



FRANCES BAARD DISTRICT MUNICIPALITY

INVITATION TO BID

BID 25/24: PROVISION OF BANKING SERVICES FOR A PERIOD OF 5 YEARS

Frances Baard District Municipality (FBDM) hereby invites qualified service providers to submit proposals for the above-mentioned project.

This bid will be evaluated in terms of the 80/20 preference point system as prescribed in the Preferential Procurement Regulations, 2022 pertaining to the PPPF Act (No 5 of 2000) and the Supply Chain Management Policy of Frances Baard District Municipality. FBDM is not bound to accept the lowest bid. FBDM reserves the right to partial acceptance of one or more bids.

NB: A compulsory briefing / clarification meeting will be held on 24 April 2025 at 11:00 at the offices of FBDM: 51 Drakensberg Avenue, Carters Glen, Kimberley.

For all compulsory site/briefing sessions, all bidders must assemble at the reception area at the stated time from where they will be escorted to the relevant room where the compulsory briefing meeting will be held. Late service providers who are not at the reception area at the stated time will not be allowed into the compulsory briefing meeting and will be prohibited from submitting proposals.

The closing date for submissions is 17 June 2025 at 12h00. Bids will be opened in public immediately after the stated closing time.

Proposals should be clearly marked: **BID 25/24: PROVISION OF BANKING SERVICES FOR A PERIOD OF 5 YEARS** and submitted / delivered to The Municipal Manager (Ms. M. Bogatsu), Frances Baard District Municipal Offices, 51 Drakensberg Avenue, Carters Glen, Kimberley.

Bid documents are obtainable at FBDM's offices during working hours or on the FBDM Website (www.francesbaard.gov.za). Enquiries on technicalities may be directed to Mrs. Adele Groenewald-Shields at 053 838 0933 and for supply chain matters to Mr. E. Tlhageng at tel. (053) 838 0946 during office hours.

If no response is received in ninety (90) days after the closing date, consider your proposal unsuccessful.

MUNICIPAL MANAGER
Ms. M. Bogatsu

FRANCES BAARD DISTRICT MUNICIPALITY



TERMS OF REFERENCE

BID 25/24: PROVISION OF BANKING SERVICES FOR A PERIOD OF 5 YEARS

BIDDER:

ADDRESS:

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TEL:

FAX:

BID AMOUNT

TERMS OF REFERENCE

1. OBJECTIVES

To invite the banks to submit the proposals for the appointment of a banker for the FRANCES BAARD DISTRICT MUNICIPALITY (the municipality). Any local Institution registered as a bank in terms of the Banks Act, 1990 (Act No. 94 of 1990) may submit a proposal.

2. SCOPE OF WORK

Cash Management

- A current (cheque) account will be opened with the banker. The current account will be the Primary Bank Account of the municipality;
- Service fees and escalations. The banker must be able to identify all service fees on bank statements to enable the municipality to verify the charges for the different service fees charged;
- Cash deposit fees that will be charged for any deposits made;
- Rate of interest payable on credit balances;
- Banker must be able to handle a large volume of transactions;
- The identifications of electronic transfers/deposits to the account of the municipality are of utmost importance;
- The banker must be able to supply the municipality with information pertaining to debits and credits on this account;
- Deposit identifiers will be installed on these accounts to prevent payments with incorrect references. Available controls to limit unallocated deposits should be explained thoroughly to the municipality as a control measure;
- Electronic banking services to be provided must be stated;

- Cash management facilities must be clearly stated. Account information must be available electronically for the municipality and the electronic downloading of bank statements must be possible;
- The municipality must be able to do electronic stop payments;
- Electronic creditor payments must be available;
- The Information Technology must be compatible to the Sage Evolution financial system and VIP payroll systems utilised by the municipality;
- The banker must provide the necessary training to use the electronic systems. The cost of training must also be included in the quotation;
- The period of historic information available on the system must be indicated;
- The short-term overdraft facilities and lending rate must be stipulated in the quotation;
- The banker must indicate their commitment to provide loans to the municipality. The particulars on the call loans / bridging finance should be stated;
- The branch of the banker where the account is opened must assign banking officers/client managers to handle the account, correspondence, arrangements, queries, etc;
- The banker's commitment to assist the municipality in identifying any irregularities must be indicated;
- The banker must be committed to a quantifiable escalation. The annual increase will be limited to a maximum of CPIX rate;
- The banker must provide a solution on the petrol cards for the vehicles of the municipality. The municipality have +/-28 vehicles currently running and;
- The banker must provide a solution for administration of Home Loan Payments of employees.

Revenue Collection enhancement

- The possibility to handle payments directly via the web page of the municipality must be stipulated.

Social upliftment

Quantifiable and measurable details of the tenderer's intended contribution to the social upliftment within the municipal boundary must be clearly stipulated. The reference should include the following:

- Community projects;
- Financing initiatives to lower income groups for employees;
- Enterprise development (SMME access to finances);
- Financial Education workshops for EPWP contractors;
- Job creation in the district;
- Community based HIV/Aids programmes; and
- Customer care training for employees.

NB: Future initiatives ONLY and not what the banker has done in the past.

3. TECHNOLOGICAL CAPABILITIES

Details supporting their capabilities in the following areas:

Electronic Payments/Collections

The bidder must have an EFT function that directly connects to the municipality (IP to IP Protocol).

Electronic Cash Management

Account Information

- i. The bidder must install an on-line electronic banking system which is in line with security policy of the municipality e.g. frequent changing of passwords, and provide the necessary training;
- ii. The bidder must provide the ability for archiving facility for the duration of the contract;
- iii. An indication must be given as to whether the bidder is able to provide information that can be accessed online the same day, e.g. deposits, payments, transfers etc.

- iv. The bidder must indicate the ability to provide the sorting facility of the online electronic bank system e.g. description of transaction, date, amount etc.
- v. Reports of EFT transactions to be provided electronically on a daily basis;
- vi. Online facility must provide for detailed audit trails;
- vii. Telephone assistance should be made available during office hours regarding account enquiries;
- viii. The municipality must be able to stop payments electronically;
- ix. Access times in respect of all transactions to accounts held with the bidder as well as transactions to accounts with other commercial banks must be indicated; and
- x. The security aspects of the online electronic banking system must be indicated.

Service Fee Charges - Description	Year 1	Year 2	Year 3	Year 4	Year 5
Percentage Interest on Credit Balance CPIx + %					
Percentage Interest on Debit Balance CPIx + %					
Fee on each EFT transfer - Individual					
Fee on each EFT transfer – Combined (+-160 transactions per transaction)					
Fee Cash Deposit per R100.00					
Fee for E-wallet, Cash Sent per R100.00					
Fee for Bank statements older than 3 Months					
Fee for Bank statements less than 3 Months					

4. GENERAL INFORMATION TO COMMERCIAL BANKERS

The Commercial Banking Service shall begin no later than **01 July 2025** or nearest date.

1.1. CLARIFICATION OF THE RFP

A compulsory briefing session will be held on **24 April 2025** at 11:00 at the offices of Frances Baard District Municipality. The physical address is: 51 Drakensberg Avenue, Carters Glen, Kimberley.

NB: For all compulsory site or briefing sessions, all bidders must assemble at the reception area at the stated time from where they will be escorted to the relevant room where the compulsory briefing meeting will be held. Late service providers who are not at the reception area at the stated time will not be allowed into the compulsory briefing meeting and will be prohibited from submitting proposals.

All enquiries concerning the RFP should be addressed to

Ms Onneile Moseki

Telephone Number: 053 838 0956

e-mail address: onneile.moseki@fbdm.co.za

- ii. At any time before the submission of the proposal, the municipality may, for any reason, whether at its own initiative or in response to a clarification requested by an invited firm, modify the RFP document by amendment. The amendment will be sent in writing by facsimile or electronic mail to all banks that requested proposal documents which will be binding on them. The municipality may at its discretion extend the deadline for the submission of the proposals.

PREPARATION OF PROPOSAL

- **Technical/Specification Proposal**

In preparing the technical proposal of the document, bidders are expected to examine the documents comprising the RFP in detail. Material deficiencies in

providing the information requested may result in rejection of a proposal as non-responsive.

- **Pricing Proposal**

In preparing the cost/pricing proposals bidders are expected to examine the documents comprising this RFP in detail. Please ensure that all pricing is captured clearly in the pricing schedule provided.

3.3 **PROPOSAL EVALUATION**

PRICE SCHEDULE OF SERVICES – ANNEXURE A

Bidders are requested to quote firm prices effective from **01 July 2025**. The pricing shall be fixed for five (5) years inclusive of the yearly price increases at CPI index. The total cost must include all costs applicable to implementation on new banking systems and procedures, including the cost of training Frances Baard District Municipality staff, computer software and hardware etc. and must be shown separately from transaction costs per year.

Bidders must use Statistics South Africa CPI index, which shall be used for calculating any future annual price increases on the dates of annual review. CPI applicable will be the annual inflation rate published for October annually by Statistics South Africa.

Price structuring will be a major factor in determining the suitability of the bidder regarding the various aspects of the commercial banking services provided. Prices must be set out on a separate schedule, and under the heading: "Price schedule of quantities of services to be rendered per year."

Bidders must ensure that their pricing covers all relevant banking services required by Frances Baard District Municipality.

The evaluation of this bid will be conducted in the following two (2) stages:

Firstly, the assessment of functionality will be done in terms of the evaluation criteria and the minimum threshold. A Bid will be disqualified if it fails to meet the minimum threshold for functionality as per the bid invitation.

Thereafter, only those qualifying bids will be evaluated in terms of the 80/20 preference points systems, where the 80 will be used for Price ONLY and the 20 may be awarded to a tenderer for the specific goal specified for this tender.

Only Service Providers that can demonstrate the required experience and skills relating to the execution of this project will be considered. The following criteria will be taken into account for appointment of a successful service provider:

Functionality Criteria

Criteria to be used for functionality.

CRITERIA	MAX POINTS (%)
<p>Relevant expertise and experience in Banking services for municipalities</p> <ul style="list-style-type: none"> • Submission of four or more reference letters (20) • Submission of three reference letters (15) • Submission of two reference letters (10) • Submission of one reference letter (5) • No reference letter (0) <p>The duly signed reference letter with the client’s letterhead must indicate the company name, physical address, contactable person name and contact details (contact number / email address) that similar work was done by your company</p>	20
<p>Methodology (proposal)</p> <ul style="list-style-type: none"> • Addressing all key Banking classifications (20) • Partially addressing key banking classifications (10) • Not addressing key deliverables / outcomes (0) 	20
<p>Social Upliftment</p> <ul style="list-style-type: none"> • Reference letter indicating social upliftment within the district (10) • Reference letter indicating social upliftment within the province (5) 	10

<ul style="list-style-type: none"> Reference letter indicating social upliftment Nationally (2) <p>Social upliftment letter must be within the last 5 years.</p>	
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NB: Bidders that score less than 30 points for functionality will be deemed non-compliant with the bid specification

Evaluation criteria (price)

Price	80
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Points awarded for specific goals (20)

The objectives as specific goals in line with section 2(1) of the Act, is to:

- Promote local labour and/ or promotion of enterprises located in the district municipal area of which 20 points is allocated,
- Enterprises within Northern Cape outside the district municipal area 10 points and
- Enterprises outside Northern Cape 5 points.

Points will be allocated if a tenderer has the following.

Specific Goals	Points	Proof
1. Enterprises located in the district municipal area.	20	Proof of address in the name of the company. The following proof of residence will be acceptable for claiming points: 1. Municipal Account / account confirmation.
2. Enterprises within Northern Cape outside the district municipal area points.	10	

3. Enterprises outside Northern Cape points.	5	2. Tribal Letter. 3. Lease agreement signed by landlord and the bidder.
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Note:

- In order to claim for these points, bidders are required to submit proof of address in the name of the company.
- A tenderer failing to submit proof with his quotation/tender may not be disqualified but will only score 0 points.

Statutory and general

The following conditions will apply:

- Price quoted must be valid for ninety (90) days from date of your offer.
- Price quoted must be firm and must be inclusive of VAT.
- A firm delivery period must be indicated.
- This Proposal will be evaluated in terms of the 80/20 preference point system as prescribed in the Preferential Procurement Regulations, 2022 pertaining to the PPPF Act (No 5 of 2000) and Supply Chain Management Policy of Frances Baard District Municipality (NB: MDB forms are obtainable at FBDM Office during working hours as well as on the FBDM website: www.francesbaard.gov.za):
 - MBD 1 Invitation to bid
 - MBD 3.3 Pricing schedules
 - MBD 4 Declaration of interest
 - MBD 6.1 Preference claim in terms of the Preferential Procurement Regulations
 - MBD 7.2 Contract form
 - MBD 8 Past supply chain management practice
 - MBD 9 Certificate of independent bid determination

DISQUALIFICATION FACTORS

- **All bids that do not submit a valid tax clearance certificate / master registration number or tax compliance status PIN.**
- **All bids that do not submit a proposed methodology.**
- **All bidders that did not submit proof of registered as a Bank in terms of the Banks Act, 1990 (Act No. 94 of 1990).**
- **All bidders that did not attend the compulsory information session.**
- **All bids that are received late.**
- **Failure to complete all required bid documents.**
- **Terms and conditions that are not within this bid documents specifications.**
- **All bids that are faxed, e-mailed or telegraphed.**

Frances Baard District Municipality reserves the right to accept a portion of a tender, and the lowest and/or any tender will not necessarily have to be accepted.

The closing date for submissions is 17 June 2025 at 12h00. Proposals should be clearly marked: BID 25/24: PROVISION OF BANKING SERVICES FOR A PERIOD OF 5 YEARS and submitted / delivered to **The Municipal Manager (Ms. M. Bogatsu), Frances Baard District Municipal Offices: 51 Drakensberg Avenue, Carters Glen, Kimberley. For bid document enquiries, please contact the Supply Chain Management (Mr. E. Tlhageng) Unit: 053 - 838 0946; for technical assistance Mrs. Adele Groenewald-Shields at 053 838 0933.**



**INVITATION FOR PROPOSALS FOR THE PROVISION OF
COMMERCIAL BANKING SERVICES TO THE FRANCES BAARD
DISTRICT MUNICIPALITY FOR A PERIOD OF FIVE (5) YEARS**

ANNEXURE A - SCHEDULE OF PRICE QUANTITIES OF SERVICES TO BE RENDERED

OFFER TO BE VALID FOR 90 DAYS FROM THE CLOSING DATE OF BID i.e. **17 JUNE 2025**

NOTE:

- The bid is for the provision of commercial banking services which would be rendered to the Northern Cape Provincial Government involving the Exchequer and Paymaster-General accounts.

- Bid price must be in SA currency

BACKGROUND

In terms of the Municipal Financial Management Act (MFMA), Supply Chain Management Regulation 30, the municipality must procure banking services through a competitive bidding process. Therefore, all commercial banks registered in terms of the Banks Act, no. 94 of 1990, are invited to tender for the Provision of Banking Services to the Frances Baard District Municipality for a period of 5 years ending 30 June 2030.

a) Presently the municipality banking services are provided by FNB.

SPECIAL CONDITIONS

- Valid tenders will be declared non-responsive and eliminated from further evaluation if:
 - Proof of registration as a commercial Bank in terms of the Banks Act, no. 94 of 1990 is not submitted with the tender submission.
 - The tenderer has been listed on the National Treasury's Register for Tender Defaulters in terms of the Prevention and combating of Corrupt Activities Act, Act 12 of 2004, or has been listed of the National Treasury's List of Restricted Suppliers and who is therefore prohibited from doing business with the public sector.
 - The tenderer does not comply with the Specification(s).
 - The tenderer does not comply with the instructions as contained in the Price Schedule.
 - Bids will only be accepted from banks with a branch in Kimberley area.
 - Real time Host-to-Host Interface.

SPECIFICATION AND REQUIREMENTS

- In terms of Section 8 of the Municipal Finance Management Act, no. 53 of 2006, a municipality must have a Primary Bank Account. The following monies are paid into the primary bank account:
 - All revenue due to the municipality.
 - All income received by the municipality on its investments.
 - All income received by the municipality in connection with its interest in any municipal entity including dividends.
 - All money collected by the municipality, entity, or other external mechanism on behalf of the municipality.
 - Any other monies as may be prescribed.
- The municipality also requires banking services to manage the withdrawal of money in terms of Section 11 of the MFMA, for amongst other:

- To defray expenditure appropriated in terms of an approved budget to make payments to pay over to a person or organ of state money received by the municipality on behalf of that person or organ of state.
- To refund money incorrectly paid into a bank account.
- To refund guarantees, sureties, and security deposits.
- For cash management and investment purposes.
- To defray increased expenditure.
- For any such purposes as may be prescribed by law.
- Fuel Cards.

TRANSACTIONAL BANKING ACTIVITIES AND INFORMATION

- The bank must allow an "instant payment system":
 - Payments processed through the bank must reflect and/or be credited into the creditors' banking account within 30 minutes - after payment has been released - if the creditor banks with the same bank; and/or,
 - Payment must reflect and/or be credited into the creditors' banking account within 60 minutes - after payment has been released - if the creditor banks with other banks,
 - The "Instant payment system" must be built with a function to allow proof of payments to be sent automatically via email and/or SMS methods.
- The primary bank account is utilised for the payment accounts payable, sundry payments and all salary related items, including third party payments (PAYE, Pension, Medical Aid Deductions etc.). Salaries and wages are paid through a 24-hour electronic transfer service.
- The vast majority of such payments are processed electronically via Internet Banking's using a "Host to Host" and "Cash Management System" (PC Based).
- All transactions debited or credited to this Bank Account must contain effective referencing for clear identification. In such instances the Electronic Funds Transfer batch number should be quoted in the text field. The same procedure is required for "Unpaid" Electronic Funds Transfer amounts relating to an individual employee payment.

HOST TO HOST ELECTRONIC PAYMENT SYSTEM

- Required for bulk monthly debit order and daily refund batch runs.
- The municipality must be afforded a monthly debit order payment system that is managed by the Accounts Payable personnel.

- The municipal creditors must complete an order instruction application form for a debit order system. The application must be approved by the signatory prior to the bank loading as a debit order payment on the system.
- On a specific day of each month the bank must forward the awaiting approval debit order payment to the designated official for approval.
- Details of unpaid debit orders to be provided daily with a reconciliation of accepted/rejected payments.
- Proof of payment must be available immediately after payment release.
- Proof of payment must be available within 15 minutes - after payment has been released - if the creditor banks with the same bank.
- Proof of payment must be available within 30 minutes - after payment has been released - if the creditor banks with other banks.
- Proof of payment must be search – friendly (it must show the creditors name).

BANK STATEMENTS AND RELATED SERVICES

- Bank Charges for the bank account in the name of the Frances Baard District Municipality must be directed to the Primary Bank Account.
- Invoices supported by detailed workings of the calculation of the bank charges must be supplied monthly via the Electronic Funds Transfer platform and via email.
- Interest should be paid on all daily net credit balances, calculated at a prime linked rate of interest.
- Bank statements must be sent electronically in PDF format daily and hard copies must be made available on request.

FUEL CARD SYSTEM

- The provisioning of a card payment system is required for the supply of fuel and lubricants, coupled with a fuel management system for all vehicles.
- The Service Provider shall provide the following services associated with the use of the Fuel Management System for the municipal fleet:
 - a) Purchasing of fuel (Petrol / Diesel) and lubricants.
 - b) A fuel management system which controls transactions and provides reports as- or- when-requested.

FUEL CARD SYSTEM OBJECTIVES

- To support the municipality's continued efforts in reducing the fuel bill by the implementation of a cost effective and efficient fuel management system.
- To provide and maintain a user-friendly fuel management reporting system which enables municipality's fleet management department to manage their fuel usage effectively.
- To enable the municipality to detect fraud as early as possible, by providing the fleet management department with early warning exception reports relating to recent transactions, within 24 hours of an incident.

FUEL CARD SPECIFICATION REQUIREMENTS

- Specifications are intended to serve as a general guide and tenderers may submit an offer for their standard services, even though such services do not incorporate, in their entirety, all the features specified for the various items. In such cases tenderers must clearly indicate the variations and details of same.
- Provision must also be made for refuelling outside the municipal area within the RSA in exceptional cases i.e., attending of conferences, seminars, workshops etc.
- Service to be implemented within 60 days after bid has been awarded.
- Fuel prices will fluctuate in accordance with the directives of the Minister of Minerals and Energy; therefore, it won't be included in the Pricing Schedule.
- Tenderers are required to quote strictly in compliance with the pricing schedule and scope of work.

FUEL SYSTEM

- To ensure that the fleet management department, and persons as requested by FBDM, have access to a reporting system catering for all vehicles owned by the FBDM, split by departments.
- 24-hour turn-around, where new fuel cards are being ordered: Detail to card shall include Vehicle Description Make and Model, Vehicle Registration Number, Vehicles Fuel Type and Capacity, and Section/Directorate vehicle is allocated.
- Fully automated fuel management reporting on every transaction with the fuel retailer.

- The fuel management system must also be able to highlight exception reports on fuel usage and any fraudulent or suspicious activity with the fuel card.
- Bidder to provide contingency plans adequately describing “back up” plans for any electrical disruptions or technological failure of system as well as alternative provider should fuel supply be short at “preferred” retail service station.
- The number of vehicles currently not fitted with odometers or hour meters, which will also be required to be refueled at retail service stations and costed per unit, quantity to be determined and advised on award.
- Number of refueling sites offered within the operational hubs indicated, preference being given to sites with all types of fuel.

FUEL SYSTEM ADMINISTRATION

- Streamlined administration via a central billing facility.
- Online system access to the vehicle on the supplier’s mainframe to be able to update and export information.
- System must be compatible with the municipality’s financial system.
- Transactional information/ data must be available online on a daily, weekly and/or monthly basis in various downloading formats.
- Fuel card system must be able to integrate with the municipal fleet management system as well as the vehicle tracking/monitoring system.
- Produce the following fleet reports:
 - a) VAT report.
 - b) Tax reporting on annual tax/cost report for tax claims.
 - c) Individual vehicle history.
 - d) Vehicle utilization.
 - e) Fuel reports.
 - f) Fuel System Deviation Reporting.

MONTHLY FUEL BILLING

The municipality expects the service provider to provide monthly statements that include the entire amount total due as well as accompanying itemized statements for each vehicle, which should detail at least the following:

- a) Vehicle description and registration number.
- b) Fleet number.

- c) Date and time of transaction.
- d) Type of fuel dispensed.
- e) Litres per transactions.
- f) Rate per litre.
- g) Cost of fuel per transaction.
- h) Tank capacity.
- i) Vehicle Odometer reading.
- j) Name of Retail fuel station.
- k) Total due each month invoiced allowing maximum of 30 days for payment from invoice date.

FUEL TRANSACTION DATA AND MANAGEMENT

- The tenderers must demonstrate, upon request that they have a proven and developed system that can cater for the electronic collection and pricing of transactions made by Frances Baard District Municipality fleet from participating retail service stations.
- While fuel management information and reports shall constitute a "stand alone system" as specified in this document, certain core data will be required to be downloaded into Frances Baard District municipality's financial management system.
- This data must be available at every month end for updating of the municipality's financial management system.
- After the award of this contract, it will be necessary for the successful tenderer to meet with the fleet management department to finalise details of the municipality's financial management system interface file format. Any cost involved due to the interface or upgrades is for the tenderer account.

MUNICIPALITY'S VEHICLE DATABASE

- France Baard District Municipality will supply a comprehensive database (fleet register) to the successful Tenderer. This will contain relevant information relating to each of FBDM's fleet items. Should any changes take place to this database, FBDM will advise the successful tenderer accordingly in writing.
- All data supplied by FBDM under this contract is confidential and may not be disclosed to any unauthorized persons.

INTEGRITY OF THE FUEL MANAGEMENT SYSTEM

- It is important that the integrity of the entire system always be maintained at a high level of operational availability.
- The successful tenderer's system must be able to detect fraudulent activities.

TRANSACTION VOLUMES ESTIMATED QUANTITIES REQUIRED

- Estimated transaction volumes have been included in the pricing schedule.
- These volumes are indicative of the actual volume of the municipality's banking transactions per annum and are to be used as a basis of the types of services required.
- The evaluation of tenders in terms of bid prices received will be based on the comparative evaluation of tenders submitted.
- This information should be viewed as a guide only and FBDM does not guarantee the estimated volume of fuel and diesel required for the duration of the contract.

Fuel Category	Combined Estimated Quantities per month
Petrol 95 Octane Petrol (Unleaded) and Diesel (50ppm)	6 000 Litres

- The quantities indicated above are the minimum anticipated number of units required by the municipality.
- The tendered prices will be binding on this contract.

PROTECTION AGAINST FRAUD

- Council requires to be protected against all forms of fraud relating to the receipt and payment of cash, and the processing of banking transactions. Such measures should include authorisation of Internet Banking, password controls, bulk cash handling security, payment mandates, security of data, credit/debit transactions, etc.

ADDITIONAL BANK FACILITIES & SERVICES REQUIRED

- Online facility for call accounts

TRAINING & SKILLS DEVELOPMENT

- Bids must include provision for the training of staff of the municipality relating to the implementation and management of the bank's services and must be on site at the municipality during the implementation phase. Regular meetings with the municipality's project manager must be held.

PRICE ESCALATION

- Only one annual escalation will be allowed.
- Price escalation will apply as follows: No more than CPI upon the anniversary of the contract.

EXIT STRATEGY

- The tenderer will be required to provide services prior to the take-over of the new tenderer, at the same terms and conditions, until such time that the municipality closes its existing bank accounts.

IT / FINANCIAL MANAGEMENT SYSTEM REQUIREMENTS HOST-TO-HOST SOLUTION

- A secure host-to-host solution (that can handle the municipality's transactional volumes) for the electronic transfer of the municipality's transactions from the municipality's financial management system to the bank and back needs to be provided. When a payment file is being created, the created file must be automatically ingested by the bank for viewing and releasing of payments on the bank system.
- The host-to-host solution must be able to transfer electronic transactions from the municipality's financial management system to the bank's system and back without downloading the transactions to a user's PC.
- This solution needs to accept transactional files in the standard Automated Clearing Bureau/BankServ format/a format that can easily be created in the municipality's financial management system environment.
- The successful tenderer needs to provide the programming codes to the municipality's financial management software service provider, CCG systems (SAGE software), for the municipality's Financial Management System, if required for any integration.
- A message indicating if the transmission was accepted needs to be returned within one hour of any transaction.

- The system must be able to handle payment transactions of more than R10 000 000 (10 million rand) mixed with other smaller payment transactions in the same file.
- The system must be able to handle more than one payment file per day (no overwriting of previously sent file).
- The system must be able to handle payments to all other banks in one file.
- Security based on different user codes for the different business user groups need to be provided.
- Item/Transaction limits, day limits, weekly limits, etc. needs to be provided per user code.
- An administrative system that will warn the municipality if any of the daily or weekly limits are close to being exceeded.
- File security via control totals and hash totals needs to be provided.
- A file/directory naming convention should be utilized whereby the files/directory can easily be identified without looking at the contents of the file.
- Use must be made of a system of transmission numbers and sequence numbers that prevent the accidental duplication of a transmission/file (if the file was sent twice).
- The transactions reflected in municipality's bank statement needs to be sent to the municipality daily.
- The bank statement file needs to be in a format that can easily be created in the Municipality's Financial Management System environment.
- Proof of intention to integrate.

DESKTOP/DIRECT SOLUTION

- A desktop based online solution (utilizing modems or the internet as a communication medium) needs to be provided for ad hoc payments of small manual captured transaction volumes.
- This solution needs to have a built-in two stage sign on and approving security mechanism.
- This solution can also be used as the back-up solution to the host-to-host solution.
- The solution needs to prompt the users every 30 or 40 days to change your access password.

REQUIREMENTS FOR BOTH THE HOST-TO-HOST AS WELL AS THE DESKTOP/DIRECT SOLUTION

- Where payments are sent in advance, it must be possible to cancel specific transactions via e-mail in emergency cases.
- A message / messages indicating rejected/unpaid transactions needs to be returned the next day or as soon as available.
- An online bank inquiry solution needs to be provided. This could be via the desktop/direct solution mentioned above.
- Must be possible to handle payments to banking institutions where a universal branch code is utilized.
- Reference fields must be returned on all transactions that are rejected.
- Branch code verifications as well as Check Digit Validation checks need to occur immediately after any transactions are sent.
- Normal internet e-mail will not be acceptable as a mode of transmission between the municipality and the bank except from duly mandated officials and signatories as per the bank's records.
- Both the host-to-host system as well as the desktop/direct solution must be able to accept transactions between the hours of at least 06h00 and 20h00 on workdays and weekends (as long as the municipality keeps within the cut-off times for the specific service).
- The municipality needs to be notified of any redirected transactions.
- All payment entries on the bank statement must show a unique reference number. For Electronic Funds Transfer payments, it will be The Electronic Funds Transfer batch reference number.
- Bank Charges and interest must be separately and uniquely coded by the bank. Any subsequent adjustments to these entries must bear the same reference number on the bank statements as the original entry.
- The system needs to provide the following services: same day, one day, two day and five day as well as a warehousing service of future dated transmissions (at least 30 days in advance).

TESTING REQUIREMENTS

- Tenderers must provide a testing environment/testing facility.
- The test environment/facility must be available before go live as well as after go live.

- Tenderers must assign dedicated staff to be prepared to interact and respond during the municipality's implementation development progress.
- Bank should be prepared for parallel run/s for up to two months before Go-Live.

EXTERNAL TRANSACTION CODES

Every bank must submit with the completed tender documents and upon request a complete list of their external transaction codes used.

This must be supplied in hardcopy.

The list should include columns specifying the following:

- a) External Code
- b) Description
- c) Debit/Credit Indicator
- d) Function Code
- e) Function Code Description
- f) Transaction Category/ Type Code- CT/DT
- g) Statement Transaction Category Code
- h) Transaction Code
- i) The successful tenderer needs to undertake to inform the Municipality of any new bank codes at least ten (10) working days before the code is implemented by the bank. (The eventual contract will include a clause relating to penalties if the requirement is not complied with).

PRICING SCHEDULE

- Please complete in detail
- a) All prices shall be tendered including VAT but including customs or excise duty and any other duty, levy, or other applicable tax.
 - b) All prices shall be tendered in accordance with the units specified in this schedule.
 - c) All prices tendered must include all expenses, disbursements, and costs (e.g., transport, overheads, accommodation etc.) that may be required in and for the execution of the work described in the Specification, and shall cover the cost of all general risks, liabilities and obligations set forth or implied in the Contract as well as overhead charges and profit (in the event that the tender is successful).
 - d) All prices tendered will be final and binding.

- e) Prices tendered below shall be subject to adjustment in accordance with Schedule 10.
- f) The tenderer shall complete prices for all items on the price schedule for each section tendered for.

SERVICES AND COSTS

- Online Cheque Stopping Facility.
- Online Security.
- Online Customer Transactions.
- High Value Transactions.
- The bidder must indicate whether it has a direct online stop payments and the reversal thereof.
- Has a direct online to enquire to the status of cashed.
- Has ability to handle large volumes online.
- Indicate whether it can supply online photographic images of all cashed cheques and if not in what format is this information available.
- Has direct online function to enquire on the status of all relevant bank accounts.

COST STRUCTURES

1.1 Bank Charges and the time frame that the rates will be effective for:

- Monthly Services.
- Deposit and cheque payments.
- Other charges.
- Internet Banking.
- Financing Rates.
- Overdraft.
- Asset Based Finance.
- Operating Rentals.

1.2 Investment Portfolio

- Products.
- Charges.
- Administration.

- Commission.
- Switching funds.
- Administration of portfolio.

1.3 Banking Services and Portfolio Range

The bidder must provide a full set of electronic and other banking products and services to the municipality such as:

- Cash Handling Services.
- Supply information indicating procedures and authorization requirements for cash deposits, withdrawals, cheque payments, stop payments instructions and any other services provided relating to the handling of cash and cheques with the associated costs.
- Can sort information based on deposit identification.
- Can provide real time cash management information to optimize the municipality's fund management.
- Can provide one main charge account for all the bank charges including our third-party charges.

1.4 Cheque Accounts

Demonstrate the ability to investigate and recover losses arising from fraudulent negotiations of cheques.

1.5 Overdraft Facilities

- Daily aggregation of deposit accounts and cheque cashing facilities.
- The provision of interfaces between the bank's electronic system and the municipality's financial system to enable electronic reconciliation.
- Provide electronic identification and reconciliation of counter deposits.

1.6 Electronic Banking

- Provide electronic bank statement the following day after deposits are made.
- Multi-layered security enabling individual access to transfers and/or enquiries irrespective of physical with audit trail capabilities.
- Has the capacity for the municipality to identify and offer modular cash management functionalities.

- Have predetermined electronic payments set up with standard payment details for both third party payments and internal transfers.
- Have ad hoc electronic transferred for 3rd party payments and internal transfers.
- Has the ability to assist the municipality in applying limits to transactions and account and the monitoring thereof.
- Provide for deposit identification with electronic transfers and deposits, the number and type of characteristics should be supplied.
- Has the ability to supply information pertaining to unpaid Automated Clearing Bureau transactions.
- Has the ability to transact electronically via the bank with suppliers of goods and services as and when required.

1.7 Reporting Audit Trails and Queries

- Supply information of its ability to provide daily and monthly cash management reports and statements.
- Provide information as to what audit trails will be available, in what form and how daily and ad hoc queries will be addressed. Response time to supply statements should be stated.
- Indicate whether it can provide a breakdown of information of the bank charges and costs to allow the municipality to reconcile with proposed prices.
- Indicate any additional costs that are incurred with the supply of the information.
- Demonstrate executive reporting facilities to assist in the control and monitoring of accounts and exceptions reporting for amounts that exceeds a specific limit and unusual patterns of spending.
- A facility for notification either by email or SMS on exceptions/risk areas that can be identified in the municipality, e.g., change in authorizations, administrators, similar amounts paid especial material amounts, etc.

1.8 Non-Financial Asset and Additional Services

- General Advice.
- Bank Training for applicable municipality staff.
- Risk Management.

1.9 Project and Asset Financing Products

- Leasing.

- Financing.
- Rentals.
- Fleet management services.
- Maintenance.

SPECIFIC REQUIREMENTS AND ISSUES

1.10 Short Term Facilities:

Pricing Schedules should be included for any cost involved for this service.

- The municipality from time to time will require either cash backed, or non- cash backed guarantees from the Bank. Please ensure that there is always a facility available and give indicative rates for such facilities.
- The proposal must also indicate what the pricing will be on debit or credit balances. Proposals may also consider proposing different rates for different levels of facilities and/or balances.

1.11 Custodian Services

Pricing Schedules should be included for any cost involved for this service.

- Other safe custody services for material other than financial script must also be included in this section.

1.3 Settlement Agent

Pricing Schedules should be included for any cost involved for this service.

- The bidder must indicate whether it is an official settlement agent of the Bond Exchange of South Africa.

1.4 Other Services

Pricing Schedules should be included for any cost involved for this service, clearly indicating if it's for the municipality or the employee.

Please provide in detail any tailor-made products and services to employees of the municipality amongst other the following:

- Vehicle Schemes.
- Retirement Funds and Other Insurance Scheme.

- Housing / Bond Facility.
- Financial Advisory Services.
- SMME Support.

1.5 Computer Systems and Technical Equipment

Pricing Schedules should be included for any cost involved for this service.

- Please provide a technical specification to enable the bidder to interface with the computer systems of the municipality.
- Any additional hardware that would be required to ensure that the municipality's IT system functions effectively.
- The Communication Software that will be made available to allow the systems to link and talk to each other.
- Information on the connection protocol or service provider that the Bidder must subscribe to.
- Security assurance and confidentiality in connectivity between the municipality and the Bidder.
- All related roles and responsibilities must be clearly outlined.

1.6 Security Procedure and Insurance

Pricing Schedules should be included for any cost involved for this service.

- Please provide information as to what security procedures are being followed to prevent fraudulent practices in terms of e-commerce, cheque, cash etc.
- Please provide information as to what insurance arrangements are in place or should be put in place as part of the Proposal to protect the Municipality against any loss, and the cost thereof.
- Outline a plan to provide the municipality's senior management and its employees with ongoing advice and training on fraud prevention and methods of detecting fraud.
- Advice and facilities to detect money-laundering activities.

1.7 Training and Skills Transfer

Pricing Schedules should be included for any cost involved for this service.

The municipality is continuously focusing on the skilling and the training of its Staff. The bidder is required to provide the municipality with a detailed proposal outlining a training strategy and plan with timeframes regarding, among others, the following.

- Training that will be provided on the various banking products and facilities that will be used by the municipality.
- Training on Cash Handling, Detection of fraud, etc.
- Continuous on-site training on the use of the Bidders electronic banking systems.

NOTE:

1. Only firm prices will be accepted. Non-firm prices will not be considered.
2. All delivery costs MUST be included in the bid price, for delivery at the prescribed destination.
3. Document MUST be completed in non-erasable black ink.
4. NO correction fluid/tape may be used. a. In the event of a mistake having been made, it shall be crossed out in ink and be accompanied by an initial at each and every alteration.
5. The Bidder MUST indicate whether he/she/the entity is a registered VAT Vendor or not.
6. In the case of the Bidder not being a registered VAT Vendor, both columns (amount/rate excluding AND including VAT) must reflect the same amount

Section	Description	Year 1	Year 2	Year 3	Year 4	Year 5
<u>1.</u>	<u>Transactional Banking Fees</u>					
<u>1.1</u>	<u>Handling Fees</u>					
1.1.1.	Fixed fee per debit item					
1.1.2.	Cash Deposit Handling Fee					
1.1.3.	Enhanced Deposit Identifier Fee (Check Digit Verification)					
1.1.6.	Cost for stop payments					
1.1.7.	Cash withdrawals: cash sent/e wallet fee					
1.1.8.	Transfer to branches of Main Banker					
1.1.9.	Transfer to branches of other banks					
1.1.10.	Consolidated Payments					
1.1.11.	Correcting an error on Deposits					
1.1.12.	Debit Orders					

Section	Description	Year 1	Year 2	Year 3	Year 4	Year 5
<u>1.2</u>	<u>Bank Statements</u>					
1.2.1	Initial Registration Fee					
1.2.2.	PDF Format					
1.2.3	Electronic Format (Per Page)					
1.2.4.	Daily Statements (Per Page)					
1.2.5.	Confirmation report (AG SA)					
1.2.6.	Certificate of balance					
1.2.7.	Long outstanding queries raised after 3 months or more. (Unknown Deposits)					
<u>1.3</u>	<u>Bulk Filing</u>					
1.3.1.	Image Enquiry					
<u>1.4</u>	<u>Interest Rates</u>					
1.4.1.	On Credit Balances- Interest payable on daily current account credit balances (30 Days)					
1.4.2.	Overdrawn Balances- Interest payable on daily current account debit balances (30 Days)					
1.4.3.	Interest statement charges					
<u>2.</u>	<u>Electronic Banking</u>					
2.1.	Cash Management System (Desktop PC or Laptop Based)					
2.1.1.	Installation- Once Off Fees					
2.1.2.	The Municipality's Financial Management System Integration					
2.1.3	Operator Fees- Per Operator/ System Manager / Administrator					

Section	Description	Year 1	Year 2	Year 3	Year 4	Year 5
3.	<u>Transaction Fees</u>					
3.1.	Credits (Payments against available funds)					
3.2.	Payments exceeding R1 million					
3.3.	Instant payment system – transaction fee					
3.4	Account holder verification					
4.	<u>Banking notification and reminder charges</u>					
4.1.	E-mail					
4.2.	SMS					
5.	<u>Payments & Collections Via Host-to-Host connectivity (Including Automated Clearing Bureau Fees)</u>					
5.1	Registration / Implementation Fee					
5.2	Minimum Monthly Electronic Funds Transfer Fee- Host to Host					
5.3	Electronic Funds Transfer Transactions- Credits					
5.4	Same Day Value Credits					
5.5	One-Day Credits / Charge per Transaction < R 1million					
5.6.	Charge per Transaction > R 1million					
5.7.	Two-day Credits					
6.	<u>Electronic Funds Transfer Transactions- Debits</u>					
6.1	Early Debits					
6.2	Same Day Value Debits					
6.3	Charge per Transaction > R 1million					
6.4	Charge per Transaction < R 1million					

Section	Description	Year 1	Year 2	Year 3	Year 4	Year 5
<u>7.</u>	<u>Penalties</u>					
7.1	Un-Paid					
7.2	Re-Directs					
<u>8.</u>	<u>Automated Aggregate Limit Usage</u>					
8.1	On every transmission (Aggregate limit enquiry-Specify)					
8.2	Daily					
8.3	On Request					
8.4	Additional Charges in Respect of Error Processing- If aggregate value limit is exceeded					
8.5	Additional Charges in Respect of Error Processing- If data is technically incorrect					
8.6	Additional Charges in Respect of Error Processing- If submitted after the agreed cut- off time					
<u>9.</u>	<u>Account Holder Verification</u>					
9.1	Tenderer's bank validation					
9.2	Other bank's validation					
<u>10.</u>	<u>Branch Deposit Identification</u>					
10.1	Initial Registration Fee- Once- Off					
10.2	Fixed Monthly Fee					
10.3	Price per Deposit- CDV					
<u>11.</u>	<u>Electronic Deposit Identification</u>					
11.1	Initial Registration Fee- Once- Off					
11.2	Fixed Monthly Fee					

Section	Description	Year 1	Year 2	Year 3	Year 4	Year 5
11.3	Price per Deposit- CDV					
<u>12.</u>	<u>Maintenance, Support & Training</u>					
12.1	Maintenance & Support- Per Hour or part thereof, including travel time					
12.2	Training- Per Hour or part thereof, including travel time					
12.3	Help Desk Enquiries					
12.4	Transaction tracing (Client Support)					
12.5	Password reset at helpdesk					
12.6	Self-Assisted password reset					
12.7	Re-Issue of Invoices					

PRICING SCHEDULE for ONCE-OFF SERVICES						
#	DESCRIPTION	Frequency / Unit	Estimated Quantities	Explanatory / Clarifying Notes	Unit Rate	Projected Total
1.	Fleet Initiation Fee					
2.	Card Initiation Fee					
3.	Card Service Fee					
4.	Transaction Fee- Fuel					
5.	Transaction Fee- Tolls					
6.	Replacement/Damaged Card Fee					
	Totals Cost					

Totals Projections + 1 Once-Off	Year 1	Year 2	Year 3	Year 4	Year 5	Totals
Projected TOTAL						
ONCE-OFF SERVICES		-	-	-	-	
VAT @ 15%						
Total Tender Price- Incl. VAT						

ANNEXURE B

SOCIAL UPLIFTMENT COMMITMENTS

It is defined as a process whereby organizations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole-life cycle basis in terms of generating benefits not only to the organization, but also to society and economy, whilst minimizing damage to the environment.

In an endeavour to achieve the above-mentioned ideals, FBDM has identified Corporate Social Investment (CSI) as one of the significant drivers and enablers in addressing socio-economic and environmental challenges facing local communities across the province.

CSI is generally used to describe the “concept” whereby companies integrate social, economic and environmental concerns in their business operations and in their interactions with their stakeholders on a voluntary basis.

The following are broad-programmes identified as key priorities:

- Education
- Health
- The creation of decent work and sustainable livelihoods
- Rural development, food security and land reforms
- The fight against crime and corruption
- Environmental issues (green environment)
- Economic development
- Infrastructure development and maintenance related programmes

Terms

- Once the bid has been awarded EXCO must then pronounce on programmes to be funded and outline implementation and monitoring mechanisms.
- FBDM reserves the right to implement the projects in line with the district’s timeframes, even in instances where such contradicts the timeframes indicated in the bid response.

CSI PROGRAMMES	MEASURABLE TARGETS				
	Year 1 R'000	Year 2 R'000	Year 3 R'000	Year 4 R'000	Year 5 R'000
<i>Commitment of the bank to the government's macro-economic strategy for growth and development. The bidders must provide amounts of how much contribution are they going to commit to the said programmes in the FBDM - as a result of the said contract.</i>					
i. Normal contribution to the Northern Cape (provide value and projects).					

CSI PROGRAMMES	MEASURABLE TARGETS				
	Year 1 R'000	Year 2 R'000	Year 3 R'000	Year 4 R'000	Year 5 R'000
ii. Current / existing contribution (provide value and projects).					
<i>Financial Support and Capacity Building Programmes in the District / Province.</i>					
i. Commitment and support for the Northern Cape Provincial / District growth and Development Strategy and The New Growth Path (refer to F.5.1).					
ii. Commitment to provincial / district's economic transformation (refer to F.5.2)					
iii. Support SMME development in the province / district, especially historically disadvantaged (refer to F.5.3).					
iv. Human Resource Development (refer to F.5.4)					
<i>Financial and non-financial support</i>					

i. Support to initiatives linked to rural development, food security and land reform plans etc.					
ii. Support / interventions to skills development for youth, women, and disabled in agricultural or any sector.					

The preferred Service Provider shall adhere to the following corporate social investment terms:

COMMITMENT AND SUPPORT FOR THE NORTHERN CAPE PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY AND THE NEW GROWTH PATH.

- Discernible support to government’s endeavours to achieve the goals set for the beneficiation of minerals found in the province.
- Participation of the service provider in the development and implementation of the provincial Growth and Development Strategy process.
- Support programmes that promote skills development in the province.
- Support community development projects.
- Participate and contribute to forums that deal with the infrastructure development, health, and welfare and crime prevention.

COMMITMENT TO PROVINCIAL ECONOMIC TRANSFORMATION.

- Promote Broad Based Black Economic Empowerment programmes.
- Commit to internal transformation adhering to employee equity.
- Extend banking services access to the population of the Northern Cape.

SUPPORT SMME DEVELOPMENT IN THE PROVINCE.

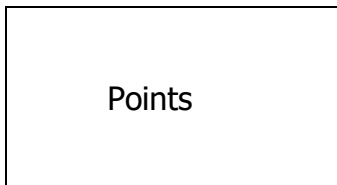
The preferred business partner service provider will also show commitments to the following externally orientated issues:

- Sub-contracting to small, medium and micro-enterprises and emerging companies owned by previously disadvantaged individuals (PDI’s).
- Skills transfer programmes for the duration of the contract.
- Social investments aimed at e.g. economic empowerment drives within PDI communities.
- Increasing accessibility of PDI’s and their communities,

HUMAN RESOURCE DEVELOPMENT

- Promote a non-racial, non-sexist environment and to enhance cultural diversity and gender sensitivity within the sector.
- Invest in human resource development across the full spectrum of skills, with special emphasis on increasing the participation of black people in skilled, strategic and operational leadership in the sector.
- Invest in and equip current and future leadership incumbents in the sector with the appropriate knowledge and capacity to enable them to play a central role in driving the transformation programme.

COMMITMENT OF THE BANK TO THE GOVERNMENT'S MACRO-ECONOMIC STRATEGY FOR GROWTH AND DEVELOPMENT.



- Trade, industrial and investment e.g. promoting cluster development.
- Support to SMME Development.
- Public sector reforms.
- Labour market reforms e.g. training of new entrants.
- Social Economic contribution/commitments to:
 - Education and Training.
 - Health and Welfare.
 - Housing infrastructure.
 - Land reform and rural water.
 - Crime prevention.
- Affirmative action (a soundtrack record and/or policy regarding the implementation of affirmative action).

THE MUNICIPALITY SHALL HAVE THE RIGHT TO TAKE INTO ACCOUNT PAST PERFORMANCES OF A BIDDER WHICH PROVIDED COMMERCIAL BANKING SERVICES TO ANY MUNICIPALITY IN THE REPUBLIC OF SOUTH AFRICA AS PART OF ITS EVALUATION PROCESSES. FOR ANY QUERIES, CONTACT ADELE GROENEWALD-SHIELDS ON ADELE.GROENEWALD@FBDM.CO.ZA OR (053) 838 0933

**PART A
INVITATION TO BID**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE FRANCES BAARD DISTRICT MUNICIPALITY					
BID NUMBER:	BID 25/24	CLOSING DATE:	17 JUNE 2025	CLOSING TIME:	12H00
DESCRIPTION	PROVISION OF BANKING SERVICES				
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

Frances Baard District Offices (Tender Box)
51 Drakensberg Avenue
Carters Glen
Kimberley
8301

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:
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES 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	FINANCE - SCM	CONTACT PERSON	Mrs. A. Groenewald-Shields
CONTACT PERSON	Mr. Eric Tlhageng	TELEPHONE NUMBER	053 838 0911
TELEPHONE NUMBER	053 838 0946	FACSIMILE NUMBER	053 861 1538
FACSIMILE NUMBER	053 861 1538	E-MAIL ADDRESS	adele.groenewald@fbdm.co.za
E-MAIL ADDRESS	eric.tlhageng@fbdm.co.za		

**PART B
TERMS AND CONDITIONS FOR BIDDING**

1. BID SUBMISSION:	
1.1.	BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2.	ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR ONLINE
1.3.	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
2. TAX COMPLIANCE REQUIREMENTS	
2.1	BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2	BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3	APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
2.4	FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.
2.5	BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.6	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.7	WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS	
3.1.	IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <input type="checkbox"/> YES <input type="checkbox"/> NO
3.2.	DOES THE ENTITY HAVE A BRANCH IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO
3.3.	DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO
3.4.	DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO
3.5.	IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? <input type="checkbox"/> YES <input type="checkbox"/> NO
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.	

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

MBD 3.1

PRICING SCHEDULE – FIRM PRICES

Name of bidder	BID: 26/24
Closing Date: 17 JUNE 2025 (12::00)	

OFFER MUST BE VALID FOR (90) DAYS FROM THE CLOSING DATE OF BID.

NOTE:

1. Only firm prices will be accepted. Non-firm prices will not be considered.
2. All delivery costs MUST be included in the bid price, for delivery at the prescribed destination.
3. Document MUST be completed in non-erasable black ink.
4. NO correction fluid/tape may be used. a. In the event of a mistake having been made, it shall be crossed out in ink and be accompanied by an initial at each and every alteration.
5. The Bidder MUST indicate whether he/she/the entity is a registered VAT Vendor or not.
6. In the case of the Bidder not being a registered VAT Vendor, both columns (amount/rate excluding AND including VAT) must reflect the same amount

Section	Description	Year 1	Year 2	Year 3	Year 4	Year 5
<u>1.</u>	<u>Transactional Banking Fees</u>					
<u>1.1</u>	<u>Handling Fees</u>					
1.1.1.	Fixed fee per debit item					
1.1.2.	Cash Deposit Handling Fee					
1.1.3.	Enhanced Deposit Identifier Fee (Check Digit Verification)					

1.1.6.	Cost for stop payments					
1.1.7.	Cash withdrawals: cash sent/e wallet fee					
1.1.8.	Transfer to branches of Main Banker					
1.1.9.	Transfer to branches of other banks					
1.1.10.	Consolidated Payments					
1.1.11.	Correcting an error on Deposits					
1.1.12.	Debit Orders					
Section	Description	Year 1	Year 2	Year 3	Year 4	Year 5
<u>1.2</u>	<u>Bank Statements</u>					
1.2.1	Initial Registration Fee					
1.2.2.	PDF Format					
1.2.3	Electronic Format (Per Page)					
1.2.4.	Daily Statements (Per Page)					
1.2.5.	Confirmation report (AG SA)					
1.2.6.	Certificate of balance					
1.2.7.	Long outstanding queries raised after 3 months or more. (Unknown Deposits)					
<u>1.3</u>	<u>Bulk Filing</u>					
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<u>1.4</u>	<u>Interest Rates</u>					
1.4.1.	On Credit Balances- Interest payable on daily current account credit balances (30 Days)					
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1.4.3.	Interest statement charges					

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2.1.	Cash Management System (Desktop PC or Laptop Based)					
2.1.1.	Installation- Once Off Fees					
2.1.2.	The Municipality's Financial Management System Integration					
2.1.3	Operator Fees- Per Operator/ System Manager / Administrator					

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3.4	Account holder verification					
4.	<u>Banking notification and reminder charges</u>					
4.1.	E-mail					
4.2.	SMS					
5.	<u>Payments & Collections Via Host-to-Host connectivity (Including Automated Clearing Bureau Fees)</u>					
5.1	Registration / Implementation Fee					
5.2	Minimum Monthly Electronic Funds Transfer Fee- Host to Host					
5.3	Electronic Funds Transfer Transactions- Credits					
5.4	Same Day Value Credits					
5.5	One-Day Credits / Charge per Transaction < R 1million					
5.6.	Charge per Transaction > R 1million					

5.7.	Two-day Credits					
6.	<u>Electronic Funds Transfer Transactions- Debits</u>					
6.1	Early Debits					
6.2	Same Day Value Debits					
6.3	Charge per Transaction > R 1million					
6.4	Charge per Transaction < R 1million					
Section	Description	Year 1	Year 2	Year 3	Year 4	Year 5
7.	<u>Penalties</u>					
7.1	Un-Paid					
7.2	Re-Directs					
8.	<u>Automated Aggregate Limit Usage</u>					
8.1	On every transmission (Aggregate limit enquiry- Specify)					
8.2	Daily					
8.3	On Request					
8.4	Additional Charges in Respect of Error Processing- If aggregate value limit is exceeded					
8.5	Additional Charges in Respect of Error Processing- If data is technically incorrect					
8.6	Additional Charges in Respect of Error Processing- If submitted after the agreed cut- off time					
9.	<u>Account Holder Verification</u>					
9.1	Tenderer's bank validation					
9.2	Other bank's validation					
10.	<u>Branch Deposit Identification</u>					
10.1	Initial Registration Fee- Once- Off					

10.2	Fixed Monthly Fee					
10.3	Price per Deposit- CDV					
<u>11.</u>	<u>Electronic Deposit Identification</u>					
11.1	Initial Registration Fee- Once- Off					
11.2	Fixed Monthly Fee					
Section	Description	Year 1	Year 2	Year 3	Year 4	Year 5
11.3	Price per Deposit- CDV					
<u>12.</u>	<u>Maintenance, Support & Training</u>					
12.1	Maintenance & Support- Per Hour or part thereof, including travel time					
12.2	Training- Per Hour or part thereof, including travel time					
12.3	Help Desk Enquiries					
12.4	Transaction tracing (Client Support)					
12.5	Password reset at helpdesk					
12.6	Self-Assisted password reset					
12.7	Re-Issue of Invoices					

PRICING SCHEDULE for ONCE-OFF SERVICES						
#	DESCRIPTION	Frequency / Unit	Estimated Quantities	Explanatory / Clarifying Notes	Unit Rate	Projected Total
1.	Fleet Initiation Fee					
2.	Card Initiation Fee					
3.	Card Service Fee					
4.	Transaction Fee- Fuel					
5.	Transaction Fee- Tolls					
6.	Replacement/Damaged Card Fee					
	Total Cost					

Totals Projections + 1 Once-Off	Year 1	Year 2	Year 3	Year 4	Year 5	Totals
Projected TOTAL						
ONCE-OFF SERVICES		-	-	-	-	
VAT @ 15%						
Total Tender Price- Incl. VAT						

DECLARATION OF INTEREST

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

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

3.1 Full Name:

3.2 Identity Number:

3.3 Company Registration Number:

3.4 Tax Reference Number:

3.5 VAT Registration Number:

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

3.6.1 If so, furnish particulars.

.....
.....

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

3.7.1 If so, furnish particulars.

.....
.....

3.8 Do you, have any relationship

* 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.

(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

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

3.9.1 If so, furnish particulars

.....
.....

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

YES / NO

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

3.11.1 If so, furnish particulars.

.....
.....

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. (A FALSE DECLARATION MAY RESULT IN CANCELLATION OF CONTRACT AND BLACK LISTING)

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL
PROCUREMENT REGULATIONS 2022**

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

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

1. GENERAL CONDITIONS

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

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

1.2 **To be completed by the organ of state**

(delete whichever is not applicable for this tender).

- a) The applicable preference point system for this tender is the 90/10 preference point system.
- b) The applicable preference point system for this tender is the 80/20 preference point system.
- c) Either the 90/10 or 80/20 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.

1.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

- 1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.
- 1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

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

Where

- Ps = Points scored for price of tender under consideration
Pt = Price of tender under consideration
Pmin = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

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

Where

- Ps = Points scored for price of tender under consideration
Pt = Price of tender under consideration
Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

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

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

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.)

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Enterprises located in the district municipal area		20		

The objectives as specific goals in line with section 2(1) of the Act, is to:

- Promote local labour and/ or promotion of enterprises located in the district municipal area of which 20 points is allocated,
- Enterprises within Northern Cape outside the district municipal area 10 points and
- Enterprises outside Northern Cape 5 points.

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

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

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

.....	
SIGNATURE(S) OF TENDERER(S)	
SURNAME AND NAME:
DATE:
ADDRESS:

CONTRACT FORM - RENDERING OF SERVICES

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SERVICE PROVIDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SERVICE PROVIDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.

2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid;
 - Proof of tax compliance status;
 - Pricing schedule(s);
 - Filled in task directive/proposal;
 - Preference claim form for Preferential Procurement in terms of the Preferential Procurement Regulations;
 - Declaration of interest;
 - Declaration of Bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)

3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.

4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.

5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.

6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES	
1
2
DATE:

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I..... in my capacity as..... accept your bid under reference numberdated.....for the rendering of services indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating service delivery instructions is forthcoming.
3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	TOTAL PREFERENCE POINTS CLAIMED	POINTS CLAIMED FOR EACH SPECIFIC GOAL

4. I confirm that I am duly authorised to sign this contract.

SIGNED AT ON

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1

2

DATE:

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
 - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
 - b. been convicted for fraud or corruption during the past five years;
 - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <p>The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	<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"/>

4.3.1	If so, furnish particulars:		
Item	Question	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

CERTIFICATION

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Municipal Bidding Document (MBD) must form part of all bids¹ invited.

- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.

- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
 - a. take all reasonable steps to prevent such abuse;
 - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.

- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.

- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Municipality / Municipal Entity)

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

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

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 consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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

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

Js9141w 4

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
- (ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract will form part of all bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Contract amendments
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Dumping and countervailing duties
25. Force Majeure
26. Termination for insolvency
27. Settlement of disputes
28. Limitation of liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties
33. National Industrial Participation Programme (NIPP)
34. Prohibition of restrictive practices

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 any thing 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 supplies 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 supplies 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 “Written” or “in writing” means handwritten 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, 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 supplies, 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 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

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.

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 in SCC.

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 supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 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 supplies 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 supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies 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 supplies may on or after delivery be inspected, tested or

analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies 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 supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies 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 23 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 and 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, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.

10.2 Documents to be submitted by the supplier are specified in SCC.

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 in the SCC.

12. Transportation

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

13. Incidental services

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

- (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 in SCC, 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 in SCC.

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 in SCC 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 in SCC, 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 in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 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 in SCC.
- 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 in SCC or in the purchaser's request for bid validity extension, as the case may be.
- 18. Contract amendments**
- 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
- 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 contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the supplier's 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 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 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 supplies are required, or the supplier's services are not readily available.

21.5 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 21.2 without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the Supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a supplier or any

person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, 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 Accounting Officer / Authority 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. Anti-dumping 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 contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies 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 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 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.

28. Limitation of liability

- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, 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 in SCC.
- 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 the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
- 33. National Industrial Participation Programme (NIP)** 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
- 34 Prohibition of Restrictive practices** 34.1 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 (or bid rigging).
- 34.2 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 the Competition Act No. 89 of 1998.

- 34.3 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.