

Magareng Local Municipality
 BID NO: FIN02/2023/2024: PROVISION OF BANKING SERVICES FOR A PERIOD OF FIVE YEARS:
 1 JULY 2025 – 30 JUNE 2030



TENDERNUMBER:		FIN 02/2023/2024	
TENDERDESCRIPTION:		REQUEST FOR THE PROVISION OF BANKING SERVICES FOR A PERIOD OF 5 YEARS WITH EFFECT FROM 1 JULY2025 UNTIL 30 JUNE 2030	
CLOSINGTIME:	12H00	CLOSING DATE:	30 August 2024
Tender Box at: Magareng Municipality P.O.Box 10 Warrenton 8530		NB: <ol style="list-style-type: none"> 1. All bids must be submitted on the official forms–(not to be re-typed) 2. Bids must be completed in black ink in writing 3. No bids will be considered from persons in the service of the state 	
Name of Bidder:			
Tendered Amount:			

Magareng Local Municipality
 BID NO: FIN02/2023/2024: PROVISION OF BANKING SERVICES FOR A PERIOD OF FIVE YEARS:
 1 JULY 2025 – 30 JUNE 2030

MBD1

MAGARENG LOCAL MUNICIPALITY TENDER NOTICE AND INVITATION TO BID DETAILS OF TENDERER							
NAME OF BIDDER:							
TRADING AS (if different from above):							
STREET ADDRESS:							
				City/Town		Code	
POSTAL ADDRESS:							
				City/Town		Code	
CONTACT PERSON:							
ENTERPRISE REGISTRATION NUMBER:				CIDB CRS NUMBER:	N/A		
TCS PIN				FACSIMILE NUMBER:			
E-MAIL ADDRESS:							
TELEPHONE NUMBER:				CELLPHONE NUMBER:			
HAS TAX COMPLIANCE STATUS PIN BEEN ATTACHED?						YES	NO
HAS AN ORIGINAL OR CERTIFIED COPY OF A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? (MBD6.1)						YES	NO
HAS THE DECLARATION BEEN COMPLETED AND CURRENT, ORIGINAL OR CERTIFIED MUNICIPAL ACCOUNTS BEEN ATTACHED? (MBD15)						YES	NO
DECLARATION							
I am duly authorized to represent the tenderer for the purpose of this tender and hereby tender to supply all or any of the goods and/or render all or any of the services described in the attached document to the Magareng Municipality on the terms and conditions stipulated in this tender document and in accordance with the specification stipulated in the tender document.							
NAME (PRINT)				SIGNATURE			
CAPACITY				DATE			

Magareng Local Municipality
BID NO: FIN02/2023/2024: PROVISION OF BANKING SERVICES FOR A PERIOD OF FIVE YEARS:
1 JULY 2025 – 30 JUNE 2030

TENDER NO: FIN02/2023/2024

PROVISION OF BANKING SERVICES FOR A PERIOD OF 5 YEARS WITH EFFECT FROM 1 JULY 2025 UNTIL 30 JUNE 2030

Proposals are invited from registered local banking institutions that are keen to deliver full banking and electronic services to the Magareng Municipality for a period of 5 years commencing 1 July 2025 until 30 June 2030. Tender documents can be collected at the Supply Chain Management Unit of Magareng Municipality / downloaded from e-tender portal.

A receipt for a non-refundable deposit of R 1500.00 payable by cash or EFT in favor of Magareng Municipality is required on collection of the tender documents.

Queries relating to these documents may be addressed to – The Supply Chain Unit of the Municipality (053) 497 3111 kvkhaziwa@yahoo.com.

As per legislation this Tender will run for 60 days.

The closing date and time for the submission of the bids is 12h00 on Wednesday 30 August 2024. Bid may only be submitted on the bid documentation that is issued.

Bidders will be evaluated on Functionality and Price as per Tender document.

The Municipality reserves the right to withdraw any invitation to bid and /or re-advertise or to reject any bid or to accept a part of it. The Municipality does not bind itself to accept the lowest bid or to award a contract to the Bidder scoring the highest number of points

.....
Tumelo Thage
ACTING MUNICIPAL MANAGER
MAGARENG MUNICIPALITY

MAGARENG MUNICIPALITY	
TAXCLEARANCECERTIFICATEREQUIREMENTS	
It is a condition of tender that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service(SARS) to meet the bidder's tax obligations, before an award may be considered.	
1.	In order to meet this requirement bidders are required to complete in full the form TCC 001“Application for a Tax Clearance Certificate ” and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders/individuals who wish to submit bids.
2.	Copies of theTCC001“Application for a Tax Clearance Certificate” form are available from any SARS branch office nationally or on the website www.sars.gov.za .
3.	SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1(one)year from the date of approval.
4.	The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
5.	In bids where Consortia/Joint Ventures/ Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
6.	Applications for Tax Clearance Certificates may also be made via e-Filing. In order to use this provision, taxpayers will need to register with SARS as e-Filers through the website www.sars.gov.za .

Magareng Local Municipality
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MBD 4

MAGARENG MUNICIPALITY DECLARATION OF INTEREST	
1.	No bid will be accepted from persons in the service of the state*.
2.	Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favoritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in the service of the state, it is required that the bidder or their authorized representative declare their position in relation to the evaluating/adjudicating authority.
3.	In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.
3.1.	Full Name of bidder or his/her representative:
3.2.	Identity number:
3.3.	Position occupied in the Company(director, trustee, shareholder?)
3.4.	Company Registration Number:
3.5.	Tax Reference Number:
3.6.	VAT Registration Number:
3.7.	The names of all directors/trustees/shareholders/members, their individual identity numbers and state employee numbers(where applicable) must be indicated in paragraph 4 below.
3.8.	Are you presently in the service of the state* YES /NO
3.8.1.	If yes, furnish particulars.
3.9.	Have you been in the service of the state for the past twelve months? YES /NO
3.9.1.	If so, furnish particulars.
3.10.	Do you, have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid? YES /NO
3.10.1.	If so, state particulars.
3.11.	Are you aware of any relationship (family, friend, other) between the bidder and any person in the service of the state who may be involved with the evaluation and or adjudication of this bid? YES /NO
3.11.1.	If so, state particulars.
3.12.	Are any of the company's directors, managers, principal shareholders or stakeholders in service of the state? YES/ NO
3.12.1.	If so, state particulars.

Magareng Local Municipality
BID NO: FIN02/2023/2024: PROVISION OF BANKING SERVICES FOR A PERIOD OF FIVE YEARS:
1 JULY 2025 – 30 JUNE 2030

3.13.	Is any spouse, child or parent of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state?	YES /NO	
3.13.1.	If so, furnish particulars.		
3.14.	Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract?	YES /NO	
3.14.1.	If so, furnish particulars.		
4.	Full details of directors/trustees/members/shareholders:		
COMPLETION OF THE FOLLOWING INFORMATION IS <u>COMPULSORY</u>:			
Full Name	Identity Number	Individual Tax Number for each Director	State Employee Number
CERTIFICATION			
I CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT. I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.			
NAME OF ENTERPRISE			
CAPACITY		DATE	
NAME PRINT		SIGNATURE	
¹ MSCM Regulations: "in the service of the state" means to be-			
a)	A member of– (i) Any municipal council; (ii) Any provincial legislature; or (iii) The National Assembly or the National Council of Provinces;		
b)	A member of the board of directors of any municipal entity;		
c)	An official or any Municipality or municipal entity;		
d)	An employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);		
e)	A member of the accounting authority of any national or provincial entity; or		
f)	An employee of Parliament or a provincial legislature.		
² "Shareholder" means a person who owns shares in the company and is actively involved in the management of the company or business and exercise control over the company.			

MBD 6.1

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

**This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for preference points for specific goals
NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022.**

1. GENERAL CONDITIONS

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).

The value of this bid is estimated to not to exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 system shall be applicable.

Preference points for this bid shall be awarded for:

- (a) Price

1.3.1 The maximum points for this bid are allocated as follows:

	POINTS
1.3.1.1 PRICE	80/20

1.4. The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser

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. POINTS AWARDED FOR PRICE

THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

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

Where

- P_s = Points scored for comparative price of bid under consideration
- P_t = Comparative price of bid under consideration
- P_{\min} = Comparative price of lowest acceptable bid

4. DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name of company/firm :

8.2 VAT registration number :.....

8.3 Company registration number
:

8.4 TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium

One person business/sole propriety

Close corporation

Company

(Pty) Limited

[TICK APPLICABLE
BOX]

8.5. DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....
.....
.....

8.6. COMPANY CLASSIFICATION

Manufacturer

Supplier

Professional service provide

Magareng Local Municipality
BID NO: FIN02/2023/2024: PROVISION OF BANKING SERVICES FOR A PERIOD OF FIVE YEARS:
1 JULY 2025 – 30 JUNE 2030

WITNESSES:

1.

2.

.....
SIGNATURE(S) OF BIDDER(S)

DATE:

ADDRESS:

.....

MAGARENG MUNICIPALITY			
DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES			
1.	This Municipal Bidding Document serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.		
2.	The bid of any bidder may be rejected if that bidder, or any of its directors have:		
2.1.	Abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;		
2.2.	Been convicted for fraud or corruption during the past five years;		
2.3.	Willfully neglected, renege donor failed to comply with any government, municipal or other public sector contract during the past five years; or		
2.4.	Been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No12 of 2004).		
3.	In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.		
3.1.	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed there striation after the <i>audi alteram partem</i> rule was applied).	Yes /No	
3.2.	If so, furnish particulars:		
3.3.	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of2004)? The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the homepage.	Yes /No	
3.4.	If so, furnish particulars:		
3.5.	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes /No	
3.6.	If so, furnish particulars:		
3.7.	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes /No	
3.8.	If so ,furnish particulars:		
3.9.	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes /No	
3.10.	If so, furnish particulars:		

4.	CERTIFICATION		
I, CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM TRUE AND CORRECT. I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.			
NAME OF ENTERPRISE			
CAPACITY		DATE	
NAME (PRINT)		SIGNATURE	
WITNESS 1		WITNESS 2	

MAGARENG MUNICIPALITY	
CERTIFICATE OF INDEPENDENT BID DETERMINATION	
1.	Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding(or bid rigging). ² Collusive bidding is a <i>per se</i> prohibition meaning that it cannot be justified under any grounds.
2.	Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others , to: <ul style="list-style-type: none"> a) Take all reason able steps to prevent such abuse; b) Reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and c) Cancel a contract awarded to a person if the person committed any corrupt to fraudulent act during the bidding process or the execution of the contract.
3.	This Municipal Bidding Document serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
4.	In order to give effect to the above, the following Certificate of Bid Determination must be completed and submitted with the bid:
CERTIFICATE OF INDEPENDENT BID DETERMINATION	
I, the undersigned, in submitting the accompanying bid:	
Bid Number:	
Description:	Provision of Banking Services for a period of 5 years with effect from 1 July 2025 until 30 June 2030.
in response to the invitation for the bid ISSUED by the Magareng Municipality , do hereby make the following statements that I certify to be true and complete in every respect:	
I certify, on behalf of (Name of Bidder):	
That:	
<ol style="list-style-type: none"> 1. I have read and I understand the contents of this Certificate; 2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect; 3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid , on behalf of the bidder; 4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder; 5. For the purposes of this Certificate and the accompanying bid , I understand that the word “ competitor” shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who: <ul style="list-style-type: none"> (a) Has been requested to submit a bid in response to this bid invitation; (b) Could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and (c) Provides the same goods and services as the bidder and /or is in the same line of business as the bidder 6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium³ will not be construed as collusive bidding. 	

7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - a) prices;
 - b) geographical area where product or service will be rendered(market allocation)
 - c) methods, factors or formulas used to calculate prices;
 - d) the intention or decision to submit or not to submit, a bid;
 - e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been , and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of Section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM TRUE AND CORRECT.

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

NAME (PRINT)		SIGNATURE	
CAPACITY		DATE	

¹Includes price quotations, advertised competitive bids, limited bids and proposals.
²Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.
³Joint 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.

MAGARENG MUNICIPALITY				
CERTIFICATE FOR PAYMENT OF MUNICIPAL SERVICES				
(To be signed in the presence of a Commissioner of Oaths)				
I, the undersigned, in submitting the accompanying bid, declare that I am duly authorised to action behalf of:			(name of the enterprise)	
I hereby acknowledge that according to SCM Regulation 38(1)(d)(i), the Municipality may reject the tender of the tenderer if any municipal rates and taxes or municipal service charges owed by the Tenderer or any of its directors/members/partners to the Magareng Municipality, or to any other municipality or municipal entity, are in arrears for more than 3 (three) months.				
To the best of my personal knowledge, neither the firm nor any director/member/partner of said firm is in arrears on any of its municipal accounts with any municipality in the Republic of South Africa, for a period longer than 3 (three) months.				
If the value of the transaction is expected to exceed R10million(VAT included)I certify that the bidder has no undisputed commitments for municipal services towards any Municipality in respect of which payment is overdue for more than 30 days;				
PHYSICAL BUSINESS ADDRESS(ES) OF THE TENDERER			MUNICIPAL ACCOUNT NUMBER	
FURTHER DETAILS OF THE BIDDER'S Director/Shareholder/Partners, etc.:				
Director /Shareholder/ partner	Physical address of the Business	Municipal Account number(s)	Physical residential address of the Director /shareholder/ partner	Municipal Account number(s)
NB: Please attach certified copy(ies) of ID document(s)				
NB: Please attach copy(ies) of Municipal Accounts				
Number of sheets appended by the tenderer to this schedule(If nil ,enter NIL)				

Therefore, hereby agrees and authorizes the Magareng Municipality to deduct the full amount outstanding by the Tenderer or any of its directors/members/partners from any payment due to the tenderer; and			
I further hereby certify that the information set out in this schedule and/or attachment(s) here to is true and correct. The Tenderer acknowledges that failure to properly and truthfully complete this schedule may result in the tender being disqualified, and/or in the event that the tenderer is successful, the cancellation of the contract.			
NAME OF ENTERPRISE			
NAME (PRINT)			
CAPACITY			
SIGNATURE		DATE:	

<p style="text-align: center;">COMMISSIONER OF OATHS</p> <p>Signed and sworn to before me at _____, on this _____ Day of _____ 20</p> <p>by the Deponent, who has acknowledged that he/she knows and understands the contents of this Affidavit, it is true and correct to the best of his/her knowledge and that he/she has no objection to taking the prescribed oath, and that the prescribed oath will be binding on his/her conscience.</p> <p>COMMISSIONER OF OATHS:- Position: _____ Address: _____ Tel: _____</p>	<p>Apply official stamp of authority on this page:</p>
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MAGARENG MUNICIPALITY

GENERAL CONDITIONS OF CONTRACT

TABLE OF CLAUSES

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

33. National Industrial Participation Program (NIPP)

34. Prohibition of restrictive practices

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 (form of Offer and Acceptance) 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. It is the amount stipulated in the form of offer by the bidder.

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 consignee’s 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 markets 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 **“Manufacture”** means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.18 **“Order”** means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.19 **“Project site,”** where applicable, means the place indicated in bidding documents.
- 1.20 **“Purchaser”** means the Magareng Municipality or any other agency or body on whose behalf it has been authorized to procure goods and services and includes the accounting officer of this municipality or his nominee.
- 1.21 **“Republic”** means the Republic of South Africa.
- 1.22 **“SCC”** means the Special Conditions of Contract.
- 1.23 **“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.
- 1.24 **“State”** includes the municipality;
- 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 local press or accessed electronically or in hard copy form from the municipality upon payment of any prescribed fee.

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 and also 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 insofar 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 municipality or an organization acting on behalf of the municipality.
- 8.3** If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4** If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5** Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6** Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7** Any contract supplies may, on or after delivery, be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal, the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof or to act in terms of Clause 23 of GCC.

9. Packing

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

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

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

11. Insurance

11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.

12. Transportation

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

13. Incidental services

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

- (a)** Performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b)** Furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c)** Furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- (d)** Performance or supervision or maintenance and/or repair of the supplied goods, for a period

of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

- (e) Training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. Spare parts

14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

- (a) Such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) In the event of termination of production of the spare parts:
 - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) Following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk

and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an acceptable invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.

18. Contract amendments

- 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.

19. Assignment

- 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

20. Subcontracts

- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contract if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

21. Delays in the supplier's performance

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate

the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

- 21.3** No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4** The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.
- 21.5** Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties
- 21.6** Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

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

23. Termination for default

- 23.1** The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- (a)** if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
 - (b)** if the supplier fails to perform any other obligation(s) under the contract; or
 - (c)** if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 23.2** In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such

similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

- 23.3** Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.
- 23.4** If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.
- 23.5** Any restriction imposed on any person by the Accounting Officer will, at the discretion of the Accounting Officer, 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 favorable 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 municipality 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 (NIP) Program

33.1 The NIP Program 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.

SECTION1 GENERAL INFORMATION

1.1 DESCRIPTION OF MUNICIPALITY

The Magareng Municipality is a Category B municipality located in the Frances Baard District of the Northern Cape. The municipal area comprises 6 wards.

1.2 TENDER REQUEST

1.2.1 In terms of the Municipal Financial Management Act, Supply Chain Management Regulation 30, the Municipality is required to advertise every five years for competitive bids from commercial banks registered in terms of the Banks Act, No 94 of 1990, to provide commercial banking services to the Municipality.

1.2.2 Bids will only be accepted from banks with a branch in the Frances Baard Region. A Bank that can provide an acceptable time frame for establishing such a facility in the town

1.2.3 Tenders will be evaluated using the procedures as set out in the Tender document

1.3 TENDER EVALUATION

Tenders will be pre-evaluated on the criteria as set out in Section 2.5

Tenderers that score less than 70 out of 100 points for this criteria will be regarded as non-responsive and will not be evaluated on price

The Bid Evaluation Committee of the Municipality will determine whether the Functionality and Pricing Tenders are complete, i.e. whether all the items as required have been costed .If the tender is not complete, the Tender may be rejected as not responsive.

The quantities as used in the pricing schedule is estimated based on past history and is for bid evaluation purposes only. The successful Tenderer will be contracted based on unit tariffs, as per the completed pricing schedule. Actual invoices subsequently provided by the successful tenderer must be based on these tariffs and actual quantities.

1.3.1 FUNCTIONALITY

The following criteria will be used to calculate points for the Functionality and bidders should ensure that they submit all information in order to be pre-evaluated on the criteria mentioned in Section 2.5:

Quality criteria	Maximum Number of points	Score
1. Proposal for municipal offices (Magareng Municipality) in order to lower the risk of money being on site.	20	
2. The National Long-Term Credit Rating of the banking institution by Accredited rating Agency	20	
3. Innovative products offered by the banking institution and online banking system compatibility with municipal financial system	20	
4. Current municipal clientele (Municipalities with a budget of R50 million or more) as well at least 3 reference from municipal clients	20	
5. Local Economic Development & Social Investments in the Magareng Municipal area	20	
TOTAL	100	

1.4 BANK ACCOUNT

1.4.4.1 In terms of the Municipal Finance Management Act, No 56 of 2003, a municipality must have a Primary Bank Account. The following monies are paid into the Primary Bank Account.

- All allocations due to the Municipality.
- All income received by the Municipality on its investments
- All income received by the Municipality in connection with its interest in any municipal entity including dividends.
- All money collected by the Municipal entity or other external mechanism on behalf of the Municipality.
- Any other monies as may be prescribed.

1.5 FINANCIAL ACTIVITIES AND INFORMATION

1.5.5.1 All payments to creditors are affected by electronic transfers.

1.5.5.2 Only Magareng Municipality Head Office and must have card payment facilities

1.5.5.3 Revenue will be received by either cashiers, direct deposits or facilities for speed points /card merchant services.

1.5.5.4 The Municipality has prepaid electricity facilities at vendors all over the municipal area.

1.5.5.5 The Municipality at present has ±143 employees and councilors on the payroll. Salaries and wages are paid through a 24-hour electronic transfer service.

1.5.5.6 Certificate of registration as a Bank in terms of the Banks Act, No 94 of 1990 must be attached. Failure to submit documentary proof will be considered as non-responsive.

1.5.5.7 The Tenderer must submit a company profile, including copies of the company's founding statements, as well as a detailed portfolio of current/new services provided. Failure to submit documentary proof will be considered as non-responsive.

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

SECTION 2: TERMS OF REFERENCE

2.1 OBJECTIVES

Tenders are invited for the appointment of a local commercial bank registered in terms of the Bank Act, No 94 of 1990 for the provision of commercial banking services for a period of five (5) years to the Magareng Municipality.

The Tenderer's proposal should effectively and adequately, without ambiguity demonstrate how it is able to provide its services to the Municipality. The proposal should encompass key areas of support and collaborating i.e. innovation, high quality, value-add solutions and pro-activity of its service models.

It must be noted that should there be any other requirements or niche services, which fall outside of the scope of this tender, the Council reserves the right to procure those services by means of a separate process.

2.2 SCOPE OF WORK

The requirements of the Municipality are that the successful bidder is able to provide the following:

- An efficient and cost effective current account administration service;
- Enhanced business processes for improve deficiencies resulting in related costs;
- Processes and controls to mitigate operational risk and fraud;
- A complete centralized banking service consisting of one Primary bank account and 12 additional accounts
- These aimless phased in implementation of the conversion interface with regard so import of statements with TXT, EFT payments TXT and payroll integration with TXT driven by the successful tenderer;
- The ability to handle large volume transactions.
- The ability to submit information in a format , which meets with the TXT System for bank reconciliation purposes.
- On-Line stop payment facility.
- On-Line account enquiries.
- The ability to identify direct deposits and other transactions /transfers on-line.
- The ability to download bank statements in an acceptable and compatible format.
- Bank statements and all supporting documentation must be available daily.
- The ability to pay salaries by way of compatible payroll system (PayDay) directly into the employee's bank accounts via a PC /IT based interface.
- Payment of creditors /third parties electronically (debit orders, electronic payments, etc.).
- Full audit trail and updated security system.
- Facilities to accommodate electronic payments and debit order facility by customer, to be managed by the municipality.
- Favorable interest rate on credit balances for all accounts.
- On request, providing duplicate deposit slips for direct receiving on bank account.
- A relationship service model that suites the Municipality by identifying responsible individuals for all possible issues, which may exist.
- All new banking details should be advertised at the cost of the tenderer (with written approval of the municipality).
- Training material /manuals for all business processes as well as on-site training.
- Cash paid at the various cash receipting points of the municipality will be deposited into electronic tellers supplied by the tenderer, situated in various offices within the Magareng Municipal area;

- Electronic cash acceptance devices to cater for notes as well as coins;
- Electronic cash acceptance devices must print deposit slip for each drop-off of cash;
- Each cash acceptance advises to cater for more than one cashier reference;
- Cash in transit service for the secure transporting of cash from the various municipal premises to the bank/ cash processing centre/municipal offices; and

The Tenderers must provide solutions that should be discussed under the following headings in the tender document submitted by The Tenderers.

- Transactional Banking Services
- Electronic Banking Services
- Implementation and Training
- Social Responsibility

2.2.1 Transactional banking services

2.2.1.1 Accounts Requirements

2.2.1.1.1 Account categories

- Primary Account–Main Consolidated Current Account
- Secondary Account–Transfer of internal municipal payments
- Trust Accounts (Section 12 of the MFMA)

2.2.1.1.2 Accounts:

- Deposit identifier (general validation)
- Set-off of credit / debit balances
- Overdraft facility on the Primary Account as per Council resolution, without any pre-qualifying conditions set for the facility.
- Access to account balances and able to transact 24 hours a day
- No bank charges to be debited to the two secondary bank accounts.
- For verification purposes, schedules must be provided of how bank charges were calculated on all bank accounts.

2.2.1.2. Income

2.2.1.2.1 Cashier Deposits

- Pre-printed deposit books/pads are required on an ad hoc basis to record individual cashiers' deposits.
- Type of pre-printed books/pads:
 - Pre-printed carbonised deposit books (in triplicate).

Council reserves the right to either source these deposit books/pads from the tenderer or another service provider.

- Automated and secure cash acceptance devices that counts, validates and verifies the authenticity of cash to assist with the daily cash up procedures by the cashiers.
 - The devices must be able to record all cash deposits made and print a deposit slip that is acceptable by the Bank.
 - The cash must be able to be stored inside the device and can only be removed by the appointed cash-in-transit company that will be appointed by the bank.
 - Electronic cash acceptance devices to cater for notes as well as coins;
 - Electronic cash acceptance devices must print deposit slip for each deposit
 - Each cash acceptance device to cater for more than one cashier reference
 - Only the reference must appear on the bank statement when deposits are made.

- Banking Facilities at Main office should be as follows:
 - Magareng Main office (Income Section)**
 - Installation and maintenance of a Cash acceptance device.
 - Capacity of 10,000 bank notes and coin counter.

2.2.1.2.2 Cash in transit service

- The bank is required to appoint a reputable service provider with armed response for the Cash-In-Transit services.
- The service level agreement must be concluded with the Cash-In- Transit Company and a copy of the agreement must be provided.
- Daily collection of cash at random times between 08:00 and 15:00 are required.
- This facility shall have a system in place that will validate the DI's as mentioned in 2.2.1.2.5 (e). In addition, this system must be able to track the receiving, processing and finalization of a deposit.
- Unforeseen pick-ups from areas as indicated above may occur during the contract. The rates are applicable as per pricing schedule above except for the time frames.
- The Tenderer must collect the deposits on the same day of notification, but not later than 15H00.
- The municipality reserves the right to change pick-up times.

- Cash collected by the CIT Company from the electronic machine (drop boxes) must reflect on the bank statements the same day.
- Pick up points and frequency are as follows:

Area	Collection Frequency	Days per Week
Municipal Office	Daily (08h00 – 15h00)	5 Days (Monday – Friday)

2.2.1.2.5 Current Account services

a) Introduction

The successful Tenderer should provide unique client service addressing the requirements of the Municipality. The Tenderer should provide a commitment to offer customised and sustainable banking services in relation to the Municipality's needs through dedicated service managers.

b) Payment / Receipt Services

The Tenderer should be able to provide the following service

- The processing of electronic payments; and
- The processing of electronic receiving.

c) Statements

- The Tenderer is to provide statements on all accounts on a daily basis to the Municipality.
- The Tenderer should have the ability for monthly statements to be electronically delivered via e-mail in pdf format.
- A final bank statement must be available for import into our financial system TXT by 07:00 the following day.

d) Deposit Identifier

The Tenderer to be able to provide a deposit identifier on the Municipality's deposits, which incorporates a deposit identifier validation routine in order to facilitate identification and reconciliation of all deposits, made into the Municipality's accounts.

Deposit identifier (12-digit General validation for accounts and 16 digits for Traffic fines) is currently being utilised by the municipality.

e) Bank Charges

- Bank charges for all bank accounts must be directed to the primary bank account.
- Invoices supported by detailed workings of the calculation of the bank charges must be supplied monthly.

- Service fees and escalations to be provided. All service fees on bank statements must be identifiable so that the municipality can verify the charges for the different services. The bank must be committed to a quantifiable escalation.
- Cash and foreign deposit fees that will be charged on any deposits must be stated.
- Cash shortages / surpluses at the Cash Centre to be communicated immediately to the relevant councils officials.
- An ACB debit order facility must be available. Please indicate fees per transaction and minimum monthly charges.
- Charge per transaction for recalls.
- Cost to supply information to the municipality regarding unpaid ACB transactions.
- Bank charges should preferably be debited against the bank account on the last day of each month.

2.2.1.2.6 Traffic Fines Account

Council requires the successful tenderer to accept Council's Traffic fine payments into the traffic fine bank account. Reference numbers are alphanumeric, and the tenderer should cater for various unique numbers. The municipality requires the successful tenderer to provide the facility to accept traffic fine payments as per specification provided.

- The municipality requires the successful tenderer to provide the facility to accept traffic fine payments as per specification provided.
- The following payment channels for traffic fines must be provided by the successful service provider
 - Over the counter(Cash, Credit card and debit card)
 - ATM's

2.2.2 Electronic banking solutions

a) Introduction

The Municipality expects the successful Tenderer to understand and identify its needs and to provide innovative solutions. The requirement is the ability to use real-time systems that provides cash management, payment and receipts solutions. These solutions must have built in efficiencies where there is a clear reduction in costs with regard to the Municipality's administration and accounting functions, improved controls with the results being in operational risk and fraud. The successful bidder should be able to provide the following:

- Facilitate the secure and timeous movement of funds.
- Meet the municipality's requirements in respect of EFT's for all salaries, creditor and other payments.
- Timeous and secure processing of all transactions.
- Ability to interface with financial systems currently being used by the municipality.
- Stringent authorization and security controls.
- Efficient management and mitigation of risk processes.
- Enhanced data integrity due to stringent validation controls.
- To provide on-line real time account balance and transaction enquiries.
- To provide real-time transaction search capabilities.
- To provide transaction history for up to 12 months.
- The period of historic information available on the system must be indicated and be available within 7 working days. Preferable for 12 months and free of charge regardless the time frame.
- A one-day service for electronic transfer of payments / deposits must be available.
- An electronic sweeping facility between accounts must be available.
- Facility to download information on the bank statement into the municipality's current financial management system to facilitate bank reconciliations
- Bank statements will be downloaded daily from the bank in the file layout format required by the Municipality's core Financial System service provider. All bank statement transactions are required to be clearly and correctly referenced in an agreed manner to facilitate the bank reconciliation process. Daily bank statements must be available for importing the next day at no later than 07:00.
- Electronic downloading of deposits with a reference indicator in an agreed file format for electronic receipting purposes.
- An audit trail of all electronic fund transfers or deposits.
- Direct-on-line facility to enable transfer of funds electronically between the municipality's bank accounts.
- An electronic direct debit order facility to collect payments from the municipality's consumers. Fees per transaction and minimum monthly charges must be stated. The

Charge per transaction for re calls must also be stated and the ability to provide detail information retaining to unpaid ACB transactions.

- An electronic enquiry facility to access direct debit rejections with a reason /code explaining the rejection.
- The bank must provide the necessary training to municipal personnel to use the electronic systems. The cost of training to be provided by the tenderer.
- Tenderers must submit with the tender documents a complete list of their external transaction codes in use.
- This must be supplied in hard copy and electronic medium in Excel.
- The successful tenderer needs to inform the municipality of any new bank codes in relation to bank charges at least ten working days before implementation by the bank.

b) Host to Host Electronic Payment Solution / ACB collection

- Required for bulk monthly debit orders.
- A secure host-to-host solution (that can accommodate the Municipality's transactional volumes) for the electronic transfer of the Municipality's transactions from the Municipality's core financial system to the bank and back needs to be provided.
- The host-to-host solution must be able to transfer electronic transactions from the core financial system to the bank's system and back without downloading the transactions to a user's PC.
- This solution needs to accept transaction al files in the standard ACB/Bank Service format /s that can easily be created in the core financial system environment.
- The successful tenderer needs to provide the programming codes to the Municipality's financial management software service provider, if required for any integration.
- A message indicating if the transmission was accepted needs to be returned within one hour of any transaction.
- Details of unpaid debit orders to be provided daily with a reconciliation of accepted / rejected payments.
- The system must be able to accommodate payments from customers up to R1 000 000 (one million rand) per transaction line, mixed with other smaller payment transactions in the same file.
- The system must be able to accommodate more than one payment file per day (no over writing of previously sent file).
- The system must be able to accommodate payments to all other banks in one file.
- Security based on different user codes for the different business user groups need to be provided.
- Item / Transaction limits, day limits, weekly limits, etc. needs to be provided per user code.
- An administrative system that will warn the Municipality if any of the daily, weekly or monthly limits are close to being exceeded.
- File security via control totals/ hash totals needs to be provided.
- A file / directory naming convention should be utilised where by the files / directory can easily be identified without looking at the contents of the file.
- Use must be made of a system of transmission numbers and sequence numbers that prevent the accidental duplication of a transmission / file (if a file was transfer red twice).
- The transactions reflected on the Municipality's bank statement needs to be available in real time on a daily basis.
- The bank statement file needs to be in a format that can easily be created in the core financial system environment.

c) Desktop / Direct Solution

- A desktop based online solution (utilizing the internet as a communication medium) needs to be provided.
- This solution needs to have a built-in two stage sign in and approving security mechanism.
- This solution can also be used as the back-up solution to the host-to-host solution.
- The solution needs to prompt the users every 30 days to change access passwords

d) Requirements for both the host to host and desktop /direct solution

- Where payments are sent in advance, it must be possible to cancel specific transactions in emergency cases.
- A message /messages indicating rejected /unpaid transactions needs to be returned timeously.
- A non line bank inquiry solution needs to be provided.This should be via the desktop / direct solution mentioned above.
- Must be possible to accommodate payments to banking institutions where a universal branch code is utilized.
- Reference fields must be returned on all transactions that are rejected.
- Branch code verifications as well as CDV checks need to occur immediately after any transactions are transferred.
- Both the host-to-host system as well as the desktop / direct solution must be able to accept transactions between the hours of atleast 08:00 and 16:30 on week days and on Saturdays. This excludes public holidays.
- The Municipality must be notified timeously of any redirected (reverse, rejected) transactions and related costs.
- All payment entries on the bank statement must show a unique reference number. For EFT payment sit will be the EFT batch reference / identifiable transaction sequence number.
- Bank Charges and interest must be separately and uniquely coded by the bank. Any subsequent adjustments to these entries must be the same reference number on the bank statements as the original entry.
- The system needs to provide the following services in respect of electronic payments: same day payments and up to at least 30 days in the future.

e) Salaries

- The Primary Bank Account is utilized for the payment of all salary related items , including third party payments (PAYE, Pension, Medical Aid Deductions etc.) for all staff employed by the municipality.
- Such payments are processed electronically via EFT's, utilizing a PC Based Desktop / Direct solution.
- All transactions debited or credited to the Primary Bank Account must contain effective referencing for clear identification . In such instances, the EFT batch number / identifiable transaction sequence number should be quoted in the text field.The same procedure is required for "Unpaid" EFT amounts relating to an individual employee payment.
- Facility for monies to be recalled on a same day service.

f) Bank Reconciliation

- Bank Reconciliations are performed electronically. Bank statements will be downloaded daily from the bank in the file layout for mat required by the core financial system service provider and uploaded into the core financial system bank reconciliation module using the transaction identifier / reference number on the statement to determine the type of transaction.
- All bank statement transactions require to be clearly and correctly referenced in an agreed manner to facilitate the core financial system bank reconciliation process.
- Previous day's completed bank statement must be available for electronic downloading by 7:00 each morning.

g) Sweeping of balances

- Facilities should be available should the Municipality require Balances in all Bank Accounts to be automatically swept to the Primary Bank account at the close of business daily reducing all bank accounts, except the Primary bank account ,to nil.
- Different sweeping options should be available regarding minimum and maximum amounts, timing and frequency of sweepings.
- For interest calculation purposes , and for the application of over draft and other banking limits , balances on all current accounts must be notionally consolidated at all times by the bank with in one over all cash management system. Interest should be paid on all daily net credit balances.
- The interest rate to be quoted

h) FOREIGN EXCHANGE SERVICES

Introduction

The requirement is the ability to provide the municipality with the facility to accept foreign exchange transactions and to convert the foreign currency to South African Rand (ZAR)

Receipt Management

- To provide efficient services to inform the administration of payments received for the municipality;
- To advise when to convert the funds; and
- To ensure that fraudulent activities are prevented / disallowed

2.2.3 Implementation and training

Dedicated team and Project Manager for:

- All-inclusive seamless installation of all solutions
- Transactional Banking Solutions
- Electronic Banking Solutions
- E-Procurement Solutions

2.2.4 Social Responsibility

The upliftment of underprivileged communities as well as customer care is a top priority of the Council. Please outline in detail your contribution to Social Development making reference to amongst others the following:

- Community Development Initiatives
- Community Projects
- Corporate Social Investment
- SMME access to finances particularly targeted to geographical area of Magareng Local Municipality
- Financing initiatives to the lower income groups
- Enterprise Development
- Empowerment Financing
- Education
- Job Creation
- Community Based HIV/AIDS Programme

2.2.5 Testing environment

- The successful tenderer must provide a testing environment.
- The test environment must be available before go live as well as an agreed period thereafter.
- The successful tenderer must assign dedicated staff to be prepared to help and be on site during the implementation phase.
- Support services must be provided by the successful bidder for the implementation of its services and there after

2.2.6 Protection against fraud

- Council requires to be protected against all forms of fraud relating to the receipt and payment of cash, and the processing of banking transactions. Such measures should include authorisation of EFT's, password control, bulk cash handling, payment mandates, security of data, credit / debit transactions, etc. The bank's commitment to assist the Municipality in identifying irregularities (fraud) must be indicated.

2.2.7 Exit Strategy

- Should the existing tenderer's not be successful, the tenderer will be required to provide services until the inception of the new contract, at the same terms, conditions and pricing as per the last increase, until such time that the Municipality closes its existing bank accounts up to a maximum period of six months.

2.2.8 Minimum requirements

The evaluation of tenders will be done in terms of compliance with various listed criteria. Tenders that do not comply with the requirements listed in the table below will automatically be regarded as non-responsive.

	Description of minimum requirements	Indicate compliance with an "X"		For proof of compliance, provide bid document Reference page number.
		Yes	No	
2.2.8.1.	Base line requirements			
2.2.8.1.1.	Certificate of registration as a Bank in terms of the Banks Act, No 94 of 1990, as well as a company profile.			
2.2.8.1.2.	Most recent published National Long-Term Credit Rating report by Accredited rating Agency			
2.2.8.1.3.	Internet banking must be 'real-time'			
2.2.8.1.4.	Previous day's completed bank statement must be available for electronic downloading by 7:00 each morning.			
2.2.8.1.5.	In ward Debit order system solution must be available.			
2.2.8.2.	Transactional banking			
	Primary bank account:			
2.2.8.2.1.	Must accept all Municipal deposits and must include a reference/description.			
2.2.8.2.2.	Money market account / accounts linked to the Primary Account to enable transfer of funds as and when required.			
2.2.8.2.3.	Overnight / bridging facilities linked between the Municipality's current and money market account/s in the event of an overdraft.			
2.2.8.2.4.	Any adjustment must show original reference.			
2.2.8.2.5.	Facility to be available for periodic balance sweeping in to primary account.			
2.2.8.2.6.	Bank charges or interest accrued to be directed to the primary bank account from other bank accounts.			
2.2.8.2.7.	Account specified pre-printed triplicate carbonized deposit books.			
2.2.8.2.8.	Deposit slips to be returned daily via the cash collection			

	Description of minimum requirements	Indicate Compliance with an "X"		For proof of compliance, provide bid document Reference page number.
		Yes	No	
	Service provider.			
2.2.8.2.9.	Deposits received by the Bank's Cash Centre at anytime during the day must be deposited and reflect on the same day.			
2.2.8.2.10.	Cashier Cash Floats to be made up in terms of cash specifications produced by the Council. (Money bags to be supplied by the bank).			
2.2.8.2.11.	Tenderer undertakes to inform the Municipality of any New bank codes at least ten (10) working days before the code is implemented by the bank.			
2.2.8.2.12.	In the case of unidentified cash the Bank is to provide the Municipality with information about depositor in the absence of a deposit identifier or customer account.			
2.2.8.3	Other bank accounts:			
2.2.8.3.1.	No acceptance of deposits without identifier.			
2.2.8.3.2.	Validation of identifier.			
2.2.8.3.3.	Rejection of invalid deposits(Deposits without identifier).			
2.2.8.3.4.	Any adjustment must show original identifier.			
2.2.8.3.5.	Bank charges and interest to be re-directed to the primary bank account.			
2.2.8.4	Traffic Fine Payments Account			
2.2.8.4.1.	Council requires the successful tenderer to provide the facility to accept Council's Traffic fine payments as per the specification which will be provided by Council.			
2.2.8.4.2.	The following payment channels for Councils traffic fines must be provided by the service provider subject to: No acceptance of deposits without identifier. Validation of identifier. Rejection of invalid deposits . Any adjustment must show original reference			
i.	Over the counter (Cash, Credit card and debit Card)			
ii.	ATM's			
iii.	Internet banking			
2.2.8.5	Special Account for Guarantees			
2.2.8.5.1.	Issuing of guarantees . A separate investment account would be opened for this.			

Magareng Local Municipality

BID NO: FIN02/2023/2024: PROVISION OF BANKING SERVICES FOR A PERIOD OF FIVE YEARS:
1 JULY 2025 – 30 JUNE 2030

2.2.8.6	Expenditure			
2.2.8.6.1.	All payment entries to show a unique reference number.			
2.2.8.6.2.	Any adjustment to payment entries must show original reference.			
2.2.8.6.3.	The service provider must facilitate the following mode of payments : EFT.			
2.2.8.7	Bank reconciliations:			
2.2.8.7.1.	Bank statements to be downloaded daily and must be in the layout format as required by the municipality's financial system service provider.			
2.2.8.7.2.	All bank statement transactions require to be correctly referenced to facilitate the financial system service provider reconciliation process.			
2.2.8.7.3.	Bank statements must be sent electronically in PDF format And hard copies must be delivered to the Municipality on a monthly basis within 5 working days after month end.			
2.2.8.7.4.	Unpaid items must be debited individually on the Bank Statements and bear the same unique identifier reference as the original deposit.			
2.2.8.8	Host-to-Host Solution (In ward debit order facility)			
2.2.8.8.1.	Secure host-to-host solution that can accommodate the Municipality's core financial system and transactional volumes.			
2.2.8.8.2.	Transfer electronic transactions from the financial system services provider to the bank's system without downloading the transaction to a user's PC.			
2.2.8.8.3.	Accept files in the standard ACB / Bank Service format / a Format that can easily be created in the financial system service provider's environment.			
2.2.8.8.4.	Accommodate an item limit up to R1000 000 mixed with other smaller items other smaller items			
2.2.8.8.5.	Accommodate more than one payment file per day (no over writing of previously sent file).			
2.2.8.8.6.	Accommodate in ward debit order transactions to all banks in one file.			
2.2.8.8.7.	Security based on different user codes for the different business user groups.			
2.2.8.8.8.	Item / Transaction limits , day limits , weekly limits , etc . per user code.			
2.2.8.8.9.	File security via control totals and hash totals.			
2.2.8.8.10.	File / directory naming convention whereby the files / directory can easily be identified without looking at the contents of the file			

Magareng Local Municipality
 BID NO: FIN02/2023/2024: PROVISION OF BANKING SERVICES FOR A PERIOD OF FIVE YEARS:
 1 JULY 2025 – 30 JUNE 2030

	Description of minimum requirements	Indicate Compliance with an "X"		For proof of compliance , provide bid document Reference page number.
		Yes	No	
2.2.8.8.11.	Use of a system of transmission and sequence numbers that prevent the accidental duplication of a transmission file (if the file was sent twice).			
2.2.8.8.12.	Message indicating if the transmission was accepted needs to be returned within one hour.			
2.2.8.8.13.	An administrative system that will warn the Municipality if any of the daily or weekly limits are close to being exceeded			
2.2.8.8.14.	Report on all successful transfers.			
2.2.8.8.15.	Report on all unsuccessful transfers together with identifiers indicating vendor name and value.			
2.2.8.8.16.	Prompt the users regularly to change their password to the solution			
2.2.8.9	Desktop / Direct Solution (Internet banking solution)			
2.2.8.9.1.	Desktop based online solution (utilizing the internet as a communication medium) for payments.			
2.2.8.9.2.	Built in two stage sign on and approving security mechanism.			
2.2.8.9.3.	Online bank inquiry solution.			
2.2.8.9.4.	Accommodate payments to banking institutions where a universal branch code is utilised.			
2.2.8.9.5.	Report on all successful transfers.			
2.2.8.9.6.	Prompt the users regularly to change their password to the solution			
2.2.8.9.7.	Where payments are sent in advance it must be possible to recall specific transactions.			
2.2.8.9.8.	A message / messages indicating rejected / unpaid transactions returned the next day or as soon as available.			
2.2.8.9.9.	Reference fields returned on all transactions that are rejected.			
2.2.8.9.10.	Branch code verifications as well as a CDV checks occur immediately after any transactions are sent.			
2.2.8.9.11.	General internet e-mail not to be used as mode of transmission / instruction between the Municipality and the bank for desktop / direct solutions.			
2.2.8.9.12.	Able to accept payment transactions between the hours of atleast 07:30 and 16:00 on weekdays, excluding public holidays.			

	Description of minimum requirements	Indicate Compliance with an "X"		For proof of compliance, provide bid document Reference page number.
		Yes	No	
2.2.8.9.13.	Municipality to be notified of any redirected transactions.			
2.2.8.9.14.	All entries on the bank statement must show a unique reference and event number.			
2.2.8.9.15.	Bank Charges and interest must be separately and uniquely coded by the bank. Any subsequent adjustments to the sentries must bear the same reference number on the bank statements as the original entry.			
2.2.8.9.16.	System must provide the following payment services : from same day to atleast 30 days transmission in advance.			
2.2.8.10	Card Machines (Speed point / Merchant services)			
2.2.8.10.1.	To facilitate debit and credit card payment facilities at each cashier and to include the necessary router for the credit card machine to function correctly.			
2.2.8.10.2.	Periodic upgrade of credit card machines			
2.2.8.10.3.	Stand- alone terminals with router included in installation.			
2.2.8.10.4.	Mobile terminal with router included in installation.			
2.2.8.11	General:			
2.2.8.11.1.	Tenderer to provide an interest and bank charges statement to be available on a monthly basis within 5 working days after month end . It must be available in hard copy and electronic PDF format. Hardcopy to be delivered and PDF format to be sent electronically.			
2.2.8.11.2.	Electronic invoice supported by detailed workings of the Calculation of the bank charge must be supplied monthly , within 5 working days after month end.			
2.2.8.11.3.	Cash management scheme netting of balances to be available.			
2.2.8.11.4.	Upon request make available depositor contact information in imaging or email. Information should be available for at least 12 months.			
2.2.8.12	Fraud protection:			
2.2.8.12.1.	Measures to be instituted to protect Council against all forms of fraud.			
2.2.8.13	Bulk cash handling.			

	Description of minimum requirements	Indicate Compliance with an "X"		For proof of compliance, provide bid document Reference page number.
		Yes	No	
2.2.8.13.1.	Details of operation of bulk cash centers and confirmation that money will be deposited the same day as received.			
2.2.8.14	Proof of operational capabilities.			
2.2.8.14.1.	Proof that the tenderer can accommodate the transaction volumes as shown in the specification by reference to the tenderers existing client base and volumes, systems and infrastructure.			

2.2.9 Other banking solutions

- Tenderers are to provide information relating to other banking products.(Excluding credit cards, petrol card facility, investments (except for those indicated in the requirements above) and loans)
- Other banking facilities
 - Forward cover
 - Foreign currency
 - Economic advice / forecasting
- Please list other relevant innovations for implementation by the bank.
- Possible future innovations
- Tenderers are also requested to give their comments on possible future innovations that could be of interest to the municipality.
- Tenderers are to include prices for the above, where applicable

2.2.10 Minimum requirements

The Tenderer should be able to provide the following service

- The processing of electronic payments; and
- The processing of electronic receiving.

2.3 IMPLEMENTATION TIME TABLE

An implementation time table should be provided to include all deliverables leading up to implementation for transacting to commence on 1 July 2025

	Implementation plan and time frames	For proof of compliance provided bid document Reference page number.
2.3.1.	Provide implementation plan and time frames for implementation.	
2.3.2.	Provide a testing environment / testing facility.	
2.3.3.	Test environment / facility available before go live as well as after go live for a period as agreed up on.	
2.3.4.	Tenderers assign dedicated staff to be prepared to interact and respond during Magareng Municipality's implementation phase.	

Magareng Local Municipality
 BID NO: FIN02/2023/2024: PROVISION OF BANKING SERVICES FOR A PERIOD OF FIVE YEARS:
 1 JULY 2025 – 30 JUNE 2030

2.3.5.	A complete list of external transaction codes to be used must be submitted.	
2.3.6.	External transaction codes supplied in hardcopy and electronic format (in Excel). Format must be compatible with the financial system service provider.	
2.3.7.	A programme for implementation of the required banking services including a marketing / publicity strategy.	
	Implementation costs:	
2.3.8.	An indication of any additional computer hardware or software (and its cost to the Council, if applicable) that Council must acquire in order for the proposed banking systems to interface with the core financial system and /or to operate at the required level of efficiency.	
2.3.9.	The training requirements (and its cost to Council, if applicable), for Council's staff to use the proposed banking systems.	
2.3.10.	Bank should be prepared for parallel runs for up to two months before Go-Live, if required.	

2.4 INFORMATION TO BE PROVIDED BY THE BIDDER

This section provides a checklist of additional information to be provided by the Bidder:

	Corporate structure & strength of tenderer	For proof of compliance, provide bid document reference page number.
2.4.1.	Audited financial statements for the last 3 years.	
2.4.2.	Branch network in the Warrenton Area (Location and number).	
2.4.3.	ATM network in the Warrenton Area(Location and number).	
2.4.4.	Details of relationship banking structure and operation.	
2.4.5.	A dedicated support team to maintain and service all banking queries.	
2.4.6.	Social investment & employment equity programmes in the Northern Cape.	
2.4.7.	Indicate if bidder has current exposure to the following : National , Provincial or Local Government.	
2.4.8.	Details of the following in respect of the branch which will be designated as the home branch of Council's bank accounts:	
(a)	Name and physical location	
(b)	Management structure, names, positions, and Dedicated operational / technical support.	
(c)	Staffing numbers and structures	
(d)	Facilities and services available	
(e)	IT (financial) systems, back-up facilities including disaster management.	

2.5 EVALUATION

2.5.1 All Tenders received will be pre-evaluated by a panel on a basis of functionality.

2.5.2 With regard to functionality the following criteria, with the maximum points will be applicable:

Criteria		Rating	Scoring	Evaluation Indicators
1.	Proposal for municipal offices (Magareng Municipality) in order to lower the risk of money being on site.	Very Good	20	The tenderer convincingly illustrates that cash will be collected daily from all satellite offices, on the risk of the tenderer, and deposited into our primary bank account.
		Good	15	The tenderer convincingly illustrates that cash will be collected twice a week from all satellite offices, on the risk of the tenderer, and deposited into our primary bank account.
		Poor	10	The tenderer convincingly illustrates that cash will be collected once a week from all satellite offices, on the risk of the tenderer, and deposited into our primary bank account.
2.	The National Long-Term Credit Rating of the banking institution by Accredited rating agency	Very Good	20	Credit ratings of AA+/AA and higher
		Good	15	Credit ratings of AA/AA-
		Poor	10	Credit ratings AA/A+ and lower
3.	Innovative products offered by the banking institution and online banking system compatibility with municipal financial system	Very Good	20	The tenderer convincingly illustrates that they can supply more technology advanced and efficient banking solutions for the current services being specified in the tender.
		Good	15	The tenderer convincingly illustrates that they can supply more or less the same banking solutions for the current services Being specified in the tender.
		Poor	10	The tenderer convincingly illustrates that they can supply less banking solutions for the current services being specified in the tender.
4.	Current municipal clientele (Municipalities with a budget of R50 million or more) as well at least 3 reference from municipal clients	Very Good	20	The tenderer can supply the municipality of similar clientele (which they currently are the primary bankers for) of more than 30 municipalities.
		Good	15	The tenderer can supply the municipality of similar clientele (which they currently are the primary bankers for)of between 20–30municipalities.
		Poor	10	The tenderer can supply the municipality Of similar clientele (which they currently

Magareng Local Municipality
 BID NO: FIN02/2023/2024: PROVISION OF BANKING SERVICES FOR A PERIOD OF FIVE YEARS:
 1 JULY 2025 – 30 JUNE 2030

Criteria		Rating	Scoring	Evaluation Indicators
				Are the primary bankers for)of less than 20 municipalities.
5.	Local Economic Development & Social Investments in the Magareng Municipal area	Very Good	20	The tenderer convincingly illustrates that they can supply the municipality with a project plan over the duration of the contract whereby they will be committed to invest in the community of Magareng Municipality.
		Good	15	The tenderer convincingly illustrates that they can supply the municipality with a once-off project whereby they will be committed to invest in the community of Magareng Municipality.
		Poor	10	The tenderer convincingly illustrates that they will not invest in the community of Magareng Municipality.

2.5.3 For purposes of comparison and in order to ensure a meaningful evaluation, Tenderers are requested to furnish detailed information in substantiation of compliance to the evaluation criteria mentioned in the paragraph above.

2.5.5 **BIDDERS HAVE TO OBTAIN A MINIMUM SCORE OF 70 FOR FUNCTIONALITY IN ORDER TO CONTINUE WITH EVALUATION. EVALUATION CONTINUES ON THE 80/20 PREFERENCE POINT SCORING SYSTEM.**

SECTION3: PRICING SCHEDULE

3.1 Tenderers are required to comply with the prescribed pricing schedule as stated in Section3.8. No pricing schedule other than the pricing schedule as stated in Section 3.8 will be accepted and these pricing schedule will not be evaluated and seen as non-responsive. Every line item even if the charge is zero, must be completed.

3.2 All prices tendered must include all expenses, disbursements and costs (e.g. transport , overheads , accommodation etc.) that may be required in and for the execution of the work described in the Specification, and shall cover the cost of all general risks , liabilities and obligations set forth or implied in the Contract as well as over head charges and profit (in the event that the tender is successful).

3.3 The numbers and values in this pricing schedule are estimated for evaluation purposes only and should not be viewed as absolute numbers and values . The municipality reserves the right to maintain transactions amounts below or over the estimates.

3.4 All prices tendered will be final and binding.

3.5 The tenderer shall complete prices for all items on the price schedule for each section tendered for.

3.6 The Council reserves the right to award each section separately

3.7 ESCALATION

- 3.7.1 Escalation will only be allowed once per year for the last four years of the contract . Escalation is however not compulsory and if no escalation will take place it must be stated as such in the space provided below .For bid

Magareng Local Municipality
BID NO: FIN02/2023/2024: PROVISION OF BANKING SERVICES FOR A PERIOD OF FIVE YEARS:
1 JULY 2025 – 30 JUNE 2030

Evaluation purposes the stated quantities as per pricing schedule will remain unchanged there for the total cost for year 1 will be used to apply the escalation percentage for the outer 4 years.

FIXED ANNUAL ESCALATION PERCENTAGE, IF ANY:.....

IF DATE OF ANNUAL ESCALATION IS DIFFERENT FROM THE 1ST OF JULY OF EACH YEAR, STATE THE DATE OF ANNUAL ESCALATION:.....

No escalation will be allowed within 12 months of contract.

- 3.7.2 The bid will be evaluated for pricing purposes over the full term of the contract term, in other words for the full term of 5 years.
- 3.7.3 All tariffs quoted as per pricing schedule will be adjusted with the escalation percentage as quoted in 3.7.1 for the four outer years from the date as indicated; the tariffs will be round to the same decimal digits as included in the pricing schedule

3.8 PRICING SCHEDULE

NO	DESCRIPTION	A Basis of charge (per transaction/percentage / per R-value)	B Tariff / percentage (%) per transaction excluding VAT	C Number of transactions per annum	D Value of transactions per annum	B x C or B x D Cost per annum excluding VAT Year 1
1	<u>Fees for deposits and deposit related Transactions</u>					
1.1	Cash Deposits					
1.1.1	Cash Acceptance Device	Per R100 value	R_____ Per R100	2,211 transactions		
1.1.2	Cash Deposit Branch	Per R100 Rand value	R_____ Per R100	3,062 Transactions		
1.1.3	Cash Deposit Fixed Fee	Per Deposit	R_____ Per transaction	5,273 Transactions		
1.2	Electronic payments by third parties into the bank account:					
1.2.1	Easy pay (per transaction)	Per transaction	R_____ Per transaction	311 transactions		

Magareng Local Municipality
 BID NO: FIN02/2023/2024: PROVISION OF BANKING SERVICES FOR A PERIOD OF FIVE YEARS:
 1 JULY 2025 – 30 JUNE 2030

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1.2.2	Vending (per transaction)	Per transaction	R _____ Per transaction	1 000 transactions	R 33 000 000.00	
1.3	Electronic bank transfers received (Direct deposits)	Per transaction	R _____ Per transaction	20 000 transactions	R 60 000 000.00	
1.4	Electronic bank transfers received (ACB) Collection of funds via debit orders signed by customers (CPS host to host)	Per transaction	R _____ Per transaction	10 000 transactions	R 5,185,478.00	
1.5.	Unpaid ACB's (per transaction)/debit orders	Per transaction	R _____ Per transaction	50 transactions	R 100 000.00	

Magareng Local Municipality
 BID NO: FIN02/2023/2024: PROVISION OF BANKING SERVICES FOR A PERIOD OF FIVE YEARS:
 1 JULY 2025 – 30 JUNE 2030

NO	DESCRIPTION	A Basis of charge (per transaction/percentage / per R-value)	B Tariff / percentage (%) per transaction excluding VAT	C Number of transactions per annum	D Value of transactions per annum	B x C or B x D Cost per annum excluding VAT Year 1
1.6	Triplicate deposit slips – printing and encoding (100 deposit slips per book)	Per Book	R _____ Per Book	12 Books	N/A	
1.7	Processing of adjustment transactions to correct errors on deposits.	Per Transaction	R _____ Per transaction	20 transactions	N/A	
1.8	Deposit identifier transaction fees:					
1.8.1	Monthly fee	Per Month	R _____ Per month	12Months	N/A	
1.8.2	Over the counter at same bank (Customer identification number)	Per transaction	R _____ Per transaction	70	N/A	
1.8.3	Electronic deposit transfer identifier all banks -	Per transaction	R _____ Per transaction	24600	N/A	

Magareng Local Municipality
 BID NO: FIN02/2023/2024: PROVISION OF BANKING SERVICES FOR A PERIOD OF FIVE YEARS:
 1 JULY 2025 – 30 JUNE 2030

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1.9	Duplicate deposit slips of payments made directly into the bank account of the municipality	Per transaction	R _____ Per transaction	36	N/A	
1.10	Merchant services					
1.10.1	Once off Installation fee	Once off total units	R _____ Per Unit	10	N/A	
1.10.2	Stand-alone terminal rental per month Including remote connection	Per Machine	R _____ Per Unit / Per Month	9	N/A	
1.10.3	Mobile terminal rental per month: Including remote connection	Per Machine	R _____ Per Unit / Per Month	1	N/A	
1.10.4	Credit cards	Percentage	%	N/A	R	
1.10.5	Debit cards	Percentage	%	N/A	R	

Magareng Local Municipality
 BID NO: FIN02/2023/2024: PROVISION OF BANKING SERVICES FOR A PERIOD OF FIVE YEARS:
 1 JULY 2025 – 30 JUNE 2030

NO	DESCRIPTION	A Basis of charge (per transaction/percentage / per R-value)	B Tariff / percentage (%) per transaction excluding VAT	C Number of transactions per annum	D Value of transactions per annum	B x C or B x D Cost per annum excluding VAT Year 1
2.	Fees for payments and payment related transactions					
2.1	Electronic fund transfers (EFT) via the ACB system					
2.1.1	EFT (Creditors payment runs) Same Day	Per transaction	R_____ Per transaction	4500	N/A	
2.1.2	EFT (Creditors payment runs) One Day	Per transaction	R_____ Per transaction	45	N/A	
2.1.3	EFT (Creditors payment runs) Two Day	Per transaction	R_____ Per transaction	4	R	
2.1.3	EFT (Creditors payment runs) Real Time/Immediate release	Per transaction	R_____ Per transaction	4	R	

Magareng Local Municipality
 BID NO: FIN02/2023/2024: PROVISION OF BANKING SERVICES FOR A PERIOD OF FIVE YEARS:
 1 JULY 2025 – 30 JUNE 2030

NO	DESCRIPTION	A Basis of charge (per transaction/percentage / per R-value)	B Tariff / percentage (%) per transaction excluding VAT	C Number of transactions per annum	D Value of transactions per annum	B x C or B x D Cost per annum excluding VAT Year 1
2.1.4	EFT (Salary payment runs +/-24 runs) Same Day	Per transaction	R_____ Per transaction	36	R 66,000,000	
2.1.5	EFT (Salary payment runs +/-24 runs) One Day	Per transaction	R_____ Per transaction	50	R 10,000,000	
2.4	Third party debit orders	Per transaction	R_____ Per transaction	24	R 1,000 000	
2.5	Interbank transfers for investing of municipal funds(=R5 million)	Per transaction	R_____ Per transaction	5	R 60,000,000	
2.6	Transfer between bank Accounts	Per Transaction	R_____	12	R 30,000,000	

Magareng Local Municipality
 BID NO: FIN02/2023/2024: PROVISION OF BANKING SERVICES FOR A PERIOD OF FIVE YEARS:
 1 JULY 2025 – 30 JUNE 2030

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			Per transaction			
2.7	Petty cash withdrawals	Per transaction	R _____ Per transaction	48	R 100,000	
2.8	Recall of electronic payments.	Per transaction	R _____ Per transaction	12	R 5000,000	
3.	Bank statements					
3.1	Initial Registration Fee	Once-Off	R _____	1	N/A	
3.2	PDF Format	Per statement	R _____ Per statement	60	N/A	
3.3	Electronic Format (Per Page)	Per Page	R _____ Per Page	400	N/A	
3.4	Daily Statements (Per Page)	Per Page	R _____ Per Page	400	N/A	

Magareng Local Municipality
 BID NO: FIN02/2023/2024: PROVISION OF BANKING SERVICES FOR A PERIOD OF FIVE YEARS:
 1 JULY 2025 – 30 JUNE 2030

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3.5	Confirmation report (AG SA)	Per Confirmation	R_____ Per Confirmation	2	N/A	
3.6	Certificate of balance	Per Confirmation	R_____ Per Confirmation	2	N/A	
3.7	Certificate of Interest	Per Confirmation	R_____ Per Confirmation	1	N/A	
3.8	Long outstanding queries raised after 3 months or more.(Unknown Deposits)	Per transaction	R_____ Per transaction	24	N/A	
3.9	Provision of bank statement data in a format compatible to Promun bank reconciliation system	Per File	R_____ Per File	30	N/A	
4	Interest on Current bank balance – daily					
4.1	Credit balances: prime rate +/- _____% interest	Percentage	%	360days	R 10,000,000	

Magareng Local Municipality
 BID NO: FIN02/2023/2024: PROVISION OF BANKING SERVICES FOR A PERIOD OF FIVE YEARS:
 1 JULY 2025 – 30 JUNE 2030

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4.2	Debit balances: Overdraft facility: prime rate +/- _____%interest	Percentage	%	1 days	R 5,000,000	
4.3	Debit balances: Overnight Overdraft facility: prime rate +/- _____% interest	Percentage	%	1 days	R 5,000,000	
4.4	Cost of Overdraft Facility	Annually	R _____ Per Annum	1	R 5,000,000	
4.5	Cost of Overnight Overdraft Facility	Annually	R _____ Per Annum	1	R 5,000,000	
5	Electronic Banking					
5.1	Cash Management System (Desktop PC or Laptop Based)					
5.1.1	Installation – Once off fees / Token Fees	Per User / Once off	R _____ Per User / Once off	10	N/A	

Magareng Local Municipality
 BID NO: FIN02/2023/2024: PROVISION OF BANKING SERVICES FOR A PERIOD OF FIVE YEARS:
 1 JULY 2025 – 30 JUNE 2030

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5.1.2	The Municipality's Financial management system integration	Once off Fees	R _____ Once off	1	N/A	
2.3	User Fees- Per User /System Manager / Administrator	Per User / Annually		10	N/A	
5.3	Banking notification and reminder charges					
5.3.1	E-Mail	Per transaction	R _____ Per transaction	As and when required	N/A	
5.3.2	SMS	Per transaction	R _____ Per transaction	As and when required	N/A	
5.4	Payments & Collections Via Host-to-Host connectivity (Including ACB Fees)					
5.4.1	Registration / Implementation Fee	Once-off	R _____ Once-off	1	N/A	

Magareng Local Municipality
 BID NO: FIN02/2023/2024: PROVISION OF BANKING SERVICES FOR A PERIOD OF FIVE YEARS:
 1 JULY 2025 – 30 JUNE 2030

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5.4.1	Minimum Monthly Internet Banking Fee- Host to Host	Per Month	R _____ Per Month	12	N/A	
6.	Cash in Transit services					
6.1	Exchange of Notes					
6.1.1	The exchange of notes for small change	Per transaction	R _____ Per transaction	52 Transaction	R 10,000	
6.1.1	Small change slips	Per transaction	R _____ Per transaction	52 transaction	R 10,000	
6.2	Pick up Points					
6.2.1	Magareng Main Office (Revenue Section)	per working day per week	R _____ Per Collection	150 days	N/A	

Magareng Local Municipality
 BID NO: FIN02/2023/2024: PROVISION OF BANKING SERVICES FOR A PERIOD OF FIVE YEARS:
 1 JULY 2025 – 30 JUNE 2030

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7	Maintenance, Support & Training					
7.1	Maintenance & Support- Per Hour or part thereof, including travel time	Per Hour	R _____ Per Hour	80	N/A	
7.2	Training- Per Hour or part thereof, including travel time	Per Hour	R _____ Per Hour	80	N/A	
7.3	Help Desk Enquiries	Per Enquiry	R _____ Per Enquiry	24	N/A	
8	Ad-hoc transactions					

Magareng Local Municipality
 BID NO: FIN02/2023/2024: PROVISION OF BANKING SERVICES FOR A PERIOD OF FIVE YEARS:
 1 JULY 2025 – 30 JUNE 2030

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8.1	Monthly management fee, if applicable	Per Month	R _____ Per Month	12	N/A	
8.2	Minimum monthly service fee, if applicable	Per Month	R _____ Per Month	12	N/A	
8.3	Electronic Sweeping facilities, if applicable (Automatically transfer balances Per transaction)	Per transaction	R _____ Per transaction	12	N/A	
8.4	Third party account verification services (per enquiry)	Per transaction	R _____ Per transaction	200	N/A	
8.5	Setup of new user of electronic banking services	Per User	R _____ Per User	5	N/A	
8.6	Reset of the login key of electronic banking operators	Per reset	R _____ Per reset	12 times	N/A	
8.7	Reset of password of electronic banking operators	Per reset	R _____ Per reset	12 times	N/A	

NO	DESCRIPTION	A Basis of charge (per transaction/percentage / per R-value)	B Tariff / percentage (%) per transaction excluding VAT	C Number of transactions per annum	D Value of transactions per annum	B x C or B x D Cost per annum excluding VAT Year 1
8.8	Cash Acceptance Machine					
8.8.1	Installation- Once Off Fees	Once off Fee	R _____ Per Installation	1 Machines	N/A	
8.8.2	Cash Acceptance Machine (auto safe) that will be able to count bank notes and coins for the cash up procedures. (These devices must also print a deposit slip that is acceptable by the bank.)	Per Device / Monthly	R _____ Per Device / Monthly	1device (±10,000 notes per day)	N/A	
8.8.3	Cash Acceptance Machine (auto safe) that will be able to count bank notes and coins for the cash up procedures. (These devices must also print a deposit slip that is acceptable by the bank.)	Per Device/ Monthly	R _____ Per Device / Monthly	1device (±4,000 notes per day)	N/A	
8.8.4	Cash Acceptance Machine (auto safe) that will be able to count bank notes and coins for the cash up procedures. (These	Per Device/ Monthly	R _____ Per Device / Monthly	3 devices (±2,000 notes per day)	N/A	

Magareng Local Municipality
 BID NO: FIN02/2023/2024: PROVISION OF BANKING SERVICES FOR A PERIOD OF FIVE YEARS:
 1 JULY 2025 – 30 JUNE 2030

NO	DESCRIPTION	A Basis of charge (per transaction/percentage / per R-value)	B Tariff / percentage(%) per transaction excluding VAT	C Number of transaction sper annum	D Value of transactions per annum	B x C or B x D Cost per annum excluding VAT Year 1
	devices must also print a deposit slip that is acceptable by the bank.)					
Total cost excl. VAT						
VAT @ 15%						
Total cost incl. VAT						

MBD7.2

CONTRACT FORM-RENDERING OF SERVICES

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

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

1. I hereby undertake to render services described in the attached bidding documents to **Magareng Municipality** in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number **FIN 02/2023/2024** at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Filled in task directive/proposal;
 - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2017;
 - Declaration of interest;
 - Declaration of Bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfillment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES	
1
	.
2
	.

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. Iin my capacity
2. as.....

accept your bid under reference number **FIN 02/2023/2024** dated..... for the rendering of services indicated hereunder and/or further specified in the annexure(s).

3. An official order indicating service delivery instructions is forthcoming.
4. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)
Request for the provision of banking services for a period of 5 years with effect from 1 July 2025 until 30 June 2030				

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

SIGNED AT ON

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1

2

DATE: