



OFFICE OF THE MUNICIPAL MANAGER  
12 Maclean Street  
Private Bag X4002, Stutterheim, 4930  
[Tel: 043 683 5024](tel:0436835024) Fax: 043 683 1127  
Website: [www.amahlathi.gov.za](http://www.amahlathi.gov.za)

Amahlathi Local Municipality

10 SEPTEMBER 2025

BID NOTICE

**REQUEST FOR FORMAL WRITTEN QUOTATION: PROVISION OF LEGAL SERVICES FOR INVESTIGATION OF THE ALLEGED IRREGULAR/FRAUDULENT PENSION FUND CLAIMS.**

Kindly furnish the municipality with a written quotation for the Provision of Legal Services for investigation of the alleged irregular/fraudulent pension fund claims for as detailed in the enclosed schedule.

The minimum specifications are detailed in the RFQ document.

The quotation and completed bid documents must be placed in a sealed envelope endorsed "**BID NO.ALM/SCM/16/2025-26 PROVISION OF LEGAL SERVICES FOR INVESTIGATION OF THE ALLEGED IRREGULAR/FRAUDULENT PENSION FUND CLAIMS**" Completed documents must be deposited in the bid box situated at Mzwandile Recreational Centre, 12 Maclean Street, Stutterheim 4930 not later than **Wednesday, 19 September 2025 at 12h00 pm.**

**The following conditions will apply:**

- [a] Price(s) quoted must be valid for at least sixty (60) days from the date of your offer.
- [b] Price(s) quoted must be firm and must be inclusive of VAT.
- [c] A firm delivery period must be indicated.
- [d] For all transactions exceeding R15 000.00 tax reference number at SARS Pin must be furnished.
- [e] Attach, CSD Summary Report, Close Corporation (CK), Copies of Identity documents.
- [e] This quotation will be evaluated in terms of the 80/20 preference point system as prescribed in the Preferential Procurement Policy Framework Act (No 5 of 2000) and Regulations of 2022 and for the ALM Specific Goals.
- [f] The Amahlathi Municipality does not bind itself to accept the lowest quotation or any other quotation and reserves the right to accept the whole or part of the quotation.  
Failure to comply with these conditions may invalidate your offer.
- [g] Successful bidders will be required to register as supplier / service provider on the Central Supplier database (CSD) if not already registered.

Yours faithfully

.....  
**GENERAL MANAGER: EXECUTIVE SERVICES**  
**MR. N. MBENDE**

## INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR THE  
**PROVISION OF LEGAL SERVICES FOR INVESTIGATION OF THE ALLEGED IRREGULAR/FRAUDELENT  
 PENSION FUNDS CLAIMS.**

TO THE REQUIREMENTS OF THE AMAHLATHI MUNICIPALITY

BID NUMBER:	<b>ALM/SCM/16/2025-26</b>	CLOSING DATE:	<b>19 SEPTEMBER 2025</b>	CLOSING TIME:	<b>12h00 pm</b>
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**DESCRIPTION: PROVISION OF LEGAL SERVICES FOR INVESTIGATION OF THE ALLEGED  
 IRREGULAR/FRAUDELENT PENSION FUNDS CLAIMS.**

- The successful bidder will be required to fill in and sign a written **Contract Form (MBD 7)**.
- Bid documents must be deposited in the bid box situated at **Supply chain office, 12 Maclean Street, Stutterheim.**
- Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration.
- The bid box is generally open during the office hours.
- All bids must be submitted on the official forms – (not to be re-typed)
- This bid is subject to the Preferential Procurement Policy Framework Act and the Preferential Procurement Regulations, 2022, the General Conditions of Contract (GCC) and, if applicable, any other Special Conditions of Contract.
- **NB: NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE (as defined in Regulation 1 of the Local Government: Municipal Supply Chain Management Regulations).**

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

Name Of Bidder		
Postal Address		
Street Address		
Telephone Number	Code:	Number:
Cellphone Number		
Facsimile Number	Code:	Number:
e-mail Address		
Vat Registration Number		

Have you submitted the CSD Summary Report been submitted (MBD 2)?	YES / NO
Are you the accredited representative in South Africa for the goods/Services offered	YES / NO (IF YES ENCLOSE PROOF)


<b>SIGNATURE OF BIDDER</b>	
<b>DATE</b>	
<b>CAPACITY UNDER WHICH THIS BID IS SIGNED</b>	
<b>TOTAL BID PRICE</b>	
<b>TOTAL NUMBER OF ITEMS OFFERED</b>	

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

**The Amahlathi Local Municipality  
Budget and Treasury Office  
Supply Chain Management Unit**

**Contact Person:**

**Mr. S. Kambi**

**Tel:**

**043-683 5072**

**Email:**

**[skambi@amahlathi.gov.za](mailto:skambi@amahlathi.gov.za)**

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

**Amahlathi Local Municipality  
Engineering Services**

**Contact Person:**

**Dr. Z. Shasha**

**Tel:**

**043- 683 5056 (07:45 – 16:30)**

**Email:**

**[shashazam3@gmail.com](mailto:shashazam3@gmail.com)**

**SPECIFICATION FOR PROVISION OF LEGAL SERVICES FOR INVESTIGATION OF THE ALLEGED IRREGULAR/FRAUDULENT PENSION FUNDS CLAIMS.**

It is the intention of the Amahlathi Local Municipality to enter into a formal contract with a service provider that will carry out the services described hereunder. These terms of reference and the service provider's proposal will form the basis of the contract between the parties.

**SECTION 1: DETAILS**

<b>Province</b>	Eastern Cape
<b>Municipality</b>	Amahlathi Local Municipality
<b>Contract No</b>	<b>Bid No. ALM/SCM/16/2025-26</b>
<b>Project Name</b>	<b>Provision of legal services for investigation of the alleged irregular/fraudulent pension fund claims</b>
<b>Employer/Client</b>	Amahlathi Local Municipality
<b>User Department</b>	Executive Services
<b>Project Manager</b>	Mr. N.E. Mbende

**SECTION 2 : SUMMARY**

The Amahlathi Municipality requires the legal services for investigation of **an alleged irregular/fraudulent pension fund claims**. The information requested from bidders has been identified by the municipality as necessary to be able to evaluate the commitment, capability, suitability and capacity of the bidders.

**SECTION 3: PROJECT DESCRIPTION AND PURPOSE**

The purpose of this project is to appoint a Professional Service Provider who will be responsible for the investigation of an **alleged irregular/fraudulent pension fund claims by officials in Amahlathi Local Municipality**

#### **SECTION 4: OVERALL OBJECTIVES**

To investigate irregular/fraudulent pension fund claims by officials of Amahlathi Local municipality.

#### **SECTION 5: SPECIFIC OBJECTIVES OF THE PROJECT**

1. Identification of fraudulent or irregular pension fund claims by officials of the Amahlathi Local Municipality.
2. Identification of laws, regulations, agreements, codes of conducts and policies that may have been contravened.
3. Identification of possible consequences against the municipality that may lead to financial loss, reputational damage and any other negative implications due to fraudulent/ irregular pension fund claims.
4. Recommendations to the municipal manager on how to deal with fraudulent claims.

#### **SECTION 6: SCOPE AND EXTENT OF WORK**

Proposals are invited from a suitable qualified professional service provider to identify officials and details thereof for irregular/fraudulent pension fund claims by officials of Amahlathi Local Municipality.

The service provider will focus on the following:

1. Verification of the available information and identification of any gaps
2. Ensuring that all employees are subjected to all possible checks to identify any possible fraudulent pension fund claims.
3. Establish whether there were any breaches of applicable laws, policies, regulations, code of conducts, applicable agreements and any other applicable control.
4. Identification of any deviation from pension agreement, any changes of pension fund and establish the reasons for those deviations and changes.
5. Test those deviations and changes against applicable tests in law (e.g. lawfulness, reasonableness and procedural fairness).
6. Establish the impact caused and the extent of it relating to the fraudulent pension fund claims by the municipal officials to the municipality (e.g. Rand value of financial losses, etc).
7. Establish possible and prudent measures that can be applied to recover any financial losses by the municipality.

8. Preparation and submission of the report with detailed findings and recommendations to the Municipal Manager on how to deal with the identified fraudulent pension fund encashment.

## **SECTION 7 PROJECT TIME FRAME**

The project time will be 30 days from the date of appointment of the service provider.

## **SECTION 8 KEY OUTPUTS/DELIVERABLES**

1. Detailed report with the following
  - identifying employees that have committed irregular/fraudulent pension fund claims,
  - laws, policies, regulations, agreements and codes of conduct that may have been contravened
  - possible consequences to the municipality that may lead to financial loss, reputational damage and any other negative implications due to fraudulent/ irregular pension fund claims
  - Recommendations to the municipal Manager on how to deal with the fraudulent/ irregular pension fund claims.
2. Schedules, listings and any other information that may have been obtained by the service provider relating to this assignment.

## **SECTION 9 PROJECT MANAGEMENT**

The entire project management exercise will be performed under direct supervision of the Municipal Manager. Ongoing progress reports will be forwarded to the Accounting Officer. All invoices pertaining to the work done will be submitted to the General Manager.

## **SECTION 10 REPORTING MECHANISM**

It is expected that regular progress reports will be submitted to the Municipal Manager. The Project Manager has the right to change the frequency of reporting as and when necessary.

## **SECTION 11 SUBMISSION OF BIDS**

Proposals must be placed in a sealed envelope and clearly marked: "Project proposal –

Name of Project **Provision of legal services for investigation of the alleged irregular/fraudulent pension fund claims** and placed in the tender box situated in Mzwandile Fanti Recreational Centre (SCM Office) at Amahlathi Local Municipality not later than 12H00 on the 19 September 2025.

Bidders are requested to ensure that their proposals include Company Registration, SARS Pin, Municipal Rates Clearance Certificate or Lease Agreement.

## **SECTION 12 CAPACITY TO EXECUTE THE WORK**

Evaluation criteria of the proposal.

**The proposal will be evaluated in two stages, namely:**

- Stage 1- Capacity to Execute Work
- Stage 2- Price and Specific Goal

Service providers are requested to submit the following documents for evaluations – Stage1

### **STAGE 1**

#### **Previous Company Experience – 3 Projects**

Traceable record for successful completion or carrying out of an investigation project in the local government sector.

For means of verification please attach: Appointment Letter / Purchase order and reference letter for each project completed

#### **Capacity and Expertise to Undertake the Project**

##### **A Project Team with the following areas of expertise:**

##### **Project Team Leader**

The Team Leader of the project must be an admitted attorney with LLB or Equivalent Qualifications with 10 years and above experience in Legal practice or Forensic Investigations. Member of Legal Practice Council.

For Verification please attach: Certified copies of academic qualifications, proof of

admission as an attorney, certified copy of the Fidelity Fund Certificate and CV.

**Other Project team member (One Team Member)**

The Team member of the project NQF Level 7 with 5 years 'and above experience in internal/ forensic auditing/ legal practice.

For Verification please attach: Certified copies of academic qualifications and CV with contactable references.

## STAGE 2- PRICE AND SPECIFIC GOAL

### Price and Preference

Bids or quotations will be evaluated according to the 80/20 Point System in compliance with Preferential Procurement Framework Act 5 of 2000 and Preferential Procurement Regulations 2022.

Preferential Procurement Goals	Proof to be attached to the Claim full Points	Points
Price	N/A	80
Specific Goal		20

### Price

NO	DESCRIPTION	NO. of HOURS	RATE PER HOUR	TOTAL
1	<u>Professional rate per hour</u>  Team Leader: Team Member :		R R	
2	Travel fee per kilometre:		R	



**Bidders will Score Specific Goals as follows:**

Women	Attach ID Certified Copies of Directors Claiming Specific Goals	4
Youth	Attach ID Certified Copies of Directors Claiming Specific Goals	4
Local SMME	Attach Proof of Residence of the Business or Lease Agreement	Amahlathi Local Municipal Jurisdiction = 7  Or  Other Local Municipality within Amathole District = 4  Or  Other Districts within Eastern Cape (Excluding Amathole District) 3 EC
Disabled	Attach ID Certified Copies, and a Signed Letter from Health Practitioner of Director(s) Claiming Specific Goals	2
Military veteran	Attach CK, ID Certified Copies, and certified copy of the military veteran identity card issued by the Department of Military Veterans Directors Claiming Points Specific Goals for Bidders to obtain full points	3

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

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

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

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

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

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

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

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

## DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state<sup>1</sup>.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.
- 3 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

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

3.2 Identity Number: .....

3.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>).....

3.4 Company Registration Number: .....

3.5 Tax Reference Number:.....

3.6 VAT Registration Number: .....

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

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

3.8.1 If yes, furnish particulars. ....

.....

<sup>1</sup>MSCM Regulations: "in the service of the state" means to be –

(a) a member of –

- (i) any municipal council;
- (ii) any provincial legislature; or
- (iii) the national Assembly or the national Council of provinces;

(b) a member of the board of directors of any municipal entity;

(c) an official of any municipality or municipal entity;

(d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);

(e) a member of the accounting authority of any national or provincial public entity; or

(f) an employee of Parliament or a provincial legislature.

<sup>2</sup> Shareholder” means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

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

3.9.1 If yes, furnish particulars.....

.....

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

3.10.1 If yes, furnish particulars.

.....

.....

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

3.11.1 If yes, furnish particulars  
.....  
.....

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

3.12.1 If yes, furnish particulars.  
.....  
.....

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

3.13.1 If yes, furnish particulars.  
.....  
.....

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

3.14.1 If yes, furnish particulars:  
.....  
.....

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

Full Name	Identity Number	State Employee Number

.....  
**Signature**

.....  
**Date**

.....  
**Capacity**

.....  
**Name of Bidder**

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

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

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

### 1. GENERAL CONDITIONS

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

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

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

*(delete whichever is not applicable for this tender).*

- a) The applicable preference point system for this tender is the **90/10** preference point system.
- b) The applicable preference point system for this tender is the **80/20** preference point system.
- c) Either the **90/10 or 80/20 preference point system** will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

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

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
<b>Total points for Price and SPECIFIC GOALS</b>	<b>100</b>

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

## 2. DEFINITIONS

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

## 3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

### 3.1. POINTS AWARDED FOR PRICE

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

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

<b>80/20</b>	<b>or</b>	<b>90/10</b>	
$Ps = 80 \left( 1 - \frac{Pt - P_{min}}{P_{min}} \right)$	or	$Ps = 90 \left( 1 - \frac{Pt - P_{min}}{P_{min}} \right)$	

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

#### 3.2.1. POINTS AWARDED FOR PRICE

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

<b>80/20</b>	<b>or</b>	<b>90/10</b>	
$Ps = 80 \left( 1 + \frac{Pt - P_{max}}{P_{max}} \right)$	or	$Ps = 90 \left( 1 + \frac{Pt - P_{max}}{P_{max}} \right)$	

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

#### **4. POINTS AWARDED FOR SPECIFIC GOALS**

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



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

***(Note to organs of state: Where 80/20 preference point system is applicable, corresponding points must also be indicated as such.***

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

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)	Required documentation or Proof to claim points
Disabled	2		Confirmation from a medical practitioner
Youth	4		Certified copy of ID Document
Woman	4		Certified copy of ID Document
Military Veterans	4		Attach Proof
Local SMME's (ALM-6, ADM-4 & EC-3)	6		Proof of residence

1. A maximum of 20 points maybe allocated in accordance with sub-section (2).
2. The points scored by a bidder in respect of specific goals must be added to the points scored for price as calculated in accordance with sub-section (1)
3. Sub-section 49, the contract must be awarded to the tenderer who scores the highest total number of points.

## DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number: .....

4.5. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

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

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

.....  
**SIGNATURE(S) OF TENDERER(S)**

**SURNAME AND NAME:** .....

**DATE:** .....

**ADDRESS:** .....

.....

.....

**CONTRACT FORM - RENDERING OF SERVICES**

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

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

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (i) Bidding documents, viz
    - Invitation to bid;
    - 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 2011;
    - Declaration of interest;
    - Declaration of Bidder's past SCM practices;
    - Certificate of Independent Bid Determination;
    - Special Conditions of Contract;
  - (ii) General Conditions of Contract; and
  - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

DATE .....

**WITNESSES**

1 .....

2 .....

— — —

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

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

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	SPECIFIC GOALS

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

SIGNED AT ..... ON .....

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

WITNESSES

- 1 .....  
....
- 2 .....

**DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES**

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

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

4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? <b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	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 <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
<b>Item</b>	<b>Question</b>	<b>Yes</b>	<b>No</b>
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

#### CERTIFICATION

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

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

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

.....

Signature

.....

Date

.....

Position

Name of Bidder

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1 This Municipal Bidding Document (MBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
- a. take all reasonable steps to prevent such abuse;
  - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
  - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

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

# CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

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(Bid Number and Description)

in response to the invitation for the bid made by:

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(Name of Municipality / Municipal Entity)

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

I certify, on behalf of:\_\_\_\_\_that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate.
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect.
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder.
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder.
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation.
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder



6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> 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.

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

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

## DIRECTOR'S PERSONAL DETAILS

[illegible]