



TERMS OF REFERENCES

**VHEMBE DISTRICT MUNICIPALITY
P/BAG X5006
THOHoyANDOU
0950**

**TEL: (015) 960 2000
FAX: (015) 960 1017**

FINANCE DEPARTMENT

PROVISION OF BANKING SERVICES FOR THE PERIOD OF FIVE (05) YEARS

BID NUMBER: VDM/FIN/06/05/2026/01

NAME OF BIDDER:

AMOUNT:.....

pitch for their flight. It is then considered a method to ensure that all available ca-

an airline will seldom ever be able to pull an aircraft by selling every seat simply

unfortunately considered a no-show and the ticket will be forfeited," Jordan said.

driven by added premium benefits, competitive savings rates and transparent forex services without higher fees.

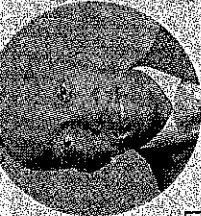
Battle for affluent clients heats up as Investec sets eyes on top earners

By **Boitumelo Kgoboto**

South African banks are increasingly going head-to-head for affluent clients as competition for the fast-growing segment heats up. In the process, traditional barriers are falling away with private banking steadily being repositioned as a more accessible mainstream offering.

Investec is making a decisive push into the country's affluent banking segment, aiming to nearly triple its market share as it seeks to establish a stronger foothold beyond its traditional high-net-worth base.

The premier international bank and wealth manager is targeting a sharp rise in market share from 7% to 20% as it aims to dominate a group it believes has been widely overlooked. The bank has a traditional stronghold at the very top of the market but has identified individuals earning between R800 000 and R1.5-million a year as a critical battleground.



Itumeleng Merafe
head of private banking in SA at Investec.

Capitec, typically focused on mass market, recently revealed a 20% year-on-year increase in the segment been underrepresented in this market but

highlighted that the segment is both undervalued and increasingly valuable. He explained that affluent professionals are typically in their 30s and 40s and are too complex for retail banking yet often considered too early in their wealth journey for private banking. He said Investec previously focused on chartered accountants, actuaries, legal specialists and medical specialists but are now broadening it through the investments made on their digital platforms.

"Clients in the affluent sector are not looking for just another transactional platform but are looking for a holistic financial services partner. The execution is in flight, so this is not a strategy that we are looking into for the future, it is something that we are executing and we've been very clear around results end of our execution for the 2030 goals."

The current client base for Investec already reflects its strength in higher income tiers. Of its 128 000 core clients, high net-worth clients earning above R5 million annually dominate at 41%, while clients earning between R1.5 million and R5 million come second at 25%.

He said this segment remains the foundation of the business and includes a full suite of services, from banking and wealth management to business advisory and international banking.

Merafe highlighted that this is the most resilient market that remains strong despite shocks.



VHEMBE DISTRICT MUNICIPALITY

REQUEST FOR TENDERS/PROPOSALS

BID NUMBER	DESCRIPTION	BID FEE	DOCS AVAILABLE	COMPULSORY BRIEFING SESSION	CIDR GRADING	CLOSING DATE	TECHNICAL ENQUIRIES
VDW/FIN/06/05/2026/01	Provision of Banking Services for the period of five (05) years.	R2077,00 (Non-Refundable or Feeless) Downloaded in the Vhembe District Municipality Website	1st June 2026	9th June 2026 at 10h00 at the entrance of Vhembe District Municipality	None	25th August 2026 at 12h00	Chief Financial Officer: Ms Chauke M. at 015-960-2000

Complete Tender documents sealed in an envelope marked the above mentioned bids, must be deposited in the bid box, next to the entrance of Vhembe District Municipality Offices, next to Khoroni Hotel (Former Vemba Tusk Hotel) wherein the bids will be opened in public.

The following documents are required and shall form part of the bid: CSD summary report, tax clearance compliance status letter or tax clearance compliance number, Company Registration Certificate, Proof of Purchased tender document receipt (for only purchased tender documents), Bidders Certified copy of ID Document and Proof that the bidder municipal business account or any of the directors municipal account is not in arrears (N.B. Municipal Clearance not older than three months) or NB: Letter from traditional authority indicating that they are not paying Municipal rates and taxes, CIDB Certificate where applicable and Audited Financial Statement (only bid above R10 000 000)

Late bid, telegraphic e-mails or telefax transmission documents will not be accepted. Vhembe

District Municipality reserves the right to accept a tender as a whole or in part and does not bid itself to accept the lowest or any tender.

NB: All service providers/bidders are requested to pre-number and initial their documents before submission

No bid will be accepted from person in the service of the state

NB: The municipality will validate the required document. If found invalid it will automatically disqualified

Administrative enquiries can be directed to Supply Chain Practitioners of Vhembe District Municipality at telephone number 015 960 2075/2093/2107/2163 & 2168

MR. KUTAMA Z. MUNICIPAL MANAGER, VHEMBE DISTRICT MUNICIPALITY, PRIVATE BAG X 5065, THOLOSANDOU 0950

SW:0828

**PRICING SCHEDULE -- FIRM PRICES
(PURCHASES)**

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

Name of Bidder..... Bid Number.....

Closing Time Closing Date

OFFER TO BE VALID FOR **NINETY (90)** DAYS FROM THE CLOSING DATE OF BID.

PRICING SCHEDULE

Section	Description	Basis of Charge	Unit Price (Excl. VAT) Rand value or % as applicable	VAT	UNIT PRICE (Including VAT) Rand value or % as applicable
1.1.	Handling Fees				
1.1.1.	Fixed fee per debit item	Per Item			
1.1.2.	Cash Deposit Handling Fee	% per Rand Value			
1.1.3.	Enhanced Deposit Identifier Fee (Check Digit Verification)	Per Item			
1.1.4.	Fees for R/D cheques	Per item			
1.1.5.	Fees for post-dated cheques	Per Item			

Section	Description	Basis of Charge	Unit Price (Excl. VAT) Rand value or % as	VAT	UNIT PRICE (Including VAT) Rand value or % as applicable
1.1.6.	Cost for stop payments	Per Item			
1.1.7.	Fees for bank guaranteed cheques	Per Item			
1.1.8.	Other banking service fees: Special Clearance	Per Item			
1.1.9.	Transfer to branches of Main Banker	Per Item			
1.1.10.	Transfer to branches of other banks	Per Item			
1.1.11.	Consolidated Payments	Per Item			
1.1.12.	Correcting an error on Deposits	Per Item			
1.1.13.	Debit Orders	Per Item			
1.1.14.	Special clearance	Per Item			
1.1.15.	Cheques	Per Item			
1.1.16.	Return of unpaid cheques (inward unpaid) per cheque	Per Item			
1.1.17.	Cash withdrawal: Counter	Per Item			
1.2	Bank Statements				
1.2.1.	Hard Copies	Per Item			
1.2.2.	Electronic Format Download	Per Item			

Section	Description	Basis of Charge	Unit Price (Excl. VAT) Rand value or % as applicable	VAT	UNIT PRICE (Including VAT) Rand value or % as applicable
1.2.3.	Auditors Report	Per Item			
1.2.4.	Banks report per code	Per Item			
1.2.5.	Copies of the documents	Per Item			
1.2.6.	Certificate of balance	Per Item			
1.2.7.	Long outstanding queries raised after 3 months or more.	Per Item			
1.2.8.	Statement recreates (Archives)	Per Item			
1.3.	Bulk Filing				
1.3.1.	Image Enquiry	Per Item			
1.3.2.	Imaging of Deposit Slips and unpaid cheques on request	Per Item			
1.3.3.	Tracing of Unidentified Deposits	Per Item			
1.4.	Stationery				
1.4.1.	Deposit books- Pre-printed, carbonized in triplicate- 50 pages with 12-digit codes	per item			
1.5.	Guarantees				
1.5.1.	Issuance Cost	Per Item			

Section	Description	Basis of Charge	Unit Price (Excl. VAT) Rand value or % as	VAT	UNIT PRICE (Including VAT) Rand value or % as applicable
1.5.2.	Monthly Fee- R, or	Per Item			
1.5.3.	Monthly Fee- %	Per Item			
2	Electronic Banking				
2.1.	Cash Management System (Desktop PC or Laptop Based)				
2.1.1.	Installation- Once Off Fees (per user)	Per Item			
2.1.2.	Core financial system/Financial Management System (Once-off) Integration	Per Item			
2.1.3.	Operator Fees- Per Operator / System Manager / Administrator	Total 12 monthly instalments			
2.2.	Transaction Fees				
2.2.1.	Credits (Payments against available funds)	Per Item			
2.2.2.	Payments exceeding R5 million	Per Item			
2.2.3.	Immediate interbank payment transaction fee	Per Item			
2.2.4.	Account holder verification	Per Item			
2.3.	Banking notification and reminder charges				
2.3.1.	E-mail	Per Item			
	Payments & Collections Via Host-to-Host connectivity (Including ACB Fees)				

3.1.	Registration / Implementation Fee	Once-Off							
3.2	Minimum Monthly EFT Fee- Host to Host	Per Month							
3	Payments & Collections Via Host-to-Host connectivity (Including ACB Fees)								
3.3.	EFT Transactions- Credits								
3.3.2	Charge per Transaction > R 5million	Per Item							
3.3.3	Two-day Credits	Per Item							
3.4.	EFT Transactions- Debits								
3.4.1.	2 Day Value Debits (Same Bank)	Per Item							
3.4.2.	2 Day Value Debits (Other Banks)	Per Item							
3.4.3.	Same Day Value Debits	Per Item							
3.4.4.	Charge per Transaction > R 5million	Per Item							
3.5.	Penalties								
3.5.1.	Unpaid	Per Item							
3.5.2.	Re-Directs	Per Item							
3.6.	Automated Aggregate Limit Usage								
Section	Description	Basis of Charge	Unit Price (Excl. VAT) Rand value or % as	VAT	UNIT PRICE (including VAT) Rand value or % as applicable				

3.5.1.	On every transmission (Aggregate limit enquiry- Specify)	Per Transaction				
3.6.2.	Daily	Per Day				
3.6.3.	On Request	Per Item				
3.6.4.	Additional Charges in Respect of Error Processing- If aggregate value limit is exceeded	Per Item				
3.6.5.	Additional Charges in Respect of Error. Processing- If data is technically incorrect	Per Item				
3.6.6.	Additional Charges in Respect of Error Processing- If submitted after the agreed cut-off time	Per Item				
3.7.	Account Holder Verification					
3.7.1.	Tenderer's bank validation	Per Item				
3.7.2.	Other bank's validation	Per Item				
4	Electronic Statements					
4.1.	Initial Registration Fee	Once-Off				
4.2.	Fixed Monthly Fee	Per Month				
4.3.	Per Statement Record	Per Line Item				
4.4.	Add Additional Account- Per additional account added to an existing Electronic Statement Delivery System	Per Item				
5	Branch Deposit Identification					
Section	Description	Basis of Charge	Unit Price (Excl. VAT) Rand value or % as	VAT	UNIT PRICE (Including VAT) Rand value or % as applicable	

5.1.	Initial Registration Fee- Once-Off	Once-Off			
5.2.	Fixed Monthly Fee	Per Month			
5.3.	Price per Deposit- Free Format	Per Item			
5.4.	Price per Deposit- CDV	Per Item			
6	Electronic Deposit Identification				
6.1.	Initial Registration Fee- Once-Off	Once-Off			
6.2.	Fixed Monthly Fee	Per Month			
6.3.	Price per Deposit- CDV	Per Item			
6.4.	Price per Deposit- CLDATM Reference CDV	Per Item			
6.5.	Price per Deposit- CLDATM Reference Free Format	Per Item			
7	Maintenance, Support & Training				
7.1.	Maintenance & Support- Per Hour or part thereof, including travel time		Per Hour		
7.2.	Training- Per Hour or part thereof, including travel time (After implementation)		Per Hour		
7.3.	Help Desk Enquiries		Per Item		
7.4.	Transaction tracing (Client Support)		Per Request		
Section	Description	Basis of Charge	Unit Price (Excl. VAT) Rand value or % as	VAT	UNIT PRICE (including VAT) Rand value or % as applicable

7.5.	Password reset at helpdesk	Per Request		
7.6.	Self-Assisted password reset	Per Reset		
7.7.	Re-Issue of Invoices	Per Item		
8	Computer Hardware:			
8.1	Any additional computer hardware or software required that must be procured by the municipality in order for the proposed banking systems to interface with the Municipality's Core Financial Management System and / or to operate at the required level of efficiency (host to host)			
8.2.	Monthly Operating Cost	Per Month		
9	Debit / Credit Card Merchant			
9.1.	Once off installation fee	Once off		
9.2.	Stand-alone terminal rental per month (per machine)	Per Month		
9.3.	Mobile terminal rental per month (per machine)	Per Month		
9.4.	Periodic upgrade of terminals	Per Occasion		
		TOTAL PRICE (to be taken to Form of Offer)		

SIGNATURE		NAME (PRINT)
CAPACITY		DATE
NAME OF FIRM (Bank)		

SCOPE OF WORK

PROVISION FOR BANKING SERVICES FOR THE PERIOD OF FIVE YEARS

1. INTRODUCTION

The Vhembe District Municipality (VDM) invites banks registered in terms of the Banks Act of 1990 (Act No 94 of 1990), to submit proposals described in the terms of reference contained in this proposal. The proposal will be the basis for subsequent contract negotiations and ultimately the entering into of a service level agreement with the preferred tenderer

2. PURPOSE

The purpose of this document is to serve as Terms of Reference for the provision of Banking services for the period of five years.

In order to achieve completeness and compliance with MFMA, the municipality seeks the services of a service provider that will do Banking services.

3. BACKGROUND

The Vhembe District Municipality (VDM) is a statutory body that, in terms of the Chapter 7 of the Constitution of the Republic of South Africa of 1996, make provision of services to communities in a sustainable manner, promote social and economic development.

The Municipality is seeking proposals from registered banking institutions to provide various banking services for a period not exceeding five (05) years as described. The proposal must include the General Banking Information, Investment Services, Electronic Payment Systems and the Pricing Proposal.

Tenders are invited for the appointment of a commercial bank for the Vhembe District Municipality. Any local Institution registered as bank in terms of the Banks Act, No. 94 of 1990, may bid. The objective is to identify the banking institution that can offer the most comprehensive services at the competitive rates. The objective of this call for proposals is to identify specialists within specific fields of competence and qualification whose services can be utilised by the VDM.

The Branch of the Bank where the account is opened must assign banking officers/client managers who are available to handle all aspects of the Municipality's account, including correspondence, arrangements and queries.

In terms of the Municipal Finance Management Act 56 of 2000 and related Supply Chain Management Regulations and VDM Policy, the VDM is obliged to follow a competitive bidding process to appoint a supplier of services.

This request for proposal is put out in an open and transparent manner to afford all professionals and entities an equal opportunity to perform specialized banking services for the VDM. From this

process, the VDM will appoint a suitable service provider to render the Provision for Banking Services.

4. METHODS OF PAYMENTS RECEIVED BY THE MUNICIPALITY

Direct payments into bank account and Electronic payments	R1 200 000 000.00p/a
Grants received- Direct Transfers	R 2 2000 000 000.00 p/a
Debit and Credit cards	R 12 000 000.00 p/a
Debit Order Payments (+/- 2000 Transactions)	R 10 000 000.00 p/a

5. METHOD OF PAYMENTS MADE BY THE MUNICIPALITY SALARIES: (PAID BY EFT)

Employees registered on the pay roll	R 480,000,000.00 p/a
SARS, Pension Funds and other	R 420, 000,000.00 p/a

NB: The above-mentioned information is based on estimations and we are not legally bind to it.

6. KEY COMPETENCIES

Service providers appointed to undertake this project should demonstrate the following competencies:

- a) Proven record of undertaking a similar project in another municipality
- b) Technical skills to interpret the requirements of the Terms of Reference
- c) In-depth knowledge and experience in the field of banking services

7. PROJECT TIME FRAME

The project contract is for a period of five years.

8. KEY DELIVERABLES / SCOPE OF WORK:

BANK ACCOUNT

Vhembe District Municipality has four Local Municipalities

In terms 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.

9. FINANCIAL ACTIVITIES AND INFORMATION

- 9.1 All payments to creditors are effected most by electronic transfers.
- 9.2 Cash is collected at Main office in town and Satellite offices (Makhado, Collins Chabane, Musina and Mutale). The appointed bidding must also provide the cash transit solution.
- 9.3 The Municipality at present employs about 2500 people excluding Councillors. Salaries and wages are paid through a 24- Hour electronic transfer service.
- 9.4 Revenue can only be received by the cashiers and facilities for speed points.
- 9.5 The Municipality has no overdraft facility.
- 9.6 The Municipality's total draft budget for 2026/27 is R 3,2 billion.
- 9.7 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.
- 9.8 Regular meetings with the CFO must also be held.
- 9.9 The annual escalation in fees must be given

10. TENDER REQUEST

In terms of the Municipal Financial Management Act, Supply Chain Management Regulation 30, the Municipality is required to advertise every five years for competitive bids from commercial bank registered in terms of the Banks Act, No. 94 of 1990, to provide commercial banking services to the Municipality. Tenders will be evaluated using the 80/20 point system.

11. OUTCOME

After this independent assessment the expected outcomes are:

- 11.1 Be able to comply with all legislations that govern banking services in SA.
- 11.2. Ensuring that all banking transactions are administered correctly
- 11.3 The proper implementation of MFMA.

12. RETURNABLE DOCUMENTS

The evaluation process will be executed as follows: -

Compulsory Returnable Documents: (Administrative compliance)

Bidders should take note of the following bidding conditions

- Vhembe District Municipality SCM Policy shall apply in the evaluation and awarding of the tender
- Vhembe District Municipality does not bind it-self to accept the lowest tender, reserves the rights to accept the whole or part of the tender and reserves the rights not to appoint
- The bid validity shall be 90 days from the date of closer
- Bidders must provide proof of the following to avoid disqualifications.
 1. Fully Completed Terms of Reference (TOR) initialled on each page
 2. Certified ID Copies of all directors
 3. Statement of municipal rates and taxes of the company and that of the director (not older than six months)/letter from traditional authority not older than three months, /lease agreement
 4. Key personal /service team's experience (attach certified copies of qualifications and CV,
 5. CK/Company registration certificates
 6. Valid tax clearance or tax pin
 7. Specific Goals to be used.

8. All relevant returnable documents are attached in the document
9. CSD report (printed between the date of advert and closing date
10. Audited Financial Statements for the last 3 years
11. Banking licence.

FUNCTIONALITY CRITERIA

Functionality – A bidder must obtain a minimum of 60% under functionality to qualify for further evaluation.

Responsive bids will be evaluated using a point system which awards on the basis set out in the table below:

The **PROVISION OF BANKING SERVICES FOR THE PERIOD OF 5 (FIVE) YEARS** tender will be based on a **60% points** threshold. Bidders failing to meet the threshold will be disqualified and not considered for the next stage.

Tenderers scoring less than **60%** will be considered non-responsive. Tenderers shall fill in the relevant information on the Pre-qualification/Quality Criteria.

COMPANY EXPERIENCE (60 Max Points)	KEY PERSONNEL EXPERIENCE =20	Compulsory Registration
Track Records:	Educational Qualifications	Attach Certified Copies=20 points(2 points each) Non attachment=0 point
<ul style="list-style-type: none"> ➤ with Municipalities clients = 30 points 5 or more project completed = 30 points 5 to 4 projects completed = 25 points 4 to 3 projects completed = 20 points 3 to 2 project completed = 15 points 2 to 1 project completed = 10 points 	<ul style="list-style-type: none"> ➤ CA/Masters in commercial =20 ➤ Honours Degree =15 ➤ Degree =10 ➤ Diploma =05 	<ul style="list-style-type: none"> ➤ Proof of registration in terms of Banks Act, 1990 (Act 94 of 1991) - Annual Business License Financial Sector ➤ Conduct Authority License Previously Financial Services Board (FSB)

<p>➤ with public sector clients = 30 points</p> <p>5 or more project completed = 30 points</p> <p>5 to 4 projects completed = 25 points</p> <p>4 to 3 projects completed = 20 points</p> <p>3 to 2 project completed = 15 points</p> <p>2 to 1 project completed = 10 points</p>		<p>➤ National Credit Regulator (NCR) Payment Association of South Africa (PASA) Business Association of South Africa (BASA) (Code of Banking Practice)</p> <p>➤ ISO Standards Certificate</p> <p>➤ Financial intelligence Centre Act (FICA) compliance letter</p> <p>➤ Protection of personal information Act (POPIA) compliance</p> <p>➤ Credit Ratings (Moody's, S&P Global and Fitch rating agencies)</p> <p>➤ Public Liability (Insurance Certificate)</p>
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NB: Responsive bids will be evaluated using a point system which awards on the basis set out in the table below.

Provide proof of address such as lease agreement, tribal authority letter confirming physical address of company or municipal statement of account not older than 3 months and not in arrears.

a, Preference Points for Specific Goals- 20 Points

The preference points are allocated on a pro-rata basis.

- Bidders submitting two or more offers on the same bid under different names shall be disqualified.
- Proper completions and signing of all prescribed parts of the bid form is a compulsory requirement. Any bid offer that do not provide all the required information completely and in a form that is required, may be regarded as non-responsive.
- Where the preference affidavit is not filled in, NO preference points will be given.
- It is a condition of this bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.
- Bidders must submit valid tax clearance certificates for each and every bid. Failure to do so may invalidate the bid. No contract may be awarded to a bidder who has failed to submit an original tax clearance certificate from SARS.
- This bid is subjected to the conditions and practices of the General Conditions of Contract (2010).
- The bidder must ensure that the company name on the tax clearance certificate, company proof of registration and bid form is printed the same. Any inconsistency will result in disqualification of the bid.
- Only the original bid form stamped by Vhembe District Municipality will be accepted. All MBD Form 1 to 9 must be completed in full as they form basis for evaluation
- The bidder shall not make any alterations or additions to the bid document, except to comply with the instructions issued. Any necessary or corrected errors made by the bidder shall require the signatories of the company or firm to initial on all such alteration. Erasure and the use of masking fluid are prohibited.
- The Vhembe District Municipality shall upon awarding of the bid at the rand value of R10 million and above, require the bidder to provide a surety, securities and/or guarantees from an accredited financial institution prior to the signing of the contract and commencement of works.

- The special conditions of contract take precedence on any of the conditions of contract that are to be applied.
- The bidder shall familiarise him/herself with the relevant conditions of contract for the awarded bid and signing of such contracts before commencement of works.
- In bids where Consortia / Joint Ventures / Sub-contractors are involved; each party must submit a separate Tax Clearance Certificate.
- It remains the responsibility of the contractor to ensure compliance to Occupational Health and Safety Act, 1993 (Act no. 85 of 1993); Conditions of Employment for Special Public Works Programmes in terms of the Basic Conditions of Employment Act of 1997, Labour Relations Act of 1995 (Act no.66 of 1995) and all the relevant regulations pertaining to these acts

INVITATION TO BID

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

BID NUMBER: CLOSING DATE: CLOSING TIME:

DESCRIPTION:

The successful bidder will be required to fill in and sign a written Contract Form (MBD 7).

BID DOCUMENTS MAY BE POSTED TO:

**OLD PARLIAMENT BUILDING
VHEMBE DISTRICT MUNICIPALITY
THOHOYANDOU
0950**

OR

DEPOSITED IN THE BID BOX SITUATED AT (*STREET ADDRESS*)

**OLD PARLIAMENT BUILDING, NEXT TO THE ENTRANCE OF VHEMBE DISTRICT MUNICIPALITY
THOHOYANDOU
DENGA MPHIGALALE STREET
0950**

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

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

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

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

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

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

NAME OF BIDDER

.....

POSTAL ADDRESS

.....

STREET ADDRESS

.....

TELEPHONE NUMBER

CODE.....NUMBER.....

CELLPHONE NUMBER

.....

FACSIMILE NUMBER

CODE.....

NUMBER.....

E-MAIL ADDRESS

.....

VAT REGISTRATION NUMBER

.....

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN ATTACHED? (MBD 2)
YES/NO

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

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)

A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN NATIONAL ACCREDITATION SYSTEM (SANAS)

A REGISTERED AUDITOR

(Tick applicable box)

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

ARE YOU THE ACCREDITED REPRESENTATIVE
IN SOUTH AFRICA FOR THE GOODS/SERVICES/WORKS OFFERED?

YES/NO

(IF YES ENCLOSE PROOF)

SIGNATURE OF BIDDER

.....

DATE

.....

CAPACITY UNDER WHICH THIS BID IS SIGNED

.....

TOTAL BID PRICE

.....

TOTAL NUMBER OF ITEMS OFFERED

.....

ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:

Municipality / Municipal Entity: **VHEMBE DISTRICT MUNICIPALITY**

Department: **BUDGET AND TREASURY**

Contact Person: **SUPPLY CHAIN PRACTITIONERS**

Tel: 015 960 2130/2131/2132

ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:

Contact Person: Ms Masana M.

Tel: 015 960 2000

**PRICING SCHEDULE – FIRM PRICES
(PURCHASES)**

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

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

Name of Bidder.....
Bid Number:
Closing Time:
Closing Date:

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

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
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- Required by:
- At:
- Brand and Model
- Country of Origin
- Does the offer comply with the specification(s)? *YES/NO
- If not to specification, indicate deviation(s)
- Period required for delivery
- *Delivery: Firm/Not firm
- Delivery basis

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

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

*Delete if not applicable

**PRICING SCHEDULE – NON-FIRM PRICES
(PURCHASES)**

NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE BIDDING DOCUMENTS.

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

Name of Bidder.....	Bid number:
Closing Time :	
Closing Date:	

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

ITEM NO. ** (ALL APPLICABLE TAXES INCLUDED)	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY
--	----------	-------------	---------------------------

- Required by:.....
- At:.....
- Brand and model
- Country of origin.....
- Does the offer comply with the specification(s)? *YES/NO
- If not to specification, indicate deviation(s).....
- Period required for delivery
- Delivery: *Firm/Not firm

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

*Delete if not applicable

MBD 3.2

B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

1. Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

PARTICULARS OF FINANCIAL INSTITUTION	ITEM NO	PRICE	CURRENCY	RATE	PORTION OF PRICE SUBJECT TO ROE	AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		

2. Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE

PRICING SCHEDULE
(Professional Services)

Name of Bidder:.....	Bid Number:
Closing Time:	Closing Date:

OFFER TO BE VALID FORDAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
---------	-------------	--

1. The accompanying information must be used for the formulation of proposals.
2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project. R.....
3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

4. PERSON AND POSITION	HOURLY RATE	DAILY RATE
.....	R.....	.....
.....	R.....	.....
.....	R.....	.....
.....	R.....	.....
.....	R.....	.....

5. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT		
.....	R.....	..... days
.....	R.....	..... days
.....	R.....	..... days
.....	R.....	..... days

5.1 Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....	R.....
.....	R.....
.....	R.....
.....	R.....

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

5.2 Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....	R.....
.....	R.....
.....	R.....
.....	R.....
TOTAL: R.....			

- 6. Period required for commencement with project after acceptance of bid
- 7. Estimated man-days for completion of project
- 8. Are the rates quoted firm for the full period of contract?*YES/ NO.
- 9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.....
.....
.....
.....

*Delete if not applicable

MBD 4

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state¹.
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.
3. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

3.1 Full Name of bidder or his or her representative:.....

3.2 Identity Number:

3.3 Position occupied in the Company (director, trustee, shareholder²):.....

3.4 Company Registration Number:

3.5 Tax Reference Number:.....

3.6 VAT Registration Number:

3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

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

3.8.1 If yes, furnish particulars.

.....

¹MSCM Regulations: "in the service of the state" means to be –

- (a) a member of –
 - (i) any municipal council;
 - (ii) any provincial legislature; or
 - (iii) the national Assembly or the national Council of provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of any municipality or municipal entity;
- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);
- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature.

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

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

3.9.1 If yes, furnish particulars.....

.....

3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid? YES / NO

3.10.1 If yes, furnish particulars.

.....

.....

3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? YES / NO

3.11.1 If yes, furnish particulars

.....

.....

3.12 Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state? YES / NO

3.12.1 If yes, furnish particulars.

.....

.....

3.13 Are any spouse, child or parent of the company's directors trustees, managers, principle shareholders or stakeholders in service of the state? YES / NO

3.13.1 If yes, furnish particulars.

.....

.....

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract. YES / NO

3.14.1 If yes, furnish particulars:

.....

.....

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

Full Name	Identity Number	State Employee Number

.....
Signature

.....
Date

.....
Capacity

.....
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 80/20 preference point system.

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	
SPECIFIC GOALS	
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:

$$\begin{array}{ccc} 80/20 & \text{or} & 90/10 \\ P_s = 80 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right) & \text{or} & P_s = 90 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right) \end{array}$$

Where

- P_s = Points scored for price of tender under consideration
 P_t = Price of tender under consideration
 P_{min} = Price of lowest acceptable tender

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:

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

Where

- P_s = Points scored for price of tender under consideration
 P_t = Price of tender under consideration
 P_{max} = 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) HDI=10 Locality=04 Youth=02 Women=02 Disability (Attach proof of the Doctor)=02	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) HDI=10 Locality=04 04 points within the district 02 point within Limpopo Province 01 point within South Africa (CSD report of the bidder will be used to verify the locality of the bidder) Youth=02 Women=02 Disability (Attach proof of the Doctor)=02
HDI				
Locality				
Youth				
Women				
Disability				

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:	..... .....



DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

This Municipal Bidding Document (MBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2011 and the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

1. General Conditions

- 1.1. Preferential Procurement Regulations, 2011 (Regulation 9) makes provision for the promotion of local production and content.
- 1.2. Regulation 9.(1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for bids referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 100$$

Where

- x is the imported content in Rand
y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by the South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as required in paragraph 4.1 below.

The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.

- 1.6. A bid may be disqualified if this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation;
2. Definitions
- 2.1. "bid" includes written price quotations, advertised competitive bids or proposals;
- 2.2. "bid price" price offered by the bidder, excluding value added tax (VAT);
- 2.3. "contract" means the agreement that results from the acceptance of a bid by an organ of state;
- 2.4. "designated sector" means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;
- 2.5. "duly sign" means a Declaration Certificate for Local Content that has been signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member / person with management responsibility (close corporation, partnership or individual).
- 2.6. "imported content" means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs abroad (this includes labour and intellectual property costs), plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;
- 2.7. "local content" means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;
- 2.8. "stipulated minimum threshold" means that portion of local production and content as determined by the Department of Trade and Industry; and
- 2.9. "sub-contract" means the primary contractor's assigning, leasing, making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.

3. The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:

4. Does any portion of the services, works or goods offered have any imported content?

(Tick applicable box)

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

4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by the SARB for the specific currency at 12:00 on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on www.reservebank.co.za

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

5. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the Accounting Officer / Accounting Authority provide directives in this regard.

LOCAL CONTENT DECLARATION
(REFER TO ANNEX B OF SATS 1286:2011)

<p>LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)</p> <p>IN RESPECT OF BID NO.</p> <p>ISSUED BY: (Procurement Authority / Name of Municipality / Municipal Entity): </p> <p>NB</p>
--

- 1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.
- 2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on <http://www.thedti.gov.za/industrialdevelopment/ip.jsp>. Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, (full names),
do hereby declare, in my capacity as
of (name of bidder
entity), the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that:
 - (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011;
- (c) The local content percentages (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C;

Bid price, excluding VAT (y)	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286:2011	

If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above. The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.

- (d) I accept that the Procurement Authority / Municipality /Municipal Entity has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.
- (e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Municipal / Municipal Entity imposing any or all of the remedies as provided for in Regulation 13 of the

Preferential Procurement Regulations, 2011 promulgated under the Preferential Policy Framework Act (PPFA), 2000 (Act No. 5 of 2000).

SIGNATURE: _____

DATE: _____

WITNESS No. 1 _____

DATE: _____

WITNESS No. 2 _____

DATE: _____

CONTRACT FORM - PURCHASE OF GOODS/WORKS

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

PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to (name of institution) **Vhembe District Municipality** in accordance with the requirements and 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 time of 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;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Technical Specification(s);
 - Specific goals
 - 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 goods and/or works 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 fulfilment 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 - PURCHASE OF GOODS/WORKS

PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I.....in my capacity
as.....

accept your bid under reference numberdated.....for the supply of goods/works indicated hereunder and/or further specified in the annexure(s).

2. An official order indicating delivery instructions is forthcoming.

3. I undertake to make payment for the goods/works delivered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice accompanied by the delivery note.

ITEM NO.	PRICE (ALL APPLICABLE TAXES INCLUDED)	BRAND	DELIVERY PERIOD	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

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

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1.

2.

DATE

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) **Vhembe District Municipality** 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;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Filled in task directive/proposal;
 - Specific goals
 - 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 fulfilment 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	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

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

SIGNED AT ON

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1

2

DATE:

CONTRACT FORM - SALE OF GOODS/WORKS

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

PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to purchase all or any of the goods and/or works described in the attached bidding documents from (name of institution) **VHEMBE DISTRICT MUNICIPALITY** in accordance with the requirements stipulated in (bid number) at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the seller during the validity period indicated and calculated from the closing time of 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;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Declaration of interest;
 - Declaration of Bidder's past SCM practices;
 - 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) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) cover all my obligations and I accept that any mistakes regarding price(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 fulfilment of this contract.
5. I undertake to make payment for the goods/works as specified in the bidding documents.
6. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
7. 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 - SALE OF GOODS/WORKS

PART 2 (TO BE FILLED IN BY THE SELLER)

1. I..... in my capacity as..... accept your bid under reference numberdated.....for the purchase of goods/works indicated hereunder and/or further specified in the annexure(s).
2. I undertake to make the goods/works available in accordance with the terms and conditions of the contract.

ITEM NO.	DESCRIPTION	PRICE (ALL APPLICABLE TAXES INCLUDED)		

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

SIGNED ATON.....

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>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <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>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <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>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <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:

in response to the invitation for the bid made by: **VHEMBE DISTRICT MUNICIPALITY**

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

I certify, on behalf of: _____ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder,
 - (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