



## INVITATION TO BID

(In terms of the Supply Chain Management Regulations (Government Gazette 27636 of 30 May 2005))

**BID NO: RDM2024-002A**

**PROCUREMENT OF A SERVICE PROVIDER TO PROVIDE BANKING SERVICES FOR DR RUTH S MOMPATI DISTRICT MUNICIPALITY  
DURATION OF 5 YEARS**

**Closing Date and Time: Friday, 28 March 2025 at 12H00**

<b>NAME OF BIDDER:</b>		<b>Bidder VAT registered?</b>
<b>TOTAL BID PRICE (INCL VAT):</b> (Brought forward from <b>MBD 3.1</b> )		Yes: <input type="checkbox"/> No: <input type="checkbox"/>

Please note that it is compulsory for all service providers to complete the above required information



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# 1. BID CHECKLIST

Bidders are to use this checklist to ensure that the bid documentation is complete for administrative compliance. The bidder is to indicate that the documentation is complete and included in the bid document by completing the table below.

Tick to indicate that the information is included

Item	Description	Yes	No	n/a
1.	Is your business registered as accredited prospective supplier with the DR RUTH S MOMPATI DISTRICT MUNICIPALITY?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	Is the bid document administration fee paid and a copy of the receipt attached to the bid document?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	Did you read and understand all pages of the bid document?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	Did you complete the bid documents in black ink?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.	Did you provide a certified copy of your company registration and VAT registration certificates?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.	Did you provide a certified copy of your identity document in case of sole proprietorship?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.	Did you provide registration certificate pertaining to the relevant industry e.g. (Electrical Contractors Board), if applicable?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.	Did you provide a covering letter?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9.	Did you provide an original and valid tax clearance certificate? (MBD2)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10.	Did you complete and sign the Bid Declaration Form? (section 3)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11.	Where applicable, is the resolution taken the Board of Directors/Members/Partners completed and signed? (section 4)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12.	Where applicable, is the resolution taken the Board of Directors of a Consortium or Joint Venture completed and signed? (section 5)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13.	Is invitation to bid completed and signed?(MBD 1)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14.	Is the Declaration of Interest completed and signed? (MBD 4)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15.	Is the Declaration of Bidder's Past Supply Management Practices completed and signed? (MBD 8)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.	Is the Certificate of Independent Bid Determination completed and signed? (MBD 9)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17.	Did you complete and sign the Previous Work Experience of a Similar Nature section? (section 9)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18.	Is the Preference Points Claim Form in Terms of the Preferential Procurement Regulation 2011 completed and signed? (MBD 6.1)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19.	Did you provide an original and valid B-BBEE status level verification certificate or a certified copy thereof or, if you qualify as an EME, did you provide a verification certificate? (MBD 6.1)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20.	Does the product/service offered conform to the Bid Specifications?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21.	Is Pricing Schedule completed?(MBD 3.1)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22.	Where applicable, is the Declaration for Procurement Above R10 million (all applicable taxes included) completed and signed? (MBD 5)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
23.	Did you attach the annual financial statements as required in MBD 5? (For Procurements above R10 million)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## 2. SPECIAL CONDITIONS OF BID

1. The Municipality's document must be kept as supplied and submitted with all schedules / forms fully completed.
2. Any other documents, certificates etc. must be attached as an annexure to the official Municipal document.
3. Where the Municipality's official document is taken apart and not submitted as supplied, the bid might be rejected.
4. Schedules / forms not duly completed and signed by the bidder will result in a bid not being considered.
5. All Forms of Special Conditions in Specifications should be included.
6. The bid document must be completed in black ink, and prices must be VAT inclusive, unless otherwise specified.
7. The lowest or any Bid will not be necessarily be accepted, and the DR RUTH S MOMPATI DISTRICT MUNICIPALITY reserves the right to accept the whole or any portion of a Bid.
8. All prices and details must be legible to ensure the bid will be considered for adjudication.
9. Corrections may not be made by means of correction fluid such as Tip – Ex, or any other similar product. In the event of a mistake being made, it should be crossed out in ink and be accompanied by a full signature at each and every alteration. The Municipality reserves the right to reject the bid if corrections are not made in accordance with the above.
10. All bid documents must include the following documents:
  - Receipt (original) for bid documents;
  - Certified copies of cc/co registration certificates;
  - Certified copy of Identity document in the case of sole proprietorship;
  - Original or certified copy of B-BBEE status level verification certificate; and
  - Original copies of Tax clearance certificates.
  - Central Supplier Database
11. The bidder may submit a comprehensive company profile, for example the founding company statements, as well as a detailed exposition of previous work done.
12. Bidders are required to be registered on the DR RUTH S MOMPATI DISTRICT MUNICIPALITY's Supplier Database. Consultants are required to be registered on the Municipality's Consultant Roster System (Application forms are obtainable from the Finance Department of the Municipality).
13. No bid forwarded by e – mail, telegram, telex, facsimile or similar apparatus will be considered.
14. Late bids shall not be admitted for consideration.
15. Bids must be properly received and deposited in the bid box of the DR RUTH S MOMPATI DISTRICT MUNICIPALITY on or before **12:00 on Friday, 28 March 2025 at 12H00**. Bid offers must be submitted in a sealed envelope properly marked in terms of the bid number and bid description, at the offices of the Municipality situated at 34 Church Street, VRYBURG, 8601.
16. Copyright / Patent Rights – Copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultant in the course of the consultancy service is vested in the DR RUTH S MOMPATI DISTRICT MUNICIPALITY.
17. The bidder should include their Municipal Account not older than 90 days as at the closing of the tender; and
18. All the Directors of the bidding entity should include their Municipal Account not older than 90 days as at the closing of the tender.
19. All directors who appear on the CIPC and/or CSD should attach the Municipal Account

20. If the bidding entity does not have a Municipal Account, a sworn affidavit asserting that fact should be included in the bid accompanied by a rental agreement or a stamped document from their traditional authority (on a letterhead) indicating that they reside on tribal land.
21. If the bidding entity's directors does not have a Municipal Account, a sworn affidavit asserting that fact should be included in the bid accompanied by a rental agreement or a stamped document from their traditional authority (on a letterhead) indicating that they reside on tribal land



### 3. BID DECLARATION

1. I/we Mr/Mrs/Messrs \_\_\_\_\_ duly assigned to represent the bidder for the purpose of this bid, hereby bid to supply the goods and/or render services described in the attached documents to the DR RUTH S MOMPATI DISTRICT MUNICIPALITY on terms and conditions stipulated in this bid and in accordance with the specifications stipulated in the bid documents (which shall be taken as part of, and incorporated into this bid) at the prices reflected in the Pricing Schedule.
2. I/we agree that this offer shall remain valid for a period of **120 days** commencing from the closing date and time of this bid.
3. I/We further agree that:
  - 3.1 This bid and its acceptance shall be subject to the terms and conditions contained in the in the DR RUTH S MOMPATI DISTRICT MUNICIPALITY's Supply Chain Management Policy;
  - 3.2 if I/we withdraw my/our bid within the period for which I/we have agreed that the bid shall remain open for acceptance, or fail to fulfil the contract when called upon to do so, the DR RUTH S MOMPATI DISTRICT MUNICIPALITY may, without prejudice to its other rights, agree to the withdrawal of my/our bid or cancel the contract that may have been entered into between me/us and the DR RUTH S MOMPATI DISTRICT MUNICIPALITY and I/we will then pay to the DR RUTH S MOMPATI DISTRICT MUNICIPALITY any additional expense incurred by the DR RUTH S MOMPATI DISTRICT MUNICIPALITY having either to accept any less favourable bid or, if fresh bids have to be invited, the additional expenditure incurred by the invitation of fresh bids and by the subsequent acceptance of any less favourable bid; the DR RUTH S MOMPATI DISTRICT MUNICIPALITY shall also have the right to recover such additional expenditure by set-off against moneys which may be due or become due to me/us under this or any other bid or contract or against any guarantee or deposit that may have been furnished by me/us or on my/our behalf for the due fulfilment of this or any other bid or contract and pending the ascertainment of the amount of such additional expenditure to retain such moneys, guarantee or deposit as security for any loss the DR RUTH S MOMPATI DISTRICT MUNICIPALITY may sustain by reason of my/our default;
  - 3.3 If my/our bid is accepted the acceptance may be communicated to me/us by letter or order by certified mail or registered mail. Such posting shall be deemed to be proper service of such notice with effect from the date of posting/dispatch of such notice;
  - 3.4 The law of the Republic of South Africa shall govern the contract created by the acceptance of my/our bid and that I/we choose *domicilium citandi et executandi* in the Republic of South Africa, where any and all legal notices may be served at (full street address of this place):  
  
\_\_\_\_\_
4. I/we furthermore confirm that I/we have satisfied myself/ourselves as to the correctness and validity of my/our bid; that the price(s) and rate(s) quoted cover all the work/item(s) specified in the bid documents and that the price(s) and rate(s) cover all my/our obligations under a resulting contract and that I/we accept that any mistakes regarding price(s) and calculations will be at my/our risk.
5. I/we hereby accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me/us under this agreement as the Principal(s) liable for the due fulfilment of this contract.
6. I/we agree that any action arising from this contract may in all respects be instituted against me/us and I/we hereby undertake to satisfy fully any sentence or judgment which may be pronounced against me/us as a result of such action.
7. I/we declare that I/we have participation/no participation\* in the submission of any other offer for the supplies/services described in the attached documents. \*If in the affirmative, state name(s) of bid(s) involved.  
  
\_\_\_\_\_  
  
\_\_\_\_\_

Name of Bidder: \_\_\_\_\_

Signature \_\_\_\_\_

## 4. RESOLUTION TAKEN BY THE BOARD OF DIRECTORS / MEMBERS / PARTNERS

RESOLUTION of a meeting of the Board of Directors / Members / Partners of

\_\_\_\_\_ (Name of Bidder)

Held at \_\_\_\_\_ (Place) On \_\_\_\_\_ (Date)

**RESOLVED THAT:**

1. The enterprise submits a Bid to the DR RUTH S MOMPATI DISTRICT MUNICIPALITY in respect of the following project:

**RDM2024-002A: PROCUREMENT OF A SERVICE PROVIDER TO PROVIDE BANKING SERVICES FOR DR RUTH S MOMPATI DISTRICT MUNICIPALITY DURATION OF 5 YEARS**

2. Mr/Mrs/Ms \_\_\_\_\_

In his/her capacity as \_\_\_\_\_ and who will sign as follows:

\_\_\_\_\_ (Specimen Signature)

be, and is hereby, authorised to sign the Bid and/or all other documents and/or correspondence in connection with and relating to the Bid, as well as to sign any contract, and/or all documentation resulting from the award of the bid to the enterprise mentioned above.

Note: The resolution must be signed by all the directors or members/partners of the bidding enterprise. Should the space provided below not be sufficient for all directors to sign, please provide a separate sheet in the same format as below.

	Name	Capacity	Signature
1			
2			
3			
4			
5			
6			

Enterprise Stamp



## 5. RESOLUTION TAKEN BY THE BOARD OF DIRECTORS OF A CONSORTIUM OR JOINT VENTURE

RESOLUTION of a meeting of the Board of Directors / Members / Partners of

\_\_\_\_\_ (Name of Bidder)

Held at \_\_\_\_\_ (Place) On \_\_\_\_\_ (Date)

**RESOLVED THAT:**

- The enterprise submits a Bid to the DR RUTH S MOMPATI DISTRICT MUNICIPALITY in respect of the following project:

**RDM2024-002A: PROCUREMENT OF A SERVICE PROVIDER TO PROVIDE BANKING SERVICES FOR DR RUTH S MOMPATI DISTRICT MUNICIPALITY DURATION OF 5 YEARS**

**As a Consortium/Joint Venture comprising** (list all the legally correct full names and registration numbers, if applicable, of the Enterprises forming the Consortium/Joint Venture)

\_\_\_\_\_ (Enterprise full Name and Registration Number)

\_\_\_\_\_ (Enterprise full Name and Registration Number)

- Mr/Mrs/Ms \_\_\_\_\_

In his/her capacity as \_\_\_\_\_ and who will sign as follows:

\_\_\_\_\_ (Specimen Signature)

be, and is hereby, authorised to sign the Bid and/or all other documents and/or correspondence in connection with and relating to the Bid, as well as to sign any contract, and/or all documentation resulting from the award of the Bid to the **Consortium/Joint Venture** enterprise mentioned above.

- The enterprise in the form of a consortium or joint venture accept jointly and several liability with parties under item 1 above for the fulfilment of the obligations of the joint venture deriving from, and in any way connected with the contract to be entered into with the DR RUTH S MOMPATI DISTRICT MUNICIPALITY in respect of the project described above under item 1.
- The **Consortium/Joint venture** enterprise chooses as its *domicilium citandi et executandi* for all purposes arising from this joint venture agreement and contract with the DR RUTH S MOMPATI DISTRICT MUNICIPALITY in respect of the project under item 1:

\_\_\_\_\_ (Physical Address)

Note: The resolution must be signed by all the directors or members / partners of the bidding enterprise. Should the space provided below not be sufficient for all directors to sign, please provide a separate sheet in the same format as below.

	Name	Capacity	Signature
1			
2			
3			
4			
5			
6			

Enterprise Stamp

## 6. INVITATION TO BID (MBD 1)

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DR RUTH S MOMPATI DISTRICT MUNICIPALITY**

**BID NUMBER:** RDM2024-002A  
**CLOSING DATE AND TIME:** Friday, 28 March 2025 at 12H00  
**BID DESCRIPTION:** RDM2024-002A: PROCUREMENT OF A SERVICE PROVIDER TO PROVIDE BANKING SERVICES FOR DR RUTH S MOMPATI DISTRICT MUNICIPALITY DURATION OF 5 YEARS

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**The Successful bidder will be required to fill in and sign a written Contract Form (MDB 7)**

NB: Bids must be properly received and deposited in the bid box of the DR RUTH S MOMPATI DISTRICT MUNICIPALITY on or before the closing date and before the closing time. Bid offers must be submitted in a sealed envelope properly marked in terms of the bid number and bid description as indicated above. No bid offers will be accepted via e-mail, facsimile (fax) or telegram.

BID DOCUMENTS MAY BE POSTED TO:

P.O. Box 21  
 VRYBURG  
 8600

**OR**

DEPOSITED IN THE BID BOX SITUATED AT:

34 Church Street  
 VRYBURG  
 8601

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 available during office hours (Monday to Friday, 07H30 to 16H15).

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

**NB: NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE (as defined in Regulation 1 of the Local Government: Municipal Supply Chain Management Regulations)**

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 ATTACHED? (MBD 2) \*YES / NO  
\* Delete if not applicable

HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? (MBD 6.1) \*YES / NO  
\* Delete if not applicable

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 National Accreditation System (SANAS)

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 / NO  
\* Delete if not applicable  
(IF YES ENCLOSE PROOF)

SIGNATURE OF BIDDER .....

DATE .....

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

TOTAL BID PRICE R.....

TOTAL NUMBER OF ITEMS OFFERED .....

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

**Municipality:** DR RUTH S MOMPATI DISTRICT MUNICIPALITY

**Department:** Finance

**Contact Person:** L Chacha

**Tel:** (053) 928 6400

**Fax:** (053) 927 2401

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

**Contact Person:** L Chacha

**Tel:** 053 928 6400

**Fax:** (053) 927 2401

## 7. TAX CLEARANCE REQUIREMENTS (MBD 2)

**It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.**

- 1 In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- 2 SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
- 3 The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
- 4 In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
- 5 Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website [www.sars.gov.za](http://www.sars.gov.za).
- 6 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website [www.sars.gov.za](http://www.sars.gov.za).

## PART A INVITATION TO BID

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF MUNICIPALITY/ MUNICIPAL ENTITY)**

BID NUMBER:	CLOSING DATE:	CLOSING TIME:	
DESCRIPTION			

**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 (STREET ADDRESS


**SUPPLIER INFORMATION**

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

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

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3 ]
TOTAL NUMBER OF ITEMS OFFERED		TOTAL BID PRICE	R
SIGNATURE OF BIDDER	.....	DATE	

**CAPACITY UNDER WHICH THIS BID IS SIGNED**

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:	TECHNICAL INFORMATION MAY BE DIRECTED TO:
DEPARTMENT	CONTACT PERSON
CONTACT PERSON	TELEPHONE NUMBER
TELEPHONE NUMBER	FACSIMILE NUMBER
FACSIMILE NUMBER	E-MAIL ADDRESS
E-MAIL ADDRESS	

## PART B TERMS AND CONDITIONS FOR BIDDING

<b>1. BID SUBMISSION:</b>	
1.1.	BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2.	<b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED--(NOT TO BE RE-TYPED) OR ONLINE</b>
1.3.	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
<b>2. TAX COMPLIANCE REQUIREMENTS</b>	
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.
<b>3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>	
3.1.	IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>
3.2.	DOES THE ENTITY HAVE A BRANCH IN THE RSA? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>
3.3.	DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>
3.4.	DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>
3.5.	IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>
<b>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.</b>	

**NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID. NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.**

SIGNATURE OF BIDDER: .....

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

DATE:

## 8. PRICING SCHEDULE – FIRM PRICES (MBD 3.1)

### (PURCHASES)

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

**IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT**

Name of Bidder: .....

Bid number: RDM2024-002A  
 Closing day and time: Friday, 28 March 2025 at 12H00  
 Bid description: RDM2024-002A: PROCUREMENT OF A SERVICE PROVIDER TO PROVIDE BANKING SERVICES FOR DR RUTH S MOMPATI DISTRICT MUNICIPALITY DURATION OF 5 YEARS

OFFER TO BE VALID FOR 120 DAYS FROM THE CLOSING DATE OF BID.

#### 1. EXECUTIVE SUMMARY

Firm bids are hereby requested from registered and accredited service providers with the following specifications as a minimum:

#### 2. ABBREVIATIONS USED

- “ATM” : means Automatic Teller Machines
- “DRSMDM” : means the Dr Ruth Segomotsi Mompoti District Municipality
- “CPIX” : means Consumer Price Index, excluding interest rates on mortgage bonds
- “EFT” : means Electronic Funds Transfer
- “IDP” : means Integrated Development Plan
- “MFMA” : means the Local Government: Municipal Finance Management Act 56 of 2003
- “R/D” : means Refer to Drawer
- “SARS” : means South African Revenue Service
- “BS” : means the Bidder Specification
- “VAT” : means Value Added Tax

#### 3. DISCLAIMER

This Bidder Specification (BS) contains confidential information regarding Dr Ruth Segomotsi Mompoti District Municipality (DRSMDM). By accepting the BS the bidder agrees that it shall:

- a. Cause its directors/employees/agents/representatives to use the information contained therein and gained through the tendering process and bid briefing session, solely for the purpose of formulating a response to the BS.
- b. Not divulge or distribute any such information including the distribution of copies of the BS or other related information to any third party without written approval of the DRSMDM.
- c. Return this BS and other information gathered or made available in the tendering process together with all copies thereof to DRSMDM upon request.
- d. maintain the confidentiality of information supplied in connection with the BS process (whether in text, chart, picture or other from).
- e. Keep its own bid submission confidential.

DRSMDM shall for its part, maintain the confidentiality of information designated as confidential by the bidders when bids are received.

Neither DRSMDM nor its representatives make any representation or warranty expressed or implied, or accepted any responsibility or liability, as to the accuracy or completeness of the information contained in this BS. This includes any other written or oral information made available in connection therewith.

Neither DRSMDM nor its representatives expect to update or otherwise revise the BS or other materials supplied during the bid briefing session. Furthermore, neither DRSMDM nor its representatives accept any obligation to provide recipients with access to

any additional information or to correct any inaccuracies which may become apparent in this BS or in any other information which may be made available in connection with the BS.

Notwithstanding anything contained in this document, or related official document or process, DRSMMDM reserves the right to accept or reject any bid, at any time, prior to finalisation of the awarding of the tender. This will be done without incurring any liability or obligation to affected bidder or bidders.

#### 4. INSTITUTIONS ELIGIBLE TO SUBMIT BIDS

In terms of Section 7 (3) (b) of the MFMA municipalities are only permitted to open bank accounts with institutions registered as a bank in terms of the Banks Act No. 94 of 1990.

Hence, institutions not registered in terms of the Banks Act No. 94 of 1990 are precluded from submitting bids.

#### 5. LEGISLATIVE FRAMEWORK

Bidders are expected to incorporate into proposals, services that will ensure compliance with legislation relating to financial management and more specifically banking services.

The relevant legislation includes but is not limited to the following:

- 5.1. Constitution of the Republic of South Africa, 1996
- 5.2. Banks Act 94 of 1990
- 5.3. Local Government: Municipal Structures Act 117 of 1998
- 5.4. Local Government: Municipal Systems Act 32 of 2000
- 5.5. Local Government: Municipal Finance Management Act 56 of 2003
- 5.6. Local Government: Municipal Demarcation Act 27 of 1998
- 5.7. Employment Equity Act 55 of 1998

#### 6. SPECIFIC CONDITIONS OF THE BID

The following conditions must be met by each bidder in order to qualify:

- 6.1 Be a registered bank in terms of the Banks Act 94 of 1990 and the registration certification must be attached to the bid documents.
- 6.2 Submit its latest audited financial statements.
- 6.3 Clearly indicate its exposure/experience in banking services for the public sector (i.e. National/Provincial/Local Government).
- 6.4 Be able to indicate a quantifiable escalation, **if any**.
- 6.5 The bidder's banking systems / facilities must be available to the municipality Twenty Four (24) hours a day and Seven (7) days a week.

#### 7 SERVICES REQUIRED

##### CORE FUNCTIONS

In general terms the services to be provided cover transactional banking services including, but not limited to, the provision of accounts and deposit facilities, electronic payment distribution and settlement, revenue collection, purchase card facilities, petrol cards service and related account and transaction information services. Access to a branch network for paper and cash deposits should also included in the services to be provided.

##### 7.1 Primary Bank Account Services

A primary bank account (as required by the MFMA), will be opened with the successful bidder. This account will be used for (but not limited to) the following transactions:

- a) Deposit of cash and cheques by all DRSMMDM cash collection points throughout the DRSMMDM area; and transfers from other stakeholders;



- b) Payment of all creditors and service providers;
- c) Payment of all payroll related matters;
- d) Transfers to and from various accounts and other accounts;
- e) Bank generated transactions.

DRSMDM will require the opening of subsidiary bank accounts which must be linked to the primary bank account.

- 7.1.1 The banker must be able to identify all services fees on bank statements in order to enable the municipality to verify the charges for the different service fees charged.
- 7.1.2 Cash deposit fees that will be charged for any deposits must be stated, fees charged for post-dated payments must be disclosed and any additional or unique features and related costs must be stated.
- 7.1.3 The interest rate payable must be disclosed both on credit and debit balance.
- 7.1.4 The banker's system must be able to handle a high volume of transactions as reflected
- 7.1.5 The banker must provide the municipality with daily electronic and hard copy bank statements.
- 7.1.6 The identification of electronic transfers/deposits made to the municipality's accounts is of the utmost importance.
- 7.1.7 Referencing of deposits made against the municipality's account must be as per the DRSMDM requirements, and the banker must have an electronic bank reconciliation facility.
- 7.1.8 The banker must be able to supply the municipality with information pertaining to unidentifiable credits (or online details of the above credits) on this account.
- 7.1.9 The banker must provide competitive interest rates based on net cumulative daily balances.

## 7.2 Financial Management

In terms of Section 62 (2) of the MFMA Act 56 of 2003, the Accounting Officer is responsible for all the bank accounts of DRSMDM. In order to ensure that this requirement is met, DRSMDM requires its banking service provider to:

- 7.2.1 Have a Relationship Manager based within the borders of DRSMDM and assign dedicated bank official, client managers to handle the account, correspondence, arrangement, queries, etc.
- 7.2.2 Provide consolidated reporting on all Bank accounts held with the institution in the name of DRSMDM or its agents on real time basis.
- 7.2.3 Provide daily electronic downloads of transactions to enable bank reconciliations to be performed electronically.
- 7.2.4 Provide solutions that will enable the payment of casual / project workers using electronic transfers with immediate access to cash and limited involvement of Municipal staff in the payout process.
- 7.2.5 Provide, through a central point, an enquiry service that will allow for a 24 hour turnaround on all queries relating to transactions appearing on bank statements.
- 7.2.6 Provide overdraft facilities in accordance with section 45 of the MFMA.
- 7.2.7 Facilitate electronic payroll
- 7.2.8 Provide an integrated banking solution for payment and receipts that is cost effective and efficient.
- 7.2.9 Provide a solution for the immediate clearance of cheques as required by DRSMDM.
- 7.2.10 Provide necessary training for DRSMDM staff on a ongoing basis.

## 7.3 Revenue Management

In terms of Section 64 (2)(d) of the MFMA, the Accounting officer has a responsibility to ensure that all monies received by the municipality are promptly deposited into the bank account of the municipality.

DRSMDM requires its banking services provider to:

- 7.3.1 Provide cost effective collection and deposit facilities to the Municipality so as to reduce current cost related to banking services
- 7.3.2 Establish agency services at cash collecting points as identified within the DRSMDM premises.
- 7.3.4 Provide additional pay points / electronic solutions for the payment of the Municipal accounts using the Bank's infrastructure or third party locations and the latest technology.
- 7.3.5 Provide speed point facilities because the municipality does not hold cash on the premises.

## **Additional Functions**

In addition to the core functions DRSMMDM expects the successful bidder to provide the following services in respect of:

### **7.4 Availability Of Banking facilities Throughout the DRSMMDM Area**

All prospective bidders should provide details of:

- 7.5.1 Their current available Branch Network within the DRSMMDM boundaries.
- 7.5.2 The current ATM facilities within the DRSMMDM boundaries.
- 7.5.3 Any other available banking facilities within the DRSMMDM boundaries.

### **7.5 Other Services**

- 7.6.1 Guarantees should, if necessary, be provided on behalf of DRSMMDM.
- 7.6.2 The banker must indicate any relevant additional services that can be provided.

## **8 Transitional Arrangements**

It is envisaged that there will be a number of information technology and accounting issues that would have to be resolved which includes but may not be limited to the following:

- 8.1 Integration of Banking files into DRSMMDM financial management system.
- 8.2 Closing off, reconciling and final closure of all existing bank accounts.
- 8.3 Coordinate and manage transfer of direct deposit in order to avoid incorrect municipal accounts being used.
- 8.4 Support an awareness campaign on the change of banks.
- 8.5 The transfer of historic information available on the existing banking system.

**All prospective bidders must include such transitional cost in their proposal in order to allow for evaluation of price on an equitable basis.**

## **9 Social Responsibility**

All prospective bidders must demonstrate in their proposal how they:

- 9.1 Currently contribute to social responsibility programmes.
- 9.2 Intend to contribute to social responsibility programmes in partnership with DRSMMDM during the course of this agreement.
- 9.3 Intend to implement possible expansion plans to increase their coverage and availability to the outlying areas of DRSMMDM.

The service level agreement will incorporate the social responsibility programme as agreed upon between DRSMMDM and the successful bidder.

## **10 Indemnity**

The Municipality shall not be held liable for the cost incurred by the bidder for the preparation of the bid document.

## **11 Contract Period**

The contract period shall entail a maximum period of five (5) years from date of commencement of the contract. The contract will commence on 01 July 2025 or any earlier or later date as per prescribed by DRSMMDM. The successful service provider will be required to sign a service level agreement prior to the commencement of the contract. **A project plan, including the transitional arrangements, will form part of this service level agreement.**

**12 Format of Submission**

In order to evaluate submission on equitable basis, proposal should be made in the following format:

- Section 1: Introduction and background to institution
- Section 2: Eligibility to submit bid (Refer to Section 4 of BS)
- Section 3: Employment Equity and Empowerment profile
- Section 4: Solutions to service required as per Bid Specification
  - Section 4.1: Core services
  - Section 4.2: Primary Bank Account Services
  - Section 4.3: Financial Management
  - Section 4.4: Revenue Management
- Section 5: Additional Services Required
  - Section 5.1: Availability of banking facilities throughout DRSMMDM Area.
  - Section 5.2: Other Services
- Section 6: Social Responsibility
- Section 7: Relationship Management Team (including Resumes)
- Section 8: Confirmation of Shareholders funds as at the date of last financial year (Extract of FS)
- Section 9: Proof of fidelity cover
- Section 10: Latest Audited Financial Statements
- Section 11: Certificate of Incorporation
- Section 12: Valid SARS Tax Clearance Certificate
- Section 13: Municipal Debt Clearance Certificate (of all bidders' properties within DRSMMDM area)
- Section 14: Contactable References
- Section 15: Pricing
  - Section 15.1: Price Schedule
  - Section 15.2: Transitional arrangement costs

**13. Pricing Schedule**

Based on the estimated transaction/ rand value, bidders are required to provide **unit** costs for the following:

Quantity	Description	Unit Price
	Cash deposit facility <ul style="list-style-type: none"> <li>• Cash deposit fee per transaction</li> </ul>	
	Audit confirmation letters/certificate	
	Returned/disputed debit order	
	Daily and monthly cash management reports and statement	
	Copies of historic information requested per request	
	Download of electronic payments into file format	
	Deposit error corrections reported within 48 hours	
	Direct on-line balance enquiry	
	Direct on-line statement enquiry	
	Direct on-line stop payment of cheques	
	Direct on-line reversal of stop payment	
	Historic information supplied electronically	
	Audit trail of electronic transfer in/deposit	
	Direct on-line facility to capture bank transfers	
	EFT facility to effect salary payments <ul style="list-style-type: none"> <li>• Transfer to bidders bank</li> <li>• Transfer to agent bank</li> </ul>	

	<ul style="list-style-type: none"> <li>• Recall of transfer</li> <li>• Late recalls</li> <li>• Report of unpaid items</li> <li>• Copies of payments report</li> <li>• Transaction tracing</li> </ul>	
	EFT of direct deposit from agent bank	
	Petrol card facility – charges per vehicle	
	Customers credit referencing	
	Delivery/travel and subsistence costs	
	Other Costs	
	Net price (Excluding VAT)	
	VAT	
	Total bid price (including VAT)	

Escalation: Indicate the annual escalation percentage, **if any**.

Year	1 July 2025	1 July 2026	1 July 2027	1 July 2028	1 July 2029
Escalation Rate (if any)	_____ %	_____ %	_____ %	_____ %	_____ %

The following rates must be indicated:

- a. Current Debit Balance Interest Rate: \_\_\_\_\_
- b. Current Credit Balance Interest Rate: \_\_\_\_\_

Please note that other banking services not included in the tables in point 13 must be disclosed separately, indicating the service, and the unit cost (excluding VAT) of that service.

**14 Evaluation Criteria**

The bidder's responses to the Bid Specifications will be evaluated using 80/20 preference point system contained in the Preferential Policy Framework Act: No 5 of 2000.

The evaluation process will first address Technical Capability. Bidders will be scored for their technical capability, previous experience, key individuals and legal entity/ financial security. Only bidders who obtain a minimum of 80 points out of 100 points for technical assessment will be considered and evaluated further on Price and HDI. Public companies listed on the Johannesburg Stock Exchange do not qualify for HDI points.

**15 Basis of Bid Evaluation**

Technical Assessment	Maximum Points	
1. Technical Capability	70	
1.1 The Prospective Service Provider should be able to offer the following Primary Banking Services: (30 Max Points)		
		Tick box for bidder
a) Deposit of cash by all DRSMMDM cash collection points throughout the DRSMMDM area; and transfers from other stakeholders		
b) Payment of all creditors and service providers		
c) Payment of all payroll related matters		
d) Transfers to and from various accounts and other accounts		
e) Bank generated transactions		
1.1.2 In addition to the above services, DRSMMDM will require the opening of subsidiary bank accounts which must be linked to the primary bank account		
a) The banker must be able to identify all services fees on bank statements in order to enable the municipality to verify the charges for the different service fees charged.		
b) Cash deposit fees that will be charged for any deposits must be stated, fees charged for post-dated payments must be disclosed and any additional or unique features and related costs must be stated.		
c) The interest rate payable must be disclosed both on credit and debit balance.		
d) The banker's system must be able to handle a high volume of transactions i.e approximately 500 transaction per day.		
e) The banker must be able to supply the municipality with information pertaining R/D cheques as soon as they occur to enable the municipality to claim the money from the debtor.		
f) The banker must provide the municipality with daily electronic and hard copy bank statements.		
g) The identification of electronic transfers/deposits made to the municipality's accounts is of the utmost importance.		
h) Referencing of deposits made against the municipality's account must be as per the DRSMMDM requirements, and the banker must have an electronic bank reconciliation facility.		
i) The banker must be able to supply the municipality with information pertaining to unidentifiable credits (or online details of the above credits) on this account.		
j) The banker must provide competitive interest		

rates based on net cumulative daily balances.		
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1.2 For Financial Management, DRSMMD requires its banking service provider to: (15 Max Points)

		Tick box for bidder
a) Have a Relationship Manager based within the borders of DRSMMD and assign dedicated bank official, client managers to handle the account, correspondence, arrangement, queries, etc.		
b) Provide consolidated reporting on all Bank accounts held with the institution in the name of DRSMMD or its agents on real time basis.		
c) Provide daily electronic downloads of transactions to enable bank reconciliations to be performed electronically.		
d) Provide solutions that will enable the payment of casual / project workers using electronic transfers with immediate access to cash and limited involvement of Municipal staff in the payout process.		
e) Provide, through a central point, an enquiry service that will allow for a 24 hour turnaround on all queries relating to transactions appearing on bank statements.		
f) Provide overdraft facilities in accordance with section 45 of the MFMA.		
g) Facilitate electronic payroll		
h) Provide an integrated banking solution for payment and receipts that is cost effective and efficient.		
i) Provide a solution for the immediate clearance of money as required by DRSMMD.		
j) Provide necessary training for DRSMMD staff on an ongoing basis.		

1.3 For Revenue Management, DRSMMD requires its banking services provider to: (15 Max Points)

a) Provide cost effective collection and deposit facilities to the Municipality so as to reduce current cost related to banking services	
b) Establish agency services at cash collecting points as identified within the DRSMMD premises.	
c) Provide additional pay points / electronic solutions for the payment of the Municipal accounts using the Bank's infrastructure or third party locations and the latest technology.	
d) Provide additional pay points / electronic solutions for the payment of the Municipal accounts using the Bank's infrastructure or third party locations and the latest technology.	
e) Identify, in consultation with the Municipality, Mechanisms to reduce cash handling, which mechanisms may include, but not be limited to internet / cellular telephone purchasing of pre-paid services.	
f) Provide speed point facilities	

1.4 Prospective Bidders should provide details of the following of Banking Services: (5 Max Points)

a) Their current available Branch Network within the DRSMMSM boundaries.	
b) The current ATM facilities within the DRSMMDM boundaries.	
c) Any other available banking facilities within the DRSMMDM boundaries.	

1.5 Other Services (3 Max Points)

a) Guarantees should, if necessary, be provided on behalf of DRSMMDM.	
b) The banker must indicate any relevant additional services that can be provided.	

1.6 Social Responsibility Programmes (2 Max Points)

a) Currently contribute to social responsibility programmes.	
b) Intend to contribute to social responsibility programmes in partnership with DRSMMDM during the course of this agreement.	
c) Intend to implement possible expansion plans to increase their coverage and availability to the outlying areas of DRSMMDM.	

2 Previous Experience	10
3 Key individuals ( Relationship Management Team)	10
4 Financial Security	10

*(refer to 14.2 for the breakdown of points allocated for Previous experience, Key individuals & Financial Security)*

<b>Total points for technical Assessment</b>	<b>100</b>
<i>(Only bidders who obtain a minimum of 80 points out of 100 points for technical assessment will be considered and evaluated further on Price and HDI.)</i>	
<b>PRICE</b>	<b>90</b>
<b>BBBEE</b>	<b>10</b>
<b>Total Points available</b>	<b>100</b>

15.2 Points allocated for technical capability, previous experience, key individual and financial security have been further broken down as follows:

	Maximum Point	Alternative Points
<b>1.Previous Experience – Maximum 10</b>	<b>&gt;5 yrs</b>	<b>&lt;5 yrs</b>
➤ Local Government	(3)	(2)
➤ Size of Municipality (in terms of national Treasury Guidelines)		
- High Capacity	(3)	(2)
- Medium	(2)	(1)
- Low	(1)	(1)
➤ Other Entity e.g. National/ Provincial Government	(1)	(1)
<b>Total Score</b>		
<b>2. Key Individual (Relationship management team) – Maximum 10</b>		
	<b>Maximum Points</b>	<b>Alternative Points</b>
	<b>&gt;5 yrs</b>	<b>&lt;5 yrs</b>
➤ Knowledge of Sector		
- Local Government Sector	(4)	(3)
- National Government Sector	(2)	(1)
- Other Corporate Sector	(1)	(0)
Project Team: No. Of key persons ( Minimum 3) and operational level	(3)	(2)
<b>Total Score</b>		
<b>3. Financial Security – Maximum 10</b>		
	<b>Maximum Points</b>	
➤ Bank's Financial Standing and Access to Capital	(5)	
➤ Bank's Capacity to fund DRSDM	(5)	
<b>Total Score</b>		

**16 Financial and Statistical Information**

**Annexure A**

<u>Description</u>	<u>Details</u>
1. VAT Registration Number	4310105152
2. Annual Municipality Operating budget	(a) -2023/2024 - R 522 844 131 (b) -2024/2025 - R 548 537 798
3. Annual Municipal Capital Budget	(a) -2023/2024 - R 607 777 000 (b) -2024/2025 - R 635 816 000



<b>No</b>	<b>Specific Goals</b>	<b>Procurement Transactions Preference Points allocated out of 20</b>
1.	Enterprises owned by black people. (must be included as a specific goal)	<p align="center"><b>10 points</b></p> <ul style="list-style-type: none"> <li>• B-BBEE status level 1 = 10 points.</li> <li>• B-BBEE status level 2 = 05 points.</li> </ul> <p align="center">B-BBEE status level 3, 4, 5, 6, 7, 8, non-compliant contributor = 0 points</p>
2.	<ul style="list-style-type: none"> <li>• District Municipality</li> <li>• North West Province</li> </ul> <p align="center"><b>for work to be done or services to be rendered in that area</b></p> <p>Tender (RFP) will specify which of the above will apply.</p>	<p align="center"><b>Maximum 4 points</b></p> <ul style="list-style-type: none"> <li>• District Municipality = 04 points</li> <li>• North West Province = 02 points</li> <li>• Outside the Northwest Province = 0 Points</li> </ul>
3.	<p>The following specific goals will be utilised:</p> <ul style="list-style-type: none"> <li>• Enterprises owned 100% by women.</li> <li>• Enterprises owned 100% by people with disability.</li> <li>• Enterprises owned 100% by youth.</li> </ul>	<p align="center"><b>Maximum 6 points</b></p> <p align="center">2 Points per specific goal</p>

**4.1 PRICING SCHEDULE**

Description of Goods / services required	Bid Price in RSA Currency (all applicable taxes included**)
RDM2024-002A: PROCUREMENT OF A SERVICE PROVIDER TO PROVIDE BANKING SERVICES FOR DR RUTH S MOMPATI DISTRICT MUNICIPALITY DURATION OF 5 YEARS	
Delivery / travel and subsistence costs	
Other (State nature: )	
Nett price (Excluding VAT)	
VAT	
<b>Total bid price (Including VAT) (Carry forward to front cover of this bid document)</b>	

Required by: .....

At: .....

Does offer comply with the specifications?

\*YES / NO  
\* Delete if not applicable

If not to specification, indicate deviation(s): .....  
.....

Period required for delivery: ..... \*Delivery: Firm/not firm  
\* Delete if not applicable

Delivery basis: .....

**Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.**

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\*\* "all applicable taxes" includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

## 9. PREVIOUS WORK EXPERIENCE OF A SIMILAR NATURE

List main work experience of a **similar nature to this bid** successfully executed and completed (or on-going) in the last five (5) years:

No	Institution / client / employer	Project description	Date started	Date completed (indicate projected completion if on-going)	Project value in Rand	Name and contact details of contact person / reference at institution
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						

Representatives of the DR RUTH S MOMPATI DISTRICT MUNICIPALITY are hereby authorized to contact the above contact persons / references of the various institutions to verify the correctness of the information as supplied.

..... Signature	..... Date
..... Position	..... Name of Bidder

### 10. DECLARATION OF INTEREST (MBD 4)

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

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

- 3.1 Full Name: .....
- 3.2 Identity Number: .....
- 3.3 Company Registration Number: .....
- 3.4 Tax Reference Number: .....
- 3.5 VAT Registration Number: .....

3.6 Are you presently in the service of the state \*YES / NO  
\* Delete if not applicable

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

3.7 Have you been in the service of the state for the past twelve months \*YES / NO  
\* Delete if not applicable

3.7.1 If so, furnish particulars. ....  
 .....

3.8 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid? \*YES / NO  
\* Delete if not applicable

3.8.1 If so, furnish particulars. ....  
 .....

3.9 Are you aware of any relationship (family, friend, other) between a bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid \*YES / NO  
\* Delete if not applicable

3.9.1 If so, furnish particulars ....  
 .....

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\* MSCM Regulations: "in the service of the state" means to be –  
 (a) a member of –  
 (i) any municipal council;  
 (ii) any provincial legislature; or  
 (iii) the national Assembly or the national Council of provinces;  
 (b) a member of the board of directors of any municipal entity;  
 (c) an official 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.

3.10 Are any of the company's directors, managers, principal shareholders or stakeholders in service of the state? \*YES / NO

\* Delete if not applicable

3.10.1 If so, furnish particulars.

.....  
.....

3.11 Are any spouse, child or parent of the company's directors, managers, principal shareholders or stakeholders in service of the state? \*YES / NO

\* Delete if not applicable

3.11.1 If so, furnish particulars.

.....  
.....

**CERTIFICATION**

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

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

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

..... Signature	..... Date
..... Position	..... Name of Bidder

# 11. DECLARATION FOR PROCUREMENT ABOVE R10 MILLION (ALL APPLICABLE TAXES INCLUDED) (MBD 5)

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  
\* Delete if not applicable
  
- 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  
\* Delete if not applicable
  
- 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  
\* Delete if not applicable
  
- 3.1.1 If yes, furnish particulars  
.....  
.....  
.....  
.....
  
- 4. Will any portion of goods or services be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality / municipal entity is expected to be transferred out of the Republic? \*YES / NO  
\* Delete if not applicable
  
- 4.1 If yes, furnish particulars  
.....  
.....  
.....  
.....

**CERTIFICATION**

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

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

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

..... Signature	..... Date
..... Position	..... Name of Bidder

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022 (MBD 6.1) AND PREFERENTIAL PROCUREMENT POLICY OF COUNCIL: EITHER 80/20 or 90/10 PREFERENCE POINT SYSTEM**

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, PREFERENTIAL PROCUREMENT REGULATIONS, 2022 AND PREFERENTIAL PROCUREMENT POLICY OF COUNCIL.**

**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); or
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

**1.2** Either the 80/20 or 90/10 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

**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 (B-BBEE status level contribution).

**1.4 To be completed by the municipality:**

The maximum points for the tender with a Rand value to R 199 999.99 are allocated as follows:

	POINTS
<b>PRICE</b>	80
<b>SPECIFIC GOALS</b>	20 (B-BBEE status level 1 = 10 B-BBEE status level 2 = 05 points. B-BBEE status level 3, 4, 5, 6, 7, 8, non-compliant contributor = 0 points  District Municipality = 10 points North West Province = 05 points  Outside the Northwest Province = 0 Points)
<b>TOTAL POINTS FOR PRICE AND SPECIFIC GOALS</b>	<b>100</b>



The maximum points for the tender with value of R 200 000.00 to R 50 000 000.00 are allocated as follows

	POINTS
<b>PRICE</b>	80
<p><b>SPECIFIC GOALS</b></p> <p>Choose any one (1), two (2), three (3) or four (4) of the following specific goals (may):</p> <p>Enterprises owned 100% by women.            Enterprises owned 100% by people with disability.            Enterprises owned 100% by military veterans            Enterprises owned 100% by youth.</p>	<p>20 (B-BBEE status level 1 = 10            B-BBEE status level 2 = 05 points.            B-BBEE status level 3, 4, 5, 6, 7, 8,            non-compliant contributor = 0 points</p> <p>District Municipality = 04 points            North West Province = 02 points            Outside the Northwest Province = 0 Points)</p> <p>Maximum 6</p> <p>Points for each specific goal to be determined by the BSC</p> <p>Total points should not exceed 6 points</p>
<b>TOTAL POINTS FOR PRICE AND SPECIFIC GOALS</b>	100

The maximum points for the tender with value greater than R 50 000 000.00 are allocated as follows

	POINTS
<b>PRICE</b>	90
<b>SPECIFIC GOALS</b>  Choose any one (1), two (2), three (3) or four (4) of the following specific goals (may):  Enterprises owned 100% by women. Enterprises owned 100% by people with disability. Enterprises owned 100% by military veterans Enterprises owned 100% by youth.	<b>5 points</b>  B-BBEE status level 1 = 5 points. B-BBEE status level 2 = 02 points. B-BBEE status level = 0 points 3, 4, 5, 6, 7, 8, non-compliant contributor  <b>3 points</b>  District Municipality = 02 points North West Province = 01 point  Points for each specific goal to be determined by the BSC  Total points should not exceed 2 points
<b>TOTAL POINTS FOR PRICE AND SPECIFIC GOALS</b>	100

- 1.1 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.

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#### B-BBEE

Failure on the part of a tenderer to submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African National Accreditation System (SANAS), or a sworn affidavit confirming annual turnover and level of black ownership in case of an EME and QSE together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

#### LOCALITY

Failure on the part of tenderer to submit the following:

- where the tenderer is the owner of the property / business:
  - municipal account registered in the name of the tenderer not older than 3 months;
- where the tenderer is not the owner of the property / business:
  - a valid lease agreement; or
  - affidavit from the property owner that the address used to claim points in the MBD 6.1 is being rented out to the tenderer at no cost not older than 3 months.
- where the tenderer submitted incorrect or outdated information (account, lease agreement or affidavit) or none of the above, it will be interpreted to mean that preference points for Locality are not claimed.

- 1.5 The municipality 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 municipality.

## 2. DEFINITIONS

- (a) “**all applicable taxes**” includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- (b) “**B-BBEE**” means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (c) “**B-BBEE status level of contributor**” means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (d) “**tender**” means a written offer in the form determined by a municipality in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (e) “**price**” means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (f) “**rand value**” means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (g) “**tender for income-generating contracts**” means a written offer in the form determined by a municipality 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 municipality and a third party that produces revenue for the municipality, 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
- (h) “**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

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

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

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

Where

$P_s$  = Points scored for price of tender under consideration

$P_t$  = Price of tender under consideration

$P_{\min}$  = Price of lowest acceptable tender

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

### 4.1 POINTS AWARDED FOR PRICE

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

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

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

**5. POINTS AWARDED FOR SPECIFIC GOALS**

**5.1 B-BBEE**

B-BBEE Status Level of Contributor	Number of Points for Preference (80/20)	Number of Points for Preference (90/10)
1	10	5
2	5	2
3	0	0
4	0	0
5	0	0
6	0	0
7	0	0
8	0	0
Non-compliant contributor	0	0

5.2 In cases where municipality intend to use the Preferential Procurement policy of Council section 8.7, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an municipality 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 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 municipality must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system

## 12. DECLARATION OF BIDDER’S PAST SUPPLY CHAIN MANAGEMENT PRACTICES (MBD 8)

1. This serves as a declaration 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.
2. The bid of any bidder may be rejected if that bidder or any of its directors have:
  - a. abused the municipality’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. wilfully 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).
3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
3.1	<p>Is the bidder or any of its directors listed on the National Treasury’s database as a company or person prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p><b>The Database of Restricted Suppliers now resides on the National Treasury’s website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
3.1.1	If so, furnish particulars:		
3.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <p><b>The Register for Tender Defaulters can be accessed on the National Treasury’s website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
3.2.1	If so, furnish particulars:		
3.3	<p>Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
3.3.1	If so, furnish particulars:		
3.4	<p>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?</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
3.4.1	If so, furnish particulars:		
3.5	<p>Was any contract between the bidder and the municipality or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
3.5.1	If so, furnish particulars:		

**CERTIFICATION**

**I, THE UNDERSIGNED (FULL NAME) .....  
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM TO BE 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

### 13. CERTIFICATE OF INDEPENDENT BID DETERMINATION (MBD 9)

- 1 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>\*</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 2 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.
- 3 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.
- 4 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

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<sup>\*</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 BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

**RDM2024-002A: PROCUREMENT OF A SERVICE PROVIDER TO PROVIDE BANKING SERVICES FOR DR RUTH S MOMPATI DISTRICT MUNICIPALITY DURATION OF 5 YEARS**

in response to the invitation for the bid made by:

**DR RUTH S MOMPATI DISTRICT MUNICIPALITY**

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\* 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.

Signature	Date
Position	Name of Bidder

\* 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.



**14. Annexure A: Government Procurement: General Conditions of Contract  
(July 2010)**

**THE NATIONAL TREASURY**  
*Republic of South Africa*

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**GOVERNMENT PROCUREMENT:  
GENERAL CONDITIONS OF CONTRACT**  
July 2010

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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.

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.

## ***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 non-refundable 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 so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

#### ***6. Patent Rights***

6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

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.

#### ***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 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.

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 fulfilment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated.

## ***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 this contract if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

## ***21. Delays in the supplier's performance***

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 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.

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 judgement 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.

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.

## ***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 wilful misconduct, and in the case of infringement pursuant to Clause 6;

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

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 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.