



BID

BID FOR THE APPOINTMENT OF A BANKER TO PROVIDE BANKING AND FINANCIAL SERVICES TO MEGA FOR A PERIOD OF FIVE (5) YEARS

Issued by:

**Mpumalanga Economic Growth Agency ("MEGA")
Supply Chain Management Unit
02 Eastern Boulevard
Riverside
Mbombela,
1200**

MEGA / 2024 / 08

CLOSING DATE : 28 OCTOBER 2024 AT 12h00

NAME OF A BIDDER : _____

TOTAL PRICE (all inclusive) : _____

SECTION 1: BIDDING INFORMATION

TERMS OF REFERENCE
BID FOR THE APPOINTMENT OF A BANKER TO PROVIDE BANKING AND FINANCIAL SERVICES TO MEGA FOR A PERIOD OF FIVE (5) YEARS.

1. INTRODUCTION

The Mpumalanga Economic Growth Agency, hereinafter referred to as “**MEGA**” is a schedule 3D entity of the Mpumalanga Provincial Government with a mandate of stimulating economic growth in the province through inter alia: -

- (i) the provision of funding to SMMEs, Co-operatives and Agricultural enterprises, as well as the provision of housing loans to citizens of Mpumalanga within the gap market.
- (ii) proactively identifying investment opportunities within the province, attracting investment into such opportunities through various trade and investment promotion initiatives, as well as facilitating that such investments into the province derive maximum development impact.
- (iii) delivering massive infrastructure within the province.
- (iv) the development and management of property in the form of industrial parks which stimulate economic activity in the province.

In exercising its powers and functions as articulated in the Act, [“the MEGA Act 1 of 2010”], the entity must continually broaden the participation of Mpumalanga citizens in all the sectors of the economy and accordingly contribute, whether directly or indirectly, to the alleviation of poverty, unemployment and inequality.

2. PURPOSE

- 2.1 The purpose of this Bid is to invite all bidders from registered banks to be appointed as the Banker for MEGA for a period of five (5) years.
- 2.2 The successful banker will be required to assist MEGA with the following services as fully detailed in the Bid Invitation:
- Transactional Banking Services.
 - Electronic Banking Services.
 - Cash Management Services.
 - Foreign Exchange Services.
 - Investment Solutions.
 - Implementation and Training.
- 2.3 The proposed banking solutions provided by the successful banker should take cognizance of the following important aspects:
- An efficient and cost-effective Current Bank Account Administration Service;
 - Enhance business processes for improved efficiencies, resulting in reduced costs.
 - Processes and control to mitigate Operational Risk and Fraud.

3. SCOPE OF WORK

3.1 OVERVIEW OF THE SCOPE OF WORK

In general terms the services to be provided include transactional banking services, electronic banking services, cash management services, foreign exchange services and investment solutions. The following important aspects should be of importance:

- An efficient and cost-effective current bank account administration services.
- Enhanced business processes for improved efficiencies, resulting in reduced costs.
- Processes and controls to mitigate operational risk and fraud.

3.2 DETAILS OF THE SCOPE OF WORK

3.2.1 Electronic Banking Services

- (i) Give detail on bidder's capacity for multi layered security enabling individual access to transfers/enquiries irrespective of physical location as well as audit trail capacity.

- (ii) Indicate if tender has capacity to identify and offer modular cash management functionalities e.g. bulk electronic debits offered separately from bulk electronic credits.
- (iii) Indicate ability to operate as house banker if more than one banker is involved to facilitate daily sweeping.
- (iv) Indicate ability of predetermined electronic payments set up with standard payments details both for 3rd party and internal transfers.
- (v) Describe bidder's ad-hoc electronic payments facilities for 3rd parties and internal transfers.
- (vi) Indicate if bidder can execute electronic transfers of bank deposits for credit from other banks at the same rate as per the tender.
- (vii) Explain capabilities for direct on-line stop payment facilities and the reversal thereof.
- (viii) Confirm bidder can provide for post- dated electronic transfer service?
- (ix) Discuss how bidder can assist MEGA in applying limits to transactions and accounts and monitoring thereof.
- (x) Explain functionality to provide unique electronic identifier (type of service - water, lights, rates, fine etc.) and reconciliation of counter deposits.
- (xi) Does the system allow for downloading bank statements and for which previous periods they are available? – refer to evaluation criteria that bank statements should be available for 180 days.
- (xii) Discuss possibilities for provision of automatic confirmation systems.
- (xiii) Confirm if a direct online function to enquire on the status of bank accounts can be offered.
- (xiv) Does electronic banking service provide for deposit identity with electronic transfers and deposits, number, and type of characters? Bidders are expected to be able to provide a deposit identifier on the MEGA's deposits which incorporates a deposit identifier validation routine to facilitate identification and reconciliation of all deposits which are made into MEGA's accounts.
- (xv) Can your electronic banking solution supply information pertaining to unpaid ACB transactions?
- (xvi) Can your electronic banking solution sort information on deposit ID?
- (xvii) Can the electronic banking system provide real time cash management information?
- (xviii) Does the electronic banking solution you offer have the ability to interface with commercial procurement systems, and what existing interfaces are in place?

- (xix) Does the electronic banking solution you offer have the ability to transact electronically via the bank with suppliers of goods/services as and when required?
- (xx) Is the electronic banking system fully compatible with the Pastel 300 financial system and does a fully operational interfaces exist?
- (xxi) Do the bidder's banking facilities allow for transactions at agents e.g. for prepaid electricity?
- (xxii) Electronic interaction should cater for CDV's.
- (xxiii) Bank's ability to sweep all available cash balances to an overnight call account to maximize interest earned and return the available balances the next day to the original bank accounts.
- (xxiv) The following are imperative for the management of payments:
 - Timeouts and secure processing of all transactions
 - Ability to interface (Where required) with payroll and line-of-business applications currently being used.
 - PC based leased line or dial up access.
 - Host connection via a dedicated line.
 - Stringent authorization and security controls
 - Efficient management and reduction of risk processes.
 - Enhance data integrity due to stringent validation controls; and
 - Cost efficient processes.
 - A nominated account facility to ensure that payments are only made to the beneficiaries that have been specifically loaded on a payment data base, which is held on the system.

3.2.2 Interest calculations, practices, conversions, reconciliations, and retro entries

- (i) On what day is interest calculated and for which period?
- (ii) Describe the interest capitalization model with details on when and how such interest is calculated and capitalized.
- (iii) What ability does the banker have to facilitate the reconciliation of interest calculations for MEGA?
- (iv) Please indicate if retro- value to optimize interest earned would be available.
- (v) If applicable, provide detailed information on how retro entries are managed and recorded.
- (vi) Provide proposed Debit/Credit interest rates applicable to balances.
- (vii) Supply details on transactions timeframes.

3.2.2 Reporting, Audit trails and queries (ISA AUDIT)

- (i) Give an indication of the bidder's ability to provide daily and monthly cash management reports and statements.
- (ii) Provide information as to what audit trails will be available, handling of ad-hoc queries – please state response time.
- (iii) Give a breakdown of bank charges and costs to allow/facilitate reconciliation with tendered prices. Statements should specially reflect charges in respect of cash deposit fees alongside each transaction. Other bank charges and fees can appear on separate line items on the bank statements.
- (iv) Indicate any additional costs, if applicable, incurred with the supply of the information.
- (v) Indicate the period for which historical information is available as well as if available on-line.
- (vi) Demonstrate executive / exception reporting facilities to assist in control and monitoring of accounts (limits and unusual pattern of spending).

3.2.4 Technical equipment

- Supply technical specifications and/or requirements to enable MEGA to utilize bidder's electronic services and products.
- Indicate if electronic services are compatible with the Pastel 300 financial system.
- Specify applicable equipment charges.

3.2.5 General

- Indicate the ability to help with collections of rates and taxes and if so what type of services are available as well as the costs applicable.
- Describe the bank's offering regarding speed point-type payment methods.
- Give detailed information on ATM availability in areas where MEGA is operating, for example Ekandustria, Siyabuswa and Kabokweni.
- Describe bidder's ability to permit MEGA account payments at any of their branches or through any ATM.
- Discuss how a need for 10 to 15 cash-protector machines at e.g. payment halls could be handled.
- Provide a summary of support services available to MEGA e.g. investment news, economic overviews and forecasts, limited information pages via Reuters, Bloomberg etcetera.

3.2.6 Specific requirements

- (i) Discuss bidder's solution for short-term facilities required by the MEGA.
- (ii) Give details on custodian services the bank can offer and costs, as well as other safe custody services.
- (iii) Please provide detailed information on security procedures and insurance arrangements in place to protect MEGA against losses as custodian services.
- (iv) Describe briefly the methodology followed regarding authorizations.
- (v) Confirm agreement on contract period.
- (vi) Provide information demonstrating the financial viability and stability of banker, including current credit rating.
- (vii) Demonstrate the ability to handle implementation, training and take – and handover processes.
- (viii) Please confirm the assistance the bidder can offer regarding possible system development if required.
- (ix) Please declare exposure to other Public Sector entities.
- (x) It is required of the bidder to also offer a comprehensive range of lending and investment products and services.
- (xi) Please also provide the following information:
 - A copy of your proposed service plan for 2024 e.g. introduction of your bank's employees to MEGA, training and support offered etc. (Note: this is not a disqualification criteria).
 - Details of social investment and employment equity programs.
 - Details of services that are not expressly catered for and the basis upon which you would require to be remunerated if MEGA required such services e.g. Capital Loans

4. REGULATORY REQUIREMENTS

- 4.1 In accordance with the provisions of the Public Finance Management Act, as amended, only Banks registered in South Africa in terms of the Banks Act as well as the National Credit Act may tender.
- 4.2 The Banker must also be able to demonstrate a Local Branch/Agency Infrastructure Network with all facilities to meet the transactional requirements of MEGA and its Stakeholders.

5. BID REQUIREMENTS

5.1 The successful Banker will be required to render its services subject to the contractual requirements as stipulated and to enter into a Service Level Agreement with MEGA.

5.2 A copy of the proposed Draft Service Level Agreement should be included for consideration covering at least the following items:

- Description of service, service standards, turnaround times etc.
- Query resolution process/ escalation procedures.
- Proposed penalization procedures.
- Warranties.
- Intellectual Property Rights.
- Safety and Security.
- Customer Service monitoring process, formal reviews, updates of Service Level Agreement.
- Completed and signed Standard Bidding Documents (SBD1, SBD4, SBD 6.1)
- General Conditions of the Contract will be applicable (Attached to this Bid).

6. SPECIFICATIONS AND SPECIAL CONDITIONS

6.1 Definitions

Unless otherwise indicated the following words shall bear the following meanings:

- MEGA shall mean Mpumalanga Economic Growth Agency.
- The “Tender or Bid” shall mean a Tender or Bid for the Provision of Banking Services for the stated period including related services such as short-term overdraft facilities for MEGA at agreed fees, interest rates, terms and conditions.
- The “Banker, Bidder or banker” shall mean any duly Registered Bank in terms of the South African Bank Act as well as the National Credit Act, as amended, to provide the Banking Services to MEGA.

- “Banking Products and Services” shall include all General and Commercial banking services and products such as Bank accounts, electronic funds transfer, investments, loans etc.

6.2 Failure to perform

- In the event the banker fails to arrange for the Banking Services timeously as stated in the Proposal/Contract/Bid or;
- In the event that MEGA suffer damages as a result of the banker’s failure to perform over the period of the appointment as required and reasonably expected. It is therefore agreed that the banker will pay to MEGA the following accounts, in each case to be determined by the CEO of MEGA, as damages and not as a penalty.
- In the event of (a) an amount equal to any additional costs over and above the Tender Price incurred by MEGA to arrange alternative Banking Services in terms of the Contract in a manner deemed fit by MEGA, together with all related costs and expenses involved, or
- The CEO of MEGA will also determine the manner in which and the time when such payment of additional costs and or damages are to be paid to MEGA, and the decision of the CEO will be final and binding in each case.

6.3 Service Charges

- Payment of Service Charges for the period from the start date of the contract and thereafter will be payable on a monthly basis with detailed proof of service charges provided to MEGA before the 10th day of the month/ within 5 days of the end of each month.

6.2 Information to be provided by Banker

- No Tender will be considered, unless accompanied by sufficiently detailed information so as to indicate what the proposed services and fees would be from the start date of the contract to the expiry date of the contract.
- The Bidder may adopt any approach it deems appropriate to demonstrate the entity’s ability to render services to MEGA, to effectively manage its banking requirement as well as support its Stakeholders to facilitate easy and accessible payment services.

- The Bidder may approach and utilize any suitable support from banker/bankers to offer a comprehensive banking service to MEGA.
- Tenders should be accompanied by a detailed summary of the salient features of the banking services offered and to be implemented by MEGA

6.3 Information Required

6.3.1 Particular of Professional Indemnity Insurance

Provide full details of your Professional Indemnity Insurance arrangements. State Underwriter, limits of any one occurrence and deductible as well as maturity dates and retrospective cover date.

6.3.2 Fidelity Guarantee Insurance

Provide full details of your Fidelity Guarantee Insurance arrangements. State Underwriter, limits of any one occurrence and deductible as well as maturity dates and retrospective cover date.

6.3.3 Audited Financial Statements

Please attach a Copy or CD of your most recent and available Audited Financial Statements.

6.3.4 Similar Portfolio's

If you are currently dealing with any similar Institution's Portfolio's, please provide full details, including names of contactable references, and by providing such information approval is therefore granted that these clients may be contacted by MEGA for reference purposes.

6.3.5 Membership of Professional Associations and Latest Credit Rating

Are you a Member of any Professional Body or Association such as the Payment Association of South Africa? Please provide the relevant details together with the necessary supporting documents as part of your tender submission. Please also provide details of your most recent published credit rating report as part of your tender submission

6.3.6 Bank Information

Indicate which Branch will be responsible for the execution of the Contract, if appointed:

- Branch Name.
- Physical Address.
- Postal Address.
- Telephone/Cell/Email/Facsimile numbers.
- Income Tax Reference Number.
- VAT Registration Number.
- Bank and Company Registration Number.
- Regional Manager/Chief Executive/Managing Director and Contact Details.
- Structure of Division responsible to render services to MEGA:
- Name of Administrative Support Staff that will be responsible for MEGA's Account, for example:
 - a) Service and Remuneration.
 - b) Banking Products and Services.
- Handling of cash and card payments.
- Supply information indicating Procedures & Authorization requirements for cash deposits, withdrawals, etc.
- Give Proof of Competence to provide on-going advice on Fraud Prevention/methods of detecting fraud.
- Indicate abilities to collect cash on regular basis from predetermined areas.

- Discuss the Bidder's solution for Credit Card machines at the payment areas.

6.3.8 Electronic Banking Services

- Give detail on Bidder's capacity for multi layered security enabling individual access to transfers/enquiries irrespective of physical location as well as audit trail capacity.
- Indicate if Banker has capacity to identify and offer modular cash management functionalities e.g bulk electronic debits offered separately from bulk electronic credits.
- Indicate ability to operate as House Banker if more than One (1) Banker is involved to facilitate daily sweeping.
- Indicate availability of predetermined electronic payments set up with standard payment details both for 3rd party and internal transfers.
- Describe Bidder's Ad-hoc electronic payments facilities for 3rd parties and internal transfers.
- Indicate if Bidder can execute electronic transfers of bank deposits for the credit from other banks at the same rate as per the Tender.
- Explain capabilities for direct on-line stop payment facilities and the reversal thereof.
- Confirm Bidder can provide for post-dated electronic transfer service?
- Discuss how Bidder can assist MEGA in applying limits to transactions and accounts and monitoring thereof.
- Explain functionality to provide unique electronic identifier (Type of Service – Water, Lights, Rates, Fines, etc.) and reconciliation of counter deposits.
- Does the system allow for download of bank statements and for which previous periods they are available – refer to evaluation criteria that bank statements should be available for 180 days.
- Discuss possibilities for provision of automatic confirmation systems.
- Confirm if a direct on-line function to enquire on status of bank account can be offered.

- Does Electronic Banking Service provide for deposit identify with electronic transfers and deposits, number and type of characters? Bidders are expected to be able to provide a deposit identifier on MEGA's deposits which incorporates a deposit identifier validation routine in order to facilitate identification and reconciliation of all deposits which are made into MEGA's accounts.
- Can your Electronic Banking Solution supply information pertaining unpaid ACB transactions?
- Can your Electronic Banking Solution sort information on deposit ID?
- Can the Electronic Banking System provide real time cash management information?
- Does the Electronic Banking Solution you offer have the ability to interface with commercial procurement systems, and what existing interfaces are in place?
- Does the electronic banking solution you offer have the ability to transact electronically via the bank with suppliers of goods/services as and when required?
- Is the electronic banking system fully compatible with the Pastel 300 Financial System and does fully interfaces exist?
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- Electronic interaction should cater for CDV's.
- Bank's ability to sweep all available cash balances to an overnight call account to maximize interest earned and return the available balances the next day to the original bank accounts.
- The following are imperatives for the management of payments:
 - a) Timeouts and secure processing of all transactions.
 - b) Ability to interface (where required) with payroll and line-of-business applications currently being used.
 - c) PC based leased line or dial up access.
 - d) Host connection via d dedicated line.
 - e) Stringent authorization and security controls.
 - f) Efficient management and reduction of risk processes.
 - g) Enhanced data integrity due to stringent validation controls; and

- h) Cost efficient processes.
- i) A nominated account facility to ensure that payments are only made to the beneficiaries that have been specifically loaded on a payments date-base, which is held on the system.

6.3.9 Interest calculations, practices, conventions reconciliations and retro entries

- On what day is interest calculated and for which period?
- Describe the interest capitalization model with details on when and how such interest is calculated and capitalized.
- What ability does the Banker have to facilitate the reconciliation of interest calculations for MEGA?
- Please indicate if retro-value to optimize interest earned would be available.
 - a) If applicable, provide detailed information on how retro entries are managed and recorded.
- Provide proposed Debit/Credit interest rates applicable to balances.
- Supply details on transaction timeframes.

6.3.10 Reporting, Audit trails and queries (ISA Audit)

- Give an indication of Bidder's ability to provide daily and monthly cash management reports and statements.
- Provide information as to what audit trails will be available, handling of ad hoc queries – please state response times.
- Give a breakdown of bank charges and cost to allow/ facilitate reconciliation with tendered prices. Statements should specifically reflect charges in respect of cash deposit fees alongside each transaction. Other bank charges and fees can appear on separate line items on the bank statements.
- Indicate any additional costs, if applicable, incurred with the supply of the information.
- Indicate the period for which historical information is available as well as if available on-line.

- Demonstrate Executive/exception reporting facilities to assist in control and monitoring of account (limits and unusual pattern of spending)

6.3.11 Technical Equipment

- Supply technical specifications and/or requirements to enable MEGA to utilize Bidder's electronic services and products.
- Indicate if electronic services are compatible with the Pastel 300 Financial System?
- Specify applicable equipment charges.

6.3.12 General

- Indicate the ability to provide assistance with collections of rates and taxes and if so what type of services are available as well as the costs applicable?
- Describe the bank's offering regarding speed point-type payment methods?
- Give detailed information on ATM availability in the rural areas where MEGA is operating e.g. Ekandustria, Siyabuswa and Kabokweni.
- Describe Bidder's ability to permit MEGA account payments at any of their branches or through any ATM.
- Discuss how a need for 10 to 15 cash-protector machines at e.g payment halls could be handled?
- Provide a summary of support services available to MEGA e.g investment news, economic overviews and forecasts, limited information pages via Reuters, Bloomberg etc.

6.3.13 Specific requirements

- Discuss Bidder's solution for short-term facilities required by MEGA.
- Give details on custodian services the bank can offer and costs, as well as other safe custody services.
- Please provide detailed information on security procedures and insurance arrangements in place to protect MEGA against losses at custodian services.

- Describe briefly methodology followed regarding authorizations.
- Confirm agreement on contract period.
- Provide information demonstrating financial viability and stability of Banker, including current credit rating.
- Demonstrate ability to handle implementation, training and take and handover processes.
- Please confirm assistance Bidder can offer regarding possible systems development if required.
- Please declare exposure to other Public Sector entities.
- It is required of the Bidder to also offer a comprehensive range of lending and investment products and services.
- Please also provide the following information:
 - a) A copy of your Proposed Service Plan for _____ e.g. introduction of your bank's employees to MEGA, training and support offered, etc. (Note: this is not a disqualification criteria).
 - b) Details of social investment and employment equity programmes.
 - c) Details of services that are not expressly catered for and the basis upon which you would require to be remunerated if MEGA required such services e.g. capital loans.

6.4 Alternatives

- The banker may submit alternative service proposals e.g. fixed fees, which, in the banker's opinion, are to MEGA's advantage economically and technically.

6.5 Variation

- If the Bankers are offering any banking services and or products/ services differing or varying from the minimum requirements of the specification, all such variations shall be clearly indicated and described in the Tender Response.

6.6 Risk Management

- Risk Management of MEGA has already implemented the requirements for Enterprise-Wide-Risk Management and the bank's ability to support this on-going project should be clearly described e.g. Fraud Prevention and Early Detection Interventions Systems.

7. APPOINTMENT OF A PREFERRED BIDDER(S)

7.1 Subject to the provisions of MEGA Supply Chain Management Policy and the Procurement regulations of 2022.

7.2 MEGA reserves the right to:

- Where applicable, negotiate the final fee or rates with the preferred bidder.
- MEGA reserves the right to consider the guidelines and prescribed hourly remuneration rates for consultants as provided in the National Treasury Instruction 01 of 2013/2014: Cost Containment Measures, where relevant, and the Cost Containment letter issued by National Treasury on 31 August 2023.

8. EVALUATION CRITERIA

8.1 All proposal received will be subjected to an evaluation process in terms of the provision of the Preferential Procurement Policy Framework Act (PPPFA) and its associated regulations.

8.2 Any proposal which fail to meet the requirements as set out will be deemed nonresponsive and automatically eliminated during the 1st Stage of the evaluation process.

8.3 Apart from the evaluation criteria indicated above, the 2nd Stage of the Evaluation process, require all proposals to be subjected to compliance with the functionality, which weighs maximum points of 100.

8.4 Any proposal that scores less than 70 points out of the maximum 100 points allocated for functionality will be deemed nonresponsive and will automatically be disqualified.

8.5 The 100 maximum points allocated for functionality will be broken down to cover for the areas as indicated below:

Table: (A)

Key Elements	Maximum Weight
Transactional Banking Services provided	45
Integrate MEGA Systems with electronic on-line Banking System Platforms	37
Partnership Projects	18
Total Weight	100
Minimum Threshold	70

Table: (B)

NO	EVALUATION CRITERIA	MAXIMUM WEIGHT
1	TRANSACTIONAL BANKING SERVICES PROVIDED	45
1.1	Implementation of tasks in accordance with the timelines as per the Project Plan: <ul style="list-style-type: none"> • Creating of all banking accounts according to the required MEGA Portfolio Structure. • Functionality of bank accounts and Deposit Books according to requirements as per the TOR (Terms of Reference). • Cash Management Structure • Electronic Banking (PACS) • Speed points and Corporate Cards • Investments • International Banking • Marketing Strategy • Service Level Agreement 	07
1.2	Account Verification process and Turn-around times	02
1.3	Ability to provide Bank Statements as per the TOR.	05
1.4	Ability to create Transactional Referencing as per MEGA requirements in the TOR.	10

1.5	Ability and process to meet MEGA requirements for lifting of limits (Items/aggregated limits) upon notification by MEGA as per the TOR.	06
1.6	Ability to demonstrate value-adding innovative solutions that will assist MEGA to become a cashless environment by presenting practical solutions and/or simulation of such solutions.	05
1.7	The structure of the relationship management team with escalation levels and qualifications and experience of the relationship management team.	10
2	INTEGRATE MEGA SYSTEMS WITH ELECTRONIC ONLINE BANKING SYSTEMS PLATFORMS	37
	The online banking platform should meet the category below as outlined in the Terms of Reference (TOR)	
2.1	Functionality	08
	The system should have the capability that will allow MEGA to upload and authorize payments/ transfers.	
2.1.1	Electronic Banking Systems that can interface daily with MEGA's Accounting (Pastel 300 currently) and other Financial Systems.	02
2.1.2	A proposed host link option to be made available to MEGA in order to facilitate high volume processing for electronic salary payments, creditor payments, funds transfers, and electronic statements.	02
2.1.3	The Bidder must demonstrate the Change Control Methodology, and Fall-Back Procedure that will be followed, should the outcome of the change be different from the expected results.	02
2.1.4	Data import capabilities allowing unique references for all transactions	01
2.1.5	Referencing validations on deposits to relevant bank accounts	01
2.2	Security	10
2.2.1	The ability to authenticate all system transactions to eliminate unauthorized access	03
2.2.2	Adequate controls to prevent duplicate transactions from being processed.	01

2.2.3	Recognize unique passwords for a predetermined period and accommodate complex passwords that must consist of a combination of different characters for example: Numeric, alpha-numeric, and case sensitivities.	01
2.2.4	Security features that enable that user permission to be restricted on specific times inclusive of a trusted profile.	01
2.2.5	The system must also protect data by having "Session Control" capability when the system is on idle.	02
2.2.6	System de-activation functionality to be automated if User has not logged in for more than 30 days.	02
2.3	Processing/Operational	04
	Ability to enable the smooth running of operations by enabling conditions as outlined below:	
2.3.1	Multiple search function in order to ensure efficient data query and extraction.	01
2.3.2	Must have a point as decimal and a comma as separators for amount, e.g. 100,000,000.20 and not 100000000.20	01
2.3.3	The system must have internal controls over date entry, transaction processing, and reporting that are applied consistently across the entire system.	01
2.3.4	Automatic downloading of electronic banking statements for subsequent import to MEGA's Line of business systems.	01
2.4	User Access Management	05
	Ability to enable system users to assume a specific function across the application and evaluating access control against the given system identity.	
2.4.1	Incorporate a unique key whenever a User is created in order to avoid duplications E.g. ID numbers.	02
2.4.2	Recognize predetermined structures as per specific function or User access roles.	01
2.4.3	Access to all functionality in the system must be centralized via a "Security Manager" function. The "Security Manager" will control the access a User has to the various functions in the system. It will control what task the User can perform, what data a User can view/update/insert, whether the User can print or export and set	02

	financial limits on the User, but not limited to only the aforesaid requirements.	
2.5	Reporting	10
	Ability to have various reporting capabilities that will enable better decision making.	
2.5.1	The capability to have a detailed User Activity Report, enabling the identification of all transaction's processed on the system. i.e. Generate transaction audit trails for all Users, including tracking of User IP Addresses.	02
2.5.2	Generate Exception Reports based on predetermined thresholds.	02
2.5.3	Provide a Monthly Report on the performance of the system. The system must operate effectively and timeously; It must be designed to meet the operational requirements in which MEGA will operate which include 98 % uptime system reliability, fast recoverability, response time measured in a few seconds, high levels of security and easy to use.	01
2.5.4	On-line access for view of transactions and bank statements by MEGA for One Hundred and Eight (180) days.	01
2.5.5	Report types available online such as, but not limited to the following: <ul style="list-style-type: none"> • Payment Detail Report. • User Activity Report – All actions performed by any User must be recorded in the Audit Log and be accessible by Authorized Users. "All actions performed by any User" includes Creating, deleted and updating or viewing of any data. 	04
2.6	Partnership Projects	18
2.6.1	Financial Literacy Training to MEGA Staff.	06
2.6.2	Program to support, develop and lend money to Township Based SMME's in Partnership with MEGA.	06
2.6.3	Preferential MEGA Staff Solutions.	06

APPLICABLE VALUES: 1 = Poor; 2 = Average; 3 = Good; 4 = Very Good; 5 = Excellent

9. SCHEDULE OF RATES

- 9.1 Bidders are required to quote firm prices on their proposals.
- 9.2 Pricing shall be fixed for a period from the start of the contract till the expiry date of the contract.
- 9.3 Any future increase on the prices during the Five (5) year contract period shall be inflation linked.
- 9.4 Bidders are required to quote a formula, references to Statistics South Africa CPIX Index which shall be used for calculating any future annual price increases on the dates of annual review.
- 9.5 Separate prices shall be quotes and the method of their calculation, for each of the services identified on the Terms of Reference (TOR) of this tender.
- 9.6 Any costs applicable to the implementation of new banking systems and procedures, including the cost of training of MEGA staff, computer software and hardware etc. should be shown separately from transaction costs.

10. TEMPLATE FOR SCHEDULE OF RATES

NO	ITEM	CHARGES PER ITEM
10.1	Deposits	
	Cash Deposit fee per R100	
	Cash Deposit fee -Bulk per R100	
	Sub Total	
10.2	Electronic Fund Transfers	
	Payments per transaction	
	Unpaid items per transaction	
	Online payments per transaction	
	Online intra group transfer per transaction	
	Sub Total	
10.3	Manual payments & Transfers	
	Manual payment & transfers same bank per transfer	
	Manual payment & Transfers – other bank per transfer	
	Sub Total	
10.4	Salary Transfers	

	Salary transfer – same bank per transaction	
	Salary transfer – other bank transaction	
	Telegraphic transfers per transaction	
	Sub Total	
10.5	Online Banking	
	Subscription fees per month	
	Access for User per month, per user	
	Additional users per month, per user	
	Inter account transfers per transaction	
	Payments less than R5m per payment	
	Payments above R5m per payment	
	EFT unpaid per transaction	
	Re-issue of passwords per user	
	Transaction tracing per transaction	
	Amend beneficiaries per amendment	
	Training of users per hour	
	Set up of system (Once off)	
	Sub Total	
10.6	Other Charges	
	Credit transfer	
	Recall fee	
	Sub Total	
TOTAL PRICE		

I/we, the undersigned, hereby confirm that all fees and any prices, for or any remuneration quotes is firm and binding from the Start Date of the contract to the Expiry date of the contract.

Signed at _____ on this the ____ day of _____ 2024.

Full Names and Signatures who also confirms that he/she is duly authorized to do so.

Witness

1. _____

Witness

2. _____

Omissions and variations from MEGA's specifications and requirements (To be completed by banker). Bankers will be held responsible in accordance with MEGA's specifications/requirements as presented in this tender document, except in the respect as stated hereunder.

The output will be subjected to rejection if it is found on delivery that it does not comply with MEGA's specifications/requirements.

Any deviation is subject to prior approval in writing by the duly authorized official of MEGA. If the Tender is in accordance with MEGA's specifications/requirements in all respects, the banker must state so here:

Name of Banker

Signed at _____ on this the ____ day of _____ 2024.

Full Names and Signatures who also confirms that he/she is duly authorized to do so.

Witness

1. _____

Witness

2. _____

11. CONFIDENTIALITY

This bid and all information in connection therewith shall be held in strict confidence by interested parties and usage of such information shall be limited to preparation of the bid.

12. ENQUIRIES

Enquiries related to this bid may be addressed via email on or before **21 October 2024**.

All Supply Chain Management enquiries must be directed to:

Ms. BN Mahlalela

Mpumalanga Economic Growth Agency

Supply Chain Management Unit:

013 492 5815

Bridgette.mahlalela@mega.gov.za

13. CLOSING DATE AND TIME

Time : 12h00 pm

Date : 28 October 2024

14. METHOD AND PLACE OF SUBMISSION

All the Bid documents together with the supporting documents must be submitted in sealed envelope, marked with the Name of the bidder, bid number, Bid description, and closing date, and be deposited in the tender box as per closing the date and time per the bid above.

The address is as follows:

MEGA Head Office
Supply Chain Management Unit
02 Eastern Boulevard, Riverside
MBOMBELA
1200

15. CONDITION OF THE BID

MEGA reserves its right to award or not to award on this BID.

16. NO COMPULSORY BRIEFING SESSION

17. TABLE A: MANDATORY REQUIREMENTS

MANDATORY REQUIREMENTS (Failure to meet the below requirement(s), the Bidder will be disqualified)	
1.	In case of a Joint Venture, an original or original certified copy of the joint/partnership agreement must be attached;
2.	A Letter of Good Standing, issued by the Compensation Fund in terms of the Compensation for Occupational Injuries and Diseases Act, 1993 must be attached. The certificate must be valid as at the closing date of the Bid. A Letter of Intent will not be accepted.
3.	Fully completed Pricing Schedule.
4.	Fully completed, signed Standard Bidding Document (SBD1; SBD4; SBD6.1)
5.	Letter of Authority to sign the Bidding Documents.
6.	Certified copies of Director's Shareholders Identity Documents.
7.	Proof of Registration on Central Database (Detailed Report).
8.	Letter of Approval by the Executive Authority to do business if the Entity has a Member(s) who is/are Government Employees.
9.	Bidders who submit information that is fraudulent, factually untrue or inaccurate will be disqualified.

All Bids are valid for a period of 90 – 120 days

SECTION 2: RESPONDANT INFORMATION

SECTION 2: RESPONDENT INFORMATION

(To be completed by Respondent)

Respondent Information

2.1 Name of company: _____

2.2 Company registration number: _____

2.3 Address of company:

Postal Address/Street Address:

Company's internet address:

2.4 Contact person:

Name: _____

Designation: _____

Telephone number: _____

Fax number: _____

2.5 Names of the Directors of your company:

Name: _____ Designation: _____

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

2.6 Total number of Employees: _____

2.7 Declaration:

The information supplied in this document is correct and complete to the best of my knowledge and accurately reflects the capability of:

(Company name):

Signature:

Date:

Name:

2.8. This bid is signed in my capacity as:

SECTION 3: TERMS AND CONDITIONS

SECTION 3: TERMS AND CONDITIONS

(To be read very carefully by respondent)

Special conditions for the bid

3.1 INTERPRETATION AND DEFINITIONS

3.1.1 Definitions

The expressions defined below shall have the meaning hereby assigned to them unless inconsistent with the context of a particular proposal, agreement, contract or order.

- “Company”: Mpumalanga Economic Growth Agency
- “Closing date”: the date and hour specified in the document

3.2 BID INVITATION

3.2.1 Bid Preparation

All costs in the preparation, presentation and demonstration will be on the account of the interested parties. All supporting documentation and manuals submitted in response to this bid will become “company’s” property unless otherwise stated by the interested parties at the time of submission.

3.2.2 Confidentiality

The information obtained through this bid will be regarded as confidential; however, MEGA does not accept liability for any information that may become public.

3.2.3 Samples

Interested parties may, as part of their response, submit samples, brochures or documentation of the products supplied by the interested parties. Samples, brochures and documentation submitted will be returned to the interested parties only on request.

3.2.4 Background checks

MEGA reserves the right to request all relevant information, agreements and other documents to verify information supplied in the bid response. The bidder hereby gives consent to MEGA to conduct background checks on the bidding entity and any of its directors/ partners / trustees / shareholders / members.

3.2.5 South African Based Audit firms

MEGA promotes Local Production and Content; and for the purpose of this tender, MEGA reserves the right to only consider South African based audit firms for appointment under this tender.

4. BID

4.1 Document requiring completion and return

Interested parties must complete and submit the following documents as part of their response:

- Prescribed bid document
- Completed and signed SBD documents (SBD1, 4, 6.1)
- General conditions of contract
- Any information required in this bid

4.2 Amendment of documents by MEGA

MEGA may, at any time prior to the deadline for lodging the bid, amend the documents or extend the time for lodging documents by notice in writing to the prospective Interested parties. (Any amendments under this clause will become part of the request for information).

5. PREPARATION OF THE BID

5.1 Language of document

The bid and all correspondence and documents related to the bid exchanged by the interested parties and MEGA shall be written in English.

6. SUBMISSION OF THE BID

6.1 Address and marking of bid

All bids must be:

- Enclosed in a plain envelope or wrapping and clearly marked with the bid number specified on the document.
- Lodged so as to ensure that they are received not later than the closing time and date specified for their receipt in accordance with directives issued with the document.

6.2 Number of copies required

The interested parties must submit 2 copies including the original (one original hard copy and a soft copy – USB).

6.3 Closing date

All bids close on the date and time indicated in the document.

6.4 Late submissions

Bids are late if they are received at the address indicated in the document after closing time and date. MEGA will not consider any late bid(s).

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.

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General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of 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 | <p>16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.</p> <p>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.</p> <p>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.</p> <p>16.4 Payment will be made in Rand unless otherwise stipulated in SCC.</p> |
| 17. Prices | <p>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.</p> |
| 18. Contract amendments | <p>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.</p> |
| 19. Assignment | <p>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.</p> |
| 20. Subcontracts | <p>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.</p> |
| 21. Delays in the supplier's performance | <p>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.</p> <p>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.</p> <p>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.</p> <p>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</p> |

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.

Js General Conditions of Contract (revised July 2010)

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE MPUMALANGA ECONOMIC GROWTH AGENCY (MEGA)					
BID NUMBER:	MEGA/2024/08	CLOSING DATE: 28 OCTOBER 2024		CLOSING TIME:	12H00 PM
DESCRIPTION	BID FOR THE APPOINTMENT OF A BANKER TO PROVIDE BANKING AND FINANCIAL SERVICES TO MEGA FOR A PERIOD OF FIVE (5) YEARS.				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
MEGA OFFICE PARK (1 ST FLOOR)					
02 EASTERN BOULEVARD					
RIVERSIDE					
MBOMBELA					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Ms. BN MAHLELELA		CONTACT PERSON	Mr. A Bezeidenhout	
TELEPHONE NUMBER	013 492 5818/7		TELEPHONE NUMBER	013 492 5818/7	
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	bridgette.mahlalela@mega.gov.za		E-MAIL ADDRESS	anri.bezeidenhout@mega.gov.za	
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					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
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 THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
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 BELOW.					

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 IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

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 VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3. APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
- 2.4. BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5. IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6. WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- 2.7. NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SIGNATURE OF BIDDER:

.....

CAPACITY UNDER WHICH THIS BID IS SIGNED:

.....

(Proof of authority must be submitted e.g. company resolution)

DATE:

.....

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

2. Bidder's declaration

- 2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise, employed by the state? **YES/NO**

- 2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

¹ the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

SBD4

Full Name	Identity Number	Name of State institution

2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

.....
.....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract? **YES/NO**

2.3.1 If so, furnish particulars:

.....
.....

3 DECLARATION

I, the undersigned, (Name).....
in submitting the accompanying bid, do hereby make the following
statements that I certify to be true and complete in every respect:

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 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 consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 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.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 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.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS

² 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.

SBD4

1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

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

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**

- 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	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:

$$\begin{array}{ccc}
 \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\
 \\
 \mathbf{Ps = 80 \left(1 - \frac{Pt - Pmin}{Pmin} \right)} & \mathbf{or} & \mathbf{Ps = 90 \left(1 - \frac{Pt - Pmin}{Pmin} \right)}
 \end{array}$$

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:

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

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)
>51 % Black Ownership	N/A	10	N/A	
>30% Black Female ownership	N/A	5	N/A	
>30% Black Youth ownership	N/A	5	N/A	

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:

.....

.....

.....