONDITIONS OF BID**

1. The seller shall notify the bidder in writing in instances where his/her bid has been successful and a Deed of Sale shall be prepared by the Seller and signed by both the Seller and Purchaser thereafter. The Deed of Sale shall take precedence over any other agreement to the sale of this property.
2. **PRO FORMA DEED OF SALE**
  - 2.1 The *pro forma* sale agreement forming part of these documents is of a standard nature as approved by the State Attorney – KwaZulu-Natal and will be used for the sale of the property offered.
  - 2.2 In terms of Clause 6 of the deed of sale, it is agreed that the transfer of the Property shall be attended to by the State Attorney (KwaZulu-Natal). The Purchaser shall be liable for all costs of transfer including the costs of obtaining the Rates Clearance Certificate and any other documents which may become necessary to effect transfer and registration into the name of the Purchaser.
3. **PAYMENT**

The payment purchase price is payable upon the transfer and registration of property in the name of the purchaser.
4. **KZN LAND ADMINISTRATION ACT**

The Bid will be subject to the Kwazulu-Natal Land Administration Act.
5. **BREACH OF CONTRACT**
  - 5.1 In the event of a breach of any of the terms of this deed of sale by the Purchaser, and in the event of the Purchaser failing to rectify such breach within twenty-one (21) days of written notice being given by the Seller to the Purchaser to rectify such breach, the Seller shall -
    - (a) be entitled to enforce this agreement,
    - (b) be entitled to declare this agreement cancelled without prejudice to the right of the Seller to recover from the Purchaser any damages incurred by the Seller as a result of such breach and/or cancellation.
    - (c) be entitled to proceed for such damages as the Purchaser may have incurred as a result of such breach and/or cancellation.

5.2 In the event of a breach of any of the terms of this agreement by the Purchaser, and in the event of the Purchaser failing to rectify such breach within twenty-one (21) days of written notice being given by the Seller to the Purchaser to rectify such breach, the Seller shall -

- (a) be entitled to cancel this agreement;
- (b) be entitled to proceed for such damages as the Seller may have incurred as a result of such breach and/or cancellation

## **6. REMEDIES IN THE CASE OF DEATH, SEQUESTRATION, LIQUIDATION OR JUDICIAL MANAGEMENT**

6.1 Allow the executor, trustee, liquidator or judicial manager, as the case may be, for and on behalf of and at the cost and expense of the estate of the successful bidder to carry on with and conclude the contract.

## **7. LAW TO APPLY**

7.1 The Contract shall in all respects be construed in accordance with the law of the Republic of South Africa, and any difference that may arise with the law of the Republic of South Africa, and any difference that may arise between the Province and the successful bidder in regard to the Contract, shall be settled in the Republic of South Africa.

## SECTION I

### DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

(To be completed by Bidder.)

- 1 This Section must form part of all bids invited.
- 2 It serves as a declaration to be used by Departments in ensuring that when Provincial immovable properties are being offered for sale, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-
  - a. abused the Department's supply chain management system;
  - b. committed fraud or any other improper conduct in relation to such system; or
  - c. failed to perform on any previous contract.
- 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	Is the bidder or any of its directors listed on the National Treasury's database as companies or persons prohibited from doing business with the public sector?  (Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:..... ..... .....		

4.2	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)?  <b>To access this Register, enter the National Treasury's website, <a href="http://www.treasury.gov.za">www.treasury.gov.za</a>, click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445.</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:..... ..... .....		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of 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:..... ..... .....		
4.4	Was any contract between the bidder and any 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"/>
4.4.1	If so, furnish particulars:..... ..... .....		

**CERTIFICATION**

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

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

.....	.....
<b>Signature</b>	<b>Date</b>
<b>Position.....</b>	

.....  
**Name of Bidder**

## **SECTION J**

### **CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1        This Standard Bidding Document (SBD) must form part of all bids<sup>1</sup> invited.
  
- 2        Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
  
- 3        Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
  - a.        disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
  - b.        cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
  
- 4        This SBD 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 (SBD 9) must be completed and submitted with the bid:

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

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

## CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

---

(Bid Number and Description)

in response to the invitation for the bid made by:

---

(Name of Institution)

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

I certify, on behalf of: \_\_\_\_\_ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However

communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.

7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

<sup>3</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder