

SECTION 2.1: SPECIFICATIONS**SPECIFICATIONS****APPOINTMENT OF AN AUCTIONEER TO PROVIDE AUCTIONEERING SERVICES TO HESSEQUA MUNICIPALITY FOR THE PERIOD 1 SEPTEMBER 2027 TO 31 AUGUST 2030**

Specifications	Comply YES/NO	Page Reference to
The bidder must be a registered member in good standing of the South African Institute of Auctioneers (SAIA) and must submit proof of such registration with the bid. The Municipality reserves the right to verify the bidder's membership status with the South African Institute of Auctioneers.		
The bidder must indicate whether a Fidelity Fund Certificate and/or Fidelity Fund Guarantee is in place and provide supporting documentation as proof thereof.		
The bidder must separately indicate the commission percentage applicable to the auction of movable property and immovable property. The quoted commission rates shall be fully inclusive of all costs, expenses, disbursements, and charges associated with the provision of the service, including, but not limited to, travel, accommodation, advertising administration, call-out fees, and any other incidental expenses. No additional costs will be payable by the Municipality.		
Auctions for movable property will take place in Riversdale at a location determined by the Municipality. The successful bidder shall make all necessary arrangements to ensure the successful execution thereof.		
Where the Municipality requires that an auction of movable property be conducted on privately owned premises not belonging to the Municipality, the auctioneer shall be responsible for securing a suitable venue and for the payment of all venue hire costs. Upon submission of an invoice, together with proof of payment to the property owner, the Municipality shall reimburse the auctioneer for the actual costs incurred in hiring the premises. Prior written approval of the venue rental cost must be obtained from the Municipality before any commitment is made		
Auctions of immovable property shall be conducted either at the property being offered for sale or via an approved online auction platform, as determined and approved by the Manager: Property Management. The successful bidder shall be responsible for making all necessary arrangements to ensure the effective conduct of the auction in accordance with the Municipality's requirements.		
The successful bidder shall be responsible for drafting all advertisements relating to the auction and submitting the proposed advertisement, together with a detailed breakdown of		

the associated advertising costs, to the designated Municipal official for prior written approval. The advertisement may not be published until such written approval has been obtained. Advertising costs must include the proposed newspaper publications and any other advertising platforms or methods intended to promote the auction.		
The responsible Municipal official must indicate in which newspaper the upcoming auction must be advertised and must communicate this in writing to the auctioneer.		
The successful bidder shall be responsible for all advertising costs associated with the auction and shall settle such costs directly with the relevant service providers. Upon acceptance of the highest bid by the Municipality, the purchaser shall reimburse the auctioneer for the actual advertising costs incurred. The auctioneer shall clearly communicate this arrangement to all prospective bidders prior to the commencement of the auction, and provision for such reimbursement shall be expressly included in the applicable Conditions of Sale and Sale Agreement.		
The sale agreement of the auctioneer can be used for fixed property.		
Should the Municipality not accept the highest bid, the actual advertising costs incurred by the auctioneer shall be reimbursed by the Municipality. Furthermore, in the event that the transaction cannot proceed or is cancelled for any reason beyond the control of the auctioneer, including but not limited to the refusal of an Environmental Authorisation (EIA), statutory approvals not being granted, legal challenges, Council resolutions, or any other regulatory or administrative impediment, the Municipality shall reimburse the auctioneer for the actual advertising costs incurred, subject to the submission of supporting documentation.		
The commission percentage approved by the Municipality and accepted as part of the bid process shall be payable by the successful purchaser directly to the auctioneer. The obligation to pay the auctioneer's commission shall be clearly communicated to all prospective bidders prior to the auction and shall be expressly incorporated into the Conditions of Sale and the Sale Agreement.		
The auctioneer's commission in respect of the sale of immovable property shall only become due and payable upon the successful registration of transfer of the property into the name of the purchaser. Should a sale, following the auction and subsequent acceptance of the bid by the Municipality, fail to proceed to registration for any reason whatsoever, the auctioneer shall not be entitled to retain any commission relating to the transaction. Any commission already paid by the purchaser shall be refunded in full to the purchaser by the auctioneer. In such instances, the Municipality shall compensate the auctioneer for services rendered by paying a fixed fee of R5,000.00 per onsite auction or R2,000.00 per online auction, provided that the auction was duly conducted and the failure of the transaction to proceed was not due to any act or omission on the part of the auctioneer.		

Bidders are advised that auction services will be required on an ad hoc, as-needed basis and that the value of assets to be auctioned may vary significantly. Auctions may involve immovable properties with estimated market values ranging from approximately R60,000.00 to R20,000,000.00 Bidders must therefore carefully consider the practicality, operational requirements, travel arrangements, and associated costs of conducting auctions throughout the Hessequa Municipal area before submitting a bid. The Municipality will not entertain additional claims for travel, accommodation, or related expenses beyond the commission rates and fees tendered.		
The auctioneer must make the necessary arrangements for the removal of the moveable property sold from the premises by the purchaser within three (3) working days of the date of the auction. The auctioneer must ensure that the premises where the auction of moveable property took place are left in good condition. The refundable registration fee for moveable property is determined by the auctioneer. The auctioneer must ensure that the proceeds of the auction for moveable property are paid within ten (10) working days of the date of the auction. The auctioneer must provide a financial report for the auction of moveable property detailing the following: • lot number • item description • bid amount (excluding VAT) • commission amount (excluding VAT) • VAT on bid amount • VAT on commission amount • expenses incurred (if any for advertising, rental etc.) and • total amount payable to the Municipality.		

Failure to adhere to the above, will result in your tender being declared non-responsive.

DECLARATION,

I, THE UNDERSIGNED (NAME)
 CERTIFY THAT THE INFORMATION FURNISHED ABOVE IS CORRECT. I ACCEPT THAT THE MUNICIPALITY MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

AUTHORISED SIGNATURE:

NAME:

CAPACITY: DATE:

Initials of Service Provider's Authority:

SECTION 2.2: MBD 3.1 PRICING SCHEDULE

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

Pricing Schedule

	Moveable Assets	Immovable Property
Commission % (fixed for the three-year period)		

Please Note: The tender will be awarded to the bidder with the lowest average commission % calculated as follows:
 $\text{Commission \% of moveable assets} + \text{commission \% of immovable property} / 2$

Tenders will be evaluated on the following sale values (please note that these values are used for evaluation purposes only and that the actual values may differ):

	Moveable Assets	Immovable Property
3 Years sales value on which commission is calculated	R1 500 000.00	R30 000 000.00

Tenderers should price on all items and on the pricing, schedule as indicated above.

Failure to do so may result in your bid being declared non-responsive.

DECLARATION,

I, THE UNDERSIGNED (NAME).....
 CERTIFY THAT THE INFORMATION FURNISHED ABOVE IS CORRECT. I ACCEPT THAT THE MUNICIPALITY MAY ACT
 AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

AUTHORISED SIGNATURE:

NAME:

CAPACITY: DATE:

Initials of Service Provider's Authority: