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**REQUEST FOR QUOTATION (RFQ)**

<b>RFQ</b>	RFQ/FIN/2024/27
<b>RFQ ISSUE DATE</b>	08 May 2024
<b>RFQ DESCRIPTION</b>	APPOINTMENT OF A SERVICE PROVIDER TO ASSIST SABC WITH THE PROVISION OF SHORT-TERM INSURANCE BROKERAGE CONSULTANT SERVICES FOR A PERIOD OF FIVE (5) YEARS.
<b>NON-COMPULSORY BRIEFING SESSION</b>	<a href="#">Join the meeting now</a> 15 May 2024 @12h30
<b>CLOSING DATE &amp; TIME</b>	22 May 2024 @12h00

Submissions must be electronically emailed to [RFQSubmissions@sabc.co.za](mailto:RFQSubmissions@sabc.co.za) on or before the closing date of this RFQ.

For queries, please contact **Nyandano Nemukula** via email: [Tenderqueries@sabc.co.za](mailto:Tenderqueries@sabc.co.za)  
The SABC requests your quotation on the services listed above. Please furnish us with all the information as requested and return your quotation on the date and time stipulated above. Late and incomplete submissions will invalidate the quote submitted.

SUPPLIER NAME: \_\_\_\_\_

POSTAL ADDRESS: \_\_\_\_\_

TELEPHONE NO: \_\_\_\_\_

FAX NO. : \_\_\_\_\_

E MAIL ADDRESS: \_\_\_\_\_

CONTACT PERSON: \_\_\_\_\_

CELL NO: \_\_\_\_\_

SIGNATURE OF BIDDER: \_\_\_\_\_

## NOTES ON QUOTATIONS AND PROPOSALS SUBMISSION

1. All electronic submissions must be submitted in a **PDF** format that is protected from any modifications, deletions, or additions.
2. Financial/pricing information must be presented in a **separate** attachment from the Technical / Functional Response information.
3. The onus is on the Bidder to further ensure that all mandatory and required documents are included in the electronic submission.
4. All submissions should be prominently marked with the following details in the email subject line:
  - **RFQ Number and bidders' name.**
5. Bidders are advised to email electronic submissions at least thirty minutes before the bid closing time to cater for any possible delay in transmission or receipt of the bid. The onus is on bidder to ensure that the bid is submitted on time via email
6. Tender submission emails received after submission date and time will be considered late bid submissions and will not be accepted for consideration by SABC.
7. SABC will not be responsible for any failure or delay in the email transmission or receipt of the email including but not limited to:
  - receipt of incomplete bid
  - file size
  - delay in transmission receipt of the bid
  - failure of the Bidder to properly identify the bid
  - illegibility of the bid; or
  - Security of the bid data.

**NB: THE BIDDER SHOULD ENSURE THAT LINKS FOR WETRANSFER AND GOOGLE DROP BOX EXPIRE AFTER 30 DAYS OF THEIR SUBMISSIONS INSTEAD OF SEVEN DAYS**

**FIRST PHASE – PREQUALIFICATION CRITERIA: MANDATORY DOCUMENTS**

All bid respondents must submit mandatory documents that comply with all mandatory requirements. Bids that do not fully comply with the mandatory requirements will be disqualified and will not be considered for further evaluation.

	<b>Mandatory Requirement</b>	<b>Comply/not comply</b>
1.	Proof of a valid licence to transact business as an authorized financial service provider (FSP) as per Financial Advisory and Intermediary Services Act (FAIS Act) (Attach valid licence)	

**NON-SUBMISSION OF THE MANDATORY DOCUMENTS WILL RESULT IN AUTOMATIC DISQUALIFICATION.**

**1. REQUIRED DOCUMENTS**

- 1.1 Submit proof Central Supplier Database (CSD) registration.
- 1.2 Proof of Valid TV License Statement for the Company; all active Directors and Shareholder must have valid TV Licenses.
- 1.3 (Verification will also be done by the SABC internally).
- 1.4 Valid Tax Clearance Certificate or SARS “Pin” to validate supplier’s tax matters.
- 1.5 Original or Certified copy of Valid BBBEE Certificate (from SANAS accredited Verification Agency)
- 1.6 Certified copy of Company Registration Document that reflect Company Name, Registration number, date of registration and active Directors or Members.
- 1.7 Certified copy of Shareholders’ certificates.
- 1.8 Certified copy of ID documents of the Directors or Members.

**NB: NO CONTRACT WILL BE AWARDED TO ANY BIDDERS WHO’S TAX MATTERS ARE NOT IN ORDER.  
 NO CONTRACT WILL BE AWARDED TO ANY BIDDERS WHO’S TV LICENCE STATEMENT ACCOUNT IS NOT VALID.  
 NO CONTRACT WILL BE AWARDED TO ANY BIDDER WHO IS NOT REGISTERED ON THE CSD**

## 1. BACKGROUND

The South African Broadcasting Corporation (SABC) is South Africa's national public broadcaster. Its objectives are to provide a comprehensive range of distinctive programs and services with the view to inform, educate, entertain, support and develop culture in all 11 official languages.

The SABC is involved in many media and technology segments that span across the whole value chain of broadcasting. An understanding of the financial outcomes is best facilitated by an approach that segments the organization into Business Units that reflect the activities of the SABC.

## 2. REQUIREMENTS AND SCOPE OF SERVICES

The SABC has an insurance department and the main purpose of this scope of work is to provide details of the functions required in the fulfilment of the role as independent insurance broker consultants/insurance risk managers in support of the SABC's insurance department with the intent of providing uncompromised quality of service to SABC.

In the normal course of business, the SABC encounters numerous risks and must insure the Corporation against known risks. The SABC, in mitigating its risks wishes to cost effectively transfer some of it by taking out short term insurance. It is necessary to contract the services of a professional insurance broker consultant to assist the SABC with the placement of risks. The broker consultant must provide and support the SABC's Insurance team in all aspects related to the insurance and reinsurance portfolio by providing advice and assisting with the requirement for placing risks either in the local or international insurance markets. The independent broker consultant will perform annual benchmarking exercises for all products and services and also have to evaluate and provide optimal and cost-efficient programs for the placement of insurance risks.

### 2.1 PROJECT REQUIREMENT / DESCRIPTION

This document contains details of the short-term insurance intermediary service needs of the SABC as well as having the ability to work closely with the SABC Insurance team as insurance requirements develop. The SABC requires the service of an independent, competent, reputable, capable and effective South African Broking Consultant with experience, expertise and the capacity to act as an intermediary between the SABC and the Insurance Market (i.e. insurers, international brokers and other risk financing institutions).

The independent Broker Consultant must be compliant to all legislative framework governing insurance services including but not limited to:

- FAIS Act (Financial Advisory and Intermediary Service Act , Act No.37 of 2002)
- Short Term Insurance Act (Act 53 of 1998)

## 2.2 DELIVERABLES OF THE BROKER CONSULTANT

This should be done in conjunction with the SABC's Insurance department.

The independent Broker Consultant shall designate a Principal to be assigned to this account to act as a primary contact for the SABC. The SABC must approve the principal referred to as "signed person". If for any reason the SABC finds, in its sole discretion, that the service provided by any assigned personnel is unsatisfactory, the Broker Consultant will agree to assign replacement personnel that must also be approved by the SABC.

Personnel assigned to this account must have a minimum of 10 years full time experience and a minimum of 5 years' experience with a State-Owned Company broker management firm. The Broker Consultant will cooperate with the SABC and make available any and all files and records available for audits.

## 3.1 TECHNICAL REQUIREMENTS

A detailed scope of service shall include but not be limited to the following insurance cover;

Summary of current insurance policies

- **Assets All Risk** (All tangible property of every description belonging to the Insured or in which the Insured has any proprietary interest, including property, art, antique and archive collections held in trust or for which the Insured accepts responsibility).
- **Business Interruption** (Financial consequences of interruption of business caused by perils insured under Property Damage).
- Art Insurance (All SABC artworks on premises and exhibitions)
- **Liability** (Legal liability for death, bodily injury and loss of or damage to property arising in connection with the activities of the Insured).
- **Commercial Crime** (Indemnifies the Insured following Loss of Money, Securities and other property which the Insured shall sustain resulting directly from one or more fraudulent or dishonest acts committed by an Employee acting alone or in collusion with others).
- **Group Personal Accident** (Compensation in respect of Death, Permanent Disability, Medical Expenses due to accident).

- **Motor Fleet/Production Insurance Motor** (Loss of/or damage to all vehicles owned,hired, leased, borrowed or used by the Insured or in the custody or under the control of the Insured including legal liability to third parties).
- **SASRIA**
- **Debt Management and Credit Insurance** (Insolvency of Media Debtors).or breach of duty actually or allegedly committed or attempted by any of the insured persons, individually or otherwise, in their capacity as such or any matter claimed against the insured person.
- **Directors & Officers Liability** (Any error, misstatement, misleading statement, act, omission, negligence person solely by reason of their serving in such capacity).
- **Film Production Insurance** (Comprehensive cover for Film Production, Public Liability, Personal Accident, Motor Vehicles, Aircraft or Watercraft, Weather Cover for all Productions commissioned by the SABC).
- Cyber Liability (Risks associated with e-business, Internet, networks and informational assets).

### **3.2 SERVICES TO BE RENDERED.**

The services to be rendered as a Short-Term Insurance Broker over the five-year period should include general services related to the placement, maintenance and administration of the insurance portfolios (Assets, Production House and Credit Guarantee). A Service Plan should be drawn annually with inception of a new insurance period detailing the actions to be taken in accordance with the Annual Placement Programmes as well as an Annual Maintenance Programme for claims administration. The Portfolio Services Maintenance Plan should reflect at least the following general insurance actions:

- Internal and External discussions to set renewal and maintenance strategy.
- Internal Strategy meetings;
- Review existing cover:
- Established uninsured risks and internal self-insurance (retention) capacity;
- Review cover, limits and sums insured;
- Review uninsured risks and exposures;
- Market exercise to obtain renewal terms;
- Alignment of Insurance and Risk Management Philophy;
- Pre-renewal meeting to discuss excess structures and alternatives for renewal;
- Renewal follow-up on alternative quotations;

- Presentation of renewal terms and recommendations;
- Confirmation of placement and 100% cover;
- Confirmation of credit rating of insurance and re-insurance markets;
- Compilation of detailed insurance manual as well as full summary on cover, limits, conditions, exclusions and special exclusions;
- Check and provide issued policies as well as legal confirmation of statutory compliance;
- Compilation of claims procedural manual;
- Ad-hoc adjustments and endorsements on sums insured and declarations to insurers/re-insurers;
- Day-to-day correspondence and queries;
- Monitor premium payments and refunds in accordance with accounts and statements;
- Ad-hoc training where required in terms of policy and procedures manual;
- Prepare broking notes for submission to selected insurance markets both local and overseas.
- Approach local and international insurers, hold discussions and analyse quotations and cover.
- Assist with all aspects regarding Pre-renewal.
- Obtain Pre-Renewal Market Surveys.
- Client discussions on options available for the SABC.
- Liaising with markets.
- Pre-renewal strategy meeting to be held with the SABC to allow for discussions on declarations.
- Negotiate in terms of policy wording to achieve widest possible cover.
- Negotiate with existing Insurers where long-term agreements exist to obtain cost effective renewal terms.
- Advice on the types and levels of Insurance cover to be purchased by SABC in accordance with appropriate Risk Management principles, prevailing legislation and any other specific agreements of SABC.
- Discuss provisional renewal terms with the SABC at least 60days before relative renewal date.
- The Broker Consultant must provide a thorough renewal presentation each year at least 45 days before current policy expiration date with policy recommendations to include an analysis of available alternatives in consideration of the SABC's exposures.
- Final renewal terms to be submitted to the SABC no later than 20 days before expiry of incumbent Insurance policies.
- Premium payment compliance and processing.
- Assure that insurance policies are placed in a timely manner, without lapses in coverage periods, with reputable and financially responsible insurers (A+ global security rating)
- Provide early warning of rate and coverage changes or renewal problems throughout the process and to be mutually agreed upon with the SABC.

- Post Renewal Reports.
- Administration of policy cover, including placing and altering of cover as required by the SABC's Insurance Department.
- Services to be rendered in preparation of the annual insurance and cost of the risk budget.
- Coordination of the insurance risk management program. This will include proposals for surveys in areas where specific trends appear after historical claims are scrutinised. Annual risk survey and analysis of critical risks and Maximum Foreseeable Loss / Maximum Possible Loss scenarios, evaluation and implementation of risk improvement recommendations and fire prevention engineering services.
- Attend any other formal meetings as required by the SABC.

### **3.3 Claims**

Claims are handled by the SABC's Insurance department, but involvement by the Broker Consultant is a necessity.

- Consultant's executive involvement in large claims, Directors and Officers Liability Claims, Third Party claims and Defamation claims.
- Handling as required of film production claims, selection of experienced film production loss adjusters and resolution of the technical claims issues.
- Monthly claims analysis and timeous submissions of reports.
- Ensure recovery actions are pursued effectively against third parties.
- Provide SABC management with on-going statistical data and recommendations for insurance risk improvement.
- Regular follow up on progress of claims with loss adjusters and/or insurers.
- Provide statistics on all claims/declarations made per month not later than the 2<sup>nd</sup> working day of the following month to the Insurance Section.
- Outstanding Claims recoveries.
- Post Loss Surveys.
- Full Quarterly meetings and reports.

### **3.4 Specialist Services**

In addition to the above the bidder will provide the SABC with a great depth of knowledge and experience in various specialist fields such as:

- Complete solution for Debt Management and Credit Risks. Attend monthly and other meetings as required for the ongoing debt management including pre-legal and legal services, credit limit approvals and credit insurance placements.
- Full Film Production Insurance facility based on international best practices and comparable with similar international programmes. Carry out presentations to Production Houses countrywide setting out coverage, terms and Standard Operating Procedures.



- Management of professional asset valuations for insurance purposes.
- Must be prepared to act as claims preparator as and when requested.

### **3.5 Performance Specifications (General)**

The independent Broker Consultant should be able to provide the following general insurance actions in terms of placement, maintenance and administration of the insurance portfolio:

- Act as an independent insurance advisor to the SABC and proactively provide on-going unbiased professional advice and recommendations that benefit the SABC.
- Play a proactive role in quarterly insurance risk management meetings.
- Proactively provide on-going review and analysis of the SABC's insurance programs and identification of risk transfer and risk financing options relevant to the SABC.
- Manage info gathering, specifications and tendering processes for all the Insurance policies.
- Update of risk control, reports, surveys and EML (Estimate Max Loss /MPL (Maximum Possible Losses)).
- Be familiar with the major exposures of the SABC.
- Be familiar with the coverage provided by all relevant insurance policies and documents issued to the SABC.
- Must assist in resolution of problems with Insurers relating to policy cover, claims decisions and adherence to SLA's.
- Prepare and present budget premium allocations between the SABC and subsidiaries and or divisions (provide estimates and projections of future premiums for budgeting purposes).
- Undertake visual presentations for the SABC Management and Media Production Houses.
- Attend formal meetings at SABC as and when required.
- Re-affirm insurance needs having analysed the risk exposures, i.e. new product lines, uninsured risks etc.
- Internal Strategy Meetings.
- Provide Loss Control services and assistance with claims as requested by the SABC. Assist in analysing loss exposures from existing and new operations, and determine the appropriate risk management alternatives, including types, availability, cost and extent of coverage that should be considered.
- Provide general insurance Risk Management and loss prevention consulting.
- Assist with loss modelling, coverage scenario development, and assessing potential frequency and severity of loss exposures.
- Assist in review and analysis of contract/loan/and other agreement related exposures and protect the SABC's interests (e.g. special events, construction projects, leases etc.)
- Research, prepare and present educational and training presentations or sessions on relevant insurance, safety, and risk management related topics.

- The proposer may propose additional services at no additional cost to the fee for the Basic services or for additional costs. If offered, SABC reserves the right to utilize such additional services at its sole discretion (services may include training on insurance and risk management related topics).
- Undertake surveys and obtain and supply risk improvements.
- Insurance Risk Management of day-to-day technical insurance affairs.
- Monitor Market trends and advise the SABC accordingly.
- Keep the SABC up to date with the latest amendments to the Legislation on Insurance through workshops.
- Insurance requirements.
- Ensure continuity of staff or personnel involved in performing the service and develop suitable knowledge and understanding of SABC's Insurance requirements.
- Compliant with legislation including but not limited to the Insurance Act, Insurance Intermediaries Act, and any amendments thereof and any subsidiary legislation together with any other relative legislation applicable to this function and the SABC (PFMA, Constitution of the Republic of South Africa)
- Covering Professional indemnity of SABC directors and officers.
- On-going site visits.
- Continue to monitor international trends and local capacity levels for future placements of cover.
- Design, placement, and management of a dedicated FPI (Film Production Insurance) facility. Cover includes but is not limited to Cast & Crew, Miscellaneous, Weather cover, Negative Film and Video etc.
- Work to an agreed service schedule and timetable throughout the year
- At all times endeavor to reduce the total "cost of risk".
- Upon the request of the SABC, but at least once a year, provide a comprehensive report that reviews all of the SABC's insurance programs.
- Through a mutually agreed upon process, monitor the SABC's operations and loss exposures and make any appropriate recommendations for coverage changes or new coverage.
- The successful bidder will be required to advise and consult with SABC on the renewal strategy.
- Obtain the required insurance cover from the insurance industry based on the needs of SABC, the prevailing market conditions at the time and the insurance products that are available to mitigate or partly mitigate the risks as identified.
- Provide an account summary and handover process at the end of the contract.

### **3.6 Risk Assessment and Placement**

The service plan specific to SABC will encompass a full range of intermediary services including:

- The preparation as well as collating of underwriting information and marketing of the SABC's portfolio;
- Identifying appropriate underwriters for the risk, including new and emerging markets.
- Keeping SABC abreast of the insurance market developments and international trends in specialised insurance aspects as well as "world best practice"
- Providing ready access to overseas markets.
- Access specialised insurance products as and when required by the SABC.
- The majority of problems and repudiations are usually due to technical inadequacies of policy documents, bidders will thus focus on "tailor made" documentation, underpinned by world class best practice policy wording specific to the SABC's requirements.

In addition to the focus of technical aspects of the SABC's portfolio, the bidder will focus on the understanding of the SABC's risk profile to ensure the correct technical application of the various items noted above. These will include amongst others the following:

- Advice on insurance risk management and loss mitigation.
- Ensure compliance and legislative issues.
- Monitor market movement, changes, underwriting approaches etc.
- Monitor Insurers insolvency.
- Regularly undertake market liaison meetings with underwriters to discuss matters of common interest, including problem resolution.
- Where necessary provide input at meetings and discussions with regard to legislative issues, trends and market developments.
- Undertake research, development and innovation.
- Assistance in "due diligence" and other insurance related requirement that the SABC may have.
- Risk assessment - design of risk financing and insurance strategies and placing of cover as determined by the SABC.
- Provide advice and guidance on alternative methods of financing both insurable and other risks through insurance markets.
- Property loss engineering risk surveys– annual evaluations of physical risk and risk control conditions at the SABC buildings and other key locations.
- Property loss fire risk surveys – Annual evaluations in conjunction with engineering risk surveys and risk control conditions of SABC buildings and other key locations. Assess the fire and associated peril risks against international standards, make recommendations for improvement, follow-up on the status of recommendations, collate information required for underwriting risks, and identify and quantify the scenarios.
- Provide professional engineering design review support relating to fire risk protection and management.

- Monitoring impairments to fire protection installations.
- Provide a full Third-party claims recovery system.
- The chosen bidder will also be responsible for the following on a quarterly basis:
- Updating SABC on the current state of the insurance market in terms of general economic realities, solvencies, capacity, profitability, rates and market activity (such as mergers and take-over and joint ventures) and the possible impact of such matters on the SABC renewal strategy and insurance portfolio.
- Updating SABC on legal developments within the Short-term insurance industry and inform SABC on insurance product developments and the risk mitigation developments in the South African market.
- Providing financial advice on the insurance portfolio in the event SABC request such advice.
- On-going evaluation of uninsured risks and possible options for closing the gaps.
- Reviewing the SABC's Short-term insurance portfolio with SABC Insurance department and any other relevant internal department in a formalized pre-set meeting.
- Assist SABC with the interpretation of insurance policy documents and matters incidental thereto.
  - Annual Post Renewal/Placement reports.
  - Quarterly reports providing details of work done during the quarter.
  - Annual performance review.
  - Regular meetings identifying and quantifying the SABC's direct and contingent exposures.

#### **4. PRICING (BROKER REMUNERATION)**

Remuneration for the services provided will be based on an all-inclusive flat fee per annum, covering all direct and indirect costs, related to the provision of short-term insurance brokerage services. SABC will not pay any additional costs once the contract is awarded.

The Broker must therefore propose a fee payment structure with yearly increases. Please furnish us with a five year fee proposal. Price must be set out on a separate schedule, and under the heading "Priced schedule of quantities of services to be rendered". Bidders must ensure that their pricing covers all relevant short-term insurance intermediary services as required by the SABC. It is mandatory to indicate your total bid price as requested above. All prices must be VAT inclusive and must be quoted in South African Rand (ZAR).

#### **5. PROPOSAL CONTENT/APPROACH TO THE TENDER (SUBMISSION REQUEST)**

The proposal should cover the following contents when submitting: (Submissions are to be made strictly in accordance with this document).

- Complete a comprehensive proposal, detailing the methodology.
- Indicating methodologies for assessing adequacy of Insurance cover and choice of Insurance carriers.
- The bidder must clearly demonstrate its ability to provide excellent service that will ensure a successful trouble-free insurance broking services.
- The proposal should include marketing and servicing plan of action should your firm be selected as an independent broker consultant of the SABC's account, and the timeframes to perform these functions.

Bidders shall submit their responses in accordance with the response format specified below: (each section must be clearly marked)

Sub Section 6.1: COMPLIANCE TO LEGISLATION

Sub Section 6.2: EXPERTISE

Sub Section 6.3 REFERENCES

Sub Section 6.4: CLAIMS

Sub Section 6.5: RISK MANAGEMENT

Sub Section 6.6: GENERAL

Sub Section 6.7: FEE STRUCTURE

Sub Section 6.8: TRAINING

Sub Section 6.9: COMPANY PROFILE

### **6.1 Compliance:**

- In order to assess the liquidity of the insurance broker the bidder must provide the SABC with its latest set of audited financial statements to proof liquidity.
- Proof that the company's liquidity can be able to pay all the premiums regarding the portfolio in instances where SABC is late and be reimbursed by SABC.
- Valid licence/membership to transact business as a Financial Services Provider (FSP) as per the FAIS Act (certified copy).
- Valid FSCA Licence, clearly showing the products the Broker is authorised to trade in (certified copy).
- Confirmation that Brokers representatives subscribe to the Code of Conduct for financial services providers as promulgated in terms of Section 15 of Financial Advisory and Intermediary Services Act. 2002.
- Confirmation of Professional Indemnity Cover / Errors and Omissions policy to the value of R200 million.
- The number of lawsuits claims (Professional Indemnity / Errors and Omissions) that have been lodged by clients.

## 6.2 Expertise:

- Detailed description of main field of relevant expertise/area of operation of the company and the range of services offered.
- Provide full information on the services that will be provided.
- Supply an indication as to the understanding of the performance specifications and the bidder's ability to provide the required service. In addition, the bidder must demonstrate its experience and knowledge in providing the technical requirements.
- Provide information that will assist the SABC to assess the bidder's capabilities, capacity, competitive advantages, etc, for instance, in-house skills, previous experience etc. The bidder must clearly demonstrate its ability to provide excellent service that will ensure a successful trouble-free insurance broking consultancy service.
- The bidder should clearly demonstrate that it has the necessary resources to be able to render the services.
- Outline how you would structure your service and team for this account from a day-to-day, yearly and project basis.
- Please indicate previous experience in Broadcasting.
- The bidder should clearly demonstrate extensive expertise in Film and Media insurance (Knowledge of Production Houses and Insurance).
- The bidder should clearly demonstrate extensive expertise in Debt Management and Credit Insurance cover (Knowledge and correct placement of Credit Insurance).

## 6.3 References:

- Supply a list of previous Public/Corporate/SOC Sector Insurance Broking Clients. Bidders must provide a list of 5 (five) corporate / SOC clients in similar size to SABC to whom the bidder is providing or has provided broker services for short term insurance (contactable references (not older than 36 months)).

## 6.4 Claims:

- Please provide proof of the ability of the bidder's infrastructure to handle and settle claims e.g. computer systems, personnel, network offices etc.
- Legal support - Details of support that will be given to the SABC in respect of claims rejected.
- Describe the claims support you are prepared to offer the SABC's account and describe your firm's ability to assist the SABC with claims negotiations with insurer's management.
- The ability to provide reports to the SABC on claims and recoveries.
- Proof that contracts/ service level agreements exist between yourselves, insurance companies and re- insurers/co-insurers, attorneys for third party recoveries.

### **6.5 Risk Management:**

- Processes that will be followed to do risk assessment of the insurance companies approached for quotations.
- Please indicate if your company can provide formal training in insurance risk Management and Risk Control.

### **6.6 General:**

- Describe how the “account manager, principal” and team will maintain high quality service to the SABC in consideration of other commitments by the “account executive” and team.
- Give an overview of the current commitments of the “account manager / principle” proposed to be assigned to the SABC including total number of clients served and total number of State Owned Clients serviced.
- Describe any brokerage services you would be unable to provide internally and how you would assist the SABC in meeting those needs if required. (Provide list).
- Describe the means by which you would keep abreast of the SABC’s activities, exposures and on-going needs.
- Describe the method and the frequency by which information relevant will be communicated to the SABC.
- Identify reports that would be beneficial to SABC and their cost, if any, your firm will provide.
- Value Added Services - Bidders are requested to include value added services which they can provide to the SABC (based, but not limited, to the information in this document.
- Please provide an insurance program design, procurement & renewal process.

### **6.7 Fee Structure:**

- Please provide a cost for any additional services discussed in the proposal not included in the annual fee. (Also include details as per 5, Pricing, Broker Remuneration).

### **6.8 Training:**

- What type of training is done for you by other companies and who are these companies? (Provide details please).
- What type of continuing/supplementary training is done by the company? Give details of subjects, schedules, etc.

### **6.9 Company Profile**

- An organizational description and/or chart showing the staffing and lines of authority for the key personnel to be used in providing the services, including account executives, engineers, risk financing personnel, marketing and claims personnel and others who would interact with the SABC; (Organogram)

- The bidder must submit a comprehensive profile, including a detailed exposition of experience/ability in respect of insurance for the SABC and a list of client base and state whether or not it has a specialist section for broadcasting insurance.
- Please indicate the size of the firm nationwide and globally, and of the account office in terms of people and businesses.
- The name of the individual within your firm that is proposed to have overall responsibility for the SABC's account (Account Executive/Principal). Brief profile of the senior person that will be appointed as account handler including qualifications and professional experience of this individual.
- The name of the alternate to that person, and their ability to access the capabilities of the firm.
- The names, education, certifications and qualifications (or resumes) of staff proposed to offer service to the SABC. Kindly attach detailed resumes.
- Summary of experience these personnel have provided to local and regional governments.
- Provide the names and qualifications of any outside specialists and consultants, applicable, which would assist the bidder with various aspects of the functions to be performed.

### **COMPULSARY QUESTIONNAIRE:**

**Please note that you must be registered with the FSCA to be considered for this tender. A valid certified copy of your registration certificates and numbers should be attached to your tender. If you comply the following questions must be answered by the tenderer. Where a yes is indicated substantiating valid evidence must be supplied. If the questions are not answered and applicable certified valid documents not attached where required, the tender will be disqualified.**

7.1	Are you a South African owned independent insurance broker? If yes, please attach valid documentary proof).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
7.2	Are you registered as a Financial Services Provider? (If yes, please attach Licence).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
7.3	Is your service team to be utilized on this portfolio, registered with the Financial Services Board and have they obtained their Regulatory Examination Certificate? (If yes, attach a valid certified confirmation from the Financial Services Board reflecting the individuals registered and their compliance, also your FAIS Compliance Registration for the Company and FAIS Compliance Registration in respect of the Service Team).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
7.4	Has your Company dealt with similar needs/size and complexity within the last 3 years, and do you have extensive and recent experience on a Broadcasting Portfolio? (If yes, please provide confirmation).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
7.5	Do you have Professional Indemnity Cover to the value of R200 000 000 (Two Hundred Million? (If yes, please provide a valid certified copy of the Professional Indemnity Cover).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
7.6	Do you have Fidelity Guarantee cover to the value of R50m (If yes, please provide a valid certified copy of your Fidelity Guarantee cover)	Yes <input type="checkbox"/>	No <input type="checkbox"/>



7.7	Was the supplier/vendor or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
7.8	Have you been appointed in the past 3 (three) years as a short term insurance broker on an insurance portfolio in excess of R1billion assets? (If yes, please provide names of these clients, the contact person and telephone number).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
7.9	Have you been appointed as a Claims preparator on any claim in the last 5 years? (If yes, please provide details).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
7.10	Do you have loss control skills? (If yes, describe what they would include please attach examples of same).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
7.11	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract? If so, furnish particulars:	Yes <input type="checkbox"/>	No <input type="checkbox"/>
7.12	Does your company have any in-house training capabilities? If yes, provide an overview of Activities included in this process (in-house training) Method used for evaluating the effectiveness of the in-house training capabilities to ensure the required level of service is maintained.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
7.13	Do you have a dedicated service team whom will be allocated to SABC insurance portfolio? (If yes, an organogram of the service team and their relevant resumes must be attached. Please note that the resume will only be considered if the employee has at least 5 (five) years short term insurance experience.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
7.14	Has any contract with your company ever been cancelled by a client? If yes, please provide detail.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
7.15	Confirm if any of the representatives proposed by the bidder(s) have ever been or is currently "debarred" or removed from the register of financial services providers.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
7.16	Does the "Principal" who will be assigned to this project have minimum of 10 (ten) years' experience in the broking firm dealing with a State Owned Company? If yes, please attach details.	Yes <input type="checkbox"/>	No <input type="checkbox"/>

## 8 Duration of the contract

Five years

## 9 EVALUATION CRITERIA

### a. BBBEE and Price

The RFQ responses will be evaluated on the **80/20**-point system.

### b. Technical Evaluation

- The tender submission will be technically evaluated out of **80** points.

- All bidders achieving less than the set threshold of **50** points out of **80** points will be declared non-responsive and therefore will not continue to be evaluated for BBBEE & Price Preference.

### **PAPER BASED EVALUATION CRITERIA**

<b>Evaluation Area</b>	<b>Evaluation Criteria</b>	<b>Min Points</b>	<b>Max points</b>
Company Previous Experience in Broadcasting / State Owned Entities	<ul style="list-style-type: none"> <li>➤ year – 2 years (0 points)</li> <li>➤ 2 – 4 years (10 points)</li> <li>➤ ≥4 years (15 points)</li> </ul>	<b>10</b>	<b>15</b>
Previous work experience within State Owned Entities environment.	<p>Summary of resume of principal assigned to this account.</p> <ul style="list-style-type: none"> <li>➤ 5 years' experience (5 points)</li> <li>➤ More than 5 years' experience (10 points)</li> </ul>	<b>5</b>	<b>10</b>
A list of Corporate / SOE's existing written client reference letters confirming involvement in clients similar to the size of SABC	<p>Letters from the clients indicating current or previous clients with company letterhead. Letters should not be older than three years.</p> <ul style="list-style-type: none"> <li>➤ Three reference letters from the clients (10 points)</li> <li>➤ 4&gt; reference letters from the clients (15 points)</li> </ul>	<b>10</b>	<b>15</b>
Independent South African owned Broker residing in South Africa	<ul style="list-style-type: none"> <li>➤ Yes (10)</li> <li>➤ No (0)</li> </ul>	<b>10</b>	<b>10</b>
Expertise in Debt Management and Credit Insurance cover (Knowledge and correct placement of Credit Insurance)	<ul style="list-style-type: none"> <li>➤ Evidence of Expertise (10)</li> <li>➤ No evidence (0)</li> </ul>	<b>0</b>	<b>10</b>
Expertise and placement in Film and Media insurance for Production houses with a minimum budget of R10 Million	<ul style="list-style-type: none"> <li>➤ Evidence supplied (10)</li> <li>➤ No evidence (0)</li> </ul>	<b>10</b>	<b>10</b>
Proof of claims handled and finalised over and above R100million	<ul style="list-style-type: none"> <li>➤ 0 – 50million (5)</li> <li>➤ R50million and over (10)</li> </ul>	<b>5</b>	<b>10</b>
<b>Total</b>		<b>50</b>	<b>80</b>

## 10 PRICE AND BEE (SPECIFIC GOALS)

- 10.5 The 80/20 preference point system will apply to evaluate responses.
- 10.6 The award of the tender / RFQ to will be based on functionality evaluation.
- 10.7 The Price and BEE (Specific goals) will be applicable to award the highest scoring bidder.

## 11 PRICE AND BEE (SPECIFIC GOALS) APPLICATION DURING CONTRACT IMPLEMENTATION

### 11.5 PRICE

The **80/20** preference point system  
 A maximum of **80** points is allocated for price on the following basis:

$$\text{Where: } P_s = 80 \left( 1 - \frac{P_t - P_{min}}{P_{min}} \right)$$

Ps = Points scored for comparative price of bid under Consideration  
 Pt = Comparative price of bid under consideration  
 Pmin = Comparative price of lowest acceptable bid

### 11.6 BEE (SPECIFIC GOALS)

SPECIFIC GOALS	80/20
EME/SME 51% owned by Black people	10
51% owned by Black people;	5
51% owned by Black people who are women	3
Black Youth	2

- **NB: All tenders will be issued to the market with all specific goals, and these will be scored in accordance with the evidence as submitted by the bidder. The bidder who does not meet the specific goals will not be disqualified but score zero.**

### 11.7 ADJUDICATION USING A POINT SYSTEM

- The bidder obtaining the highest number of total points will be awarded the contract.
- Preference points shall be calculated after process has been brought to a comparative basis taking into account all factors of non-firm prices.
- Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

### 11.8 Objective Criteria

- The SABC reserves the right not to award this tender to any bidder based on the proven poor record of accomplishment of the bidder in previous projects within the SABC.
- The SABC will not award contract/s to the bidders who are blacklisted or have committed other acts of fraud and misrepresentation of facts e.g., tax compliance, company financials, etc. will be eliminated from the bid process.
- The SABC reserve the right not to award this tender to any bidder who fails the financial stability assessment.
- No SABC former employees shall be awarded contracts with the SABC within 24 months after termination of employment with the SABC.

- Should employees resign or retire from the employment of the SABC and become directors of other businesses tendering with the SABC, such tender shall not be considered until the cooling off period of 24 (twenty-four) months has expired.
- Should the employee be dismissed from the SABC employment, such employee shall be prohibited from conducting business with SABC for a period of 5 (five) years from the date of dismissal.
- Should the employee be found guilty in a court of law due to criminal conduct/act, such employee will not be considered to do/conduct business with SABC, until the criminal record has been legally expunged.
- The SABC shall not procure any goods, services, works or Content from any Board member or Board member owned business, to ensure that suppliers competing for the SABC's business have confidence in the integrity of SABC's selection process.
- Should the SABC's Board members no longer serve on the SABC Board but become directors of other companies, the SABC shall not conduct business with those companies until the cooling off period of 24 (twenty-four) months has expired.
- Should the Board member be found guilty in a court of law due to criminal conduct/act, such Board member will not be considered to do/conduct business with SABC, until the criminal record has been legally expunged.
- The SABC shall not procure any goods, services, works or Content from any independent contractor or independent contractor owned business, to ensure that suppliers competing for the SABC's business have confidence in the integrity of SABC's selection process.
- Should the Independent Contractor no longer be contracted to the SABC but become directors of other companies, the SABC shall not conduct business with those companies until the cooling-off period of 24 (twenty-four) months has expired.
- Should the Independent Contract be found guilty in a court of law due to criminal conduct/act, such employee will not be considered to do/conduct business with SABC, until the criminal record has been legally expunged.

## 12 COMMUNICATION

Respondents are warned that a response will be disqualified should any attempt be made by a tenderer either directly or indirectly to canvass any officer(s) or employees of SABC in respect of a tender, between the closing date and the date of the award of the business.

All enquiries relating to this RFQ should be emailed three days before the closing date.

## 13 CONDITIONS TO BE OBSERVED WHEN TENDERING

- The Corporation does not bind itself to accept the lowest or any tender, nor shall it be responsible for or pay any expenses or losses which may be incurred by the Tenderer in the preparation and delivery of his tender. The Corporation reserves the right to accept a separate tender or separate tenders for any one or more of the sections of a specification. The corporation also reserves the right to withdraw the tender at any stage.
- No tender shall be deemed to have been accepted unless or until a formal contract / letter of award is signed by both parties.
- **The Corporation reserves the right to:**
  - Not evaluate and award submissions that do not comply with this tender document.
  - Make a selection solely on the information received in the submissions.
  - Enter into negotiations with any one or more of preferred bidder(s) based on the criteria specified in the evaluation of this tender.

- Contact any bidder during the evaluation process, in order to clarify any information, without informing any other bidders. During the evaluation process, no change in the content of the RFQ shall be sought, offered or permitted.
  - Award a contract to one or more bidder(s).
  - Accept any tender in part or full at its own discretion.
  - Cancel this RFQ or any part thereof at any time.
- Should a bidder(s) be selected for further negotiations, they will be chosen on the basis of the greatest benefit to the Corporation and not necessarily on the basis of the lowest costs, aligned to the BEE & Price.

#### **14 Cost of Bidding**

The Tenderer shall bear all costs and expenses associated with preparation and submission of its tender or RFQ, and the Corporation shall under any circumstances be responsible or liable for any such costs, regardless of, without limitation, the outcome of the bidding, evaluation, and selection process.

#### **15 PAYMENT TERMS**

SABC will effect payment sixty (60) days after the service provider has rendered the service and submitted an invoice / statement.

**END OF RFQ DOCUMENT**

**Annexed to this document for completion and return with the document:**

- Annexure A - Declaration of Interest
- Annexure B - SBD 6.1 Form
- Annexure C - Consortiums, Joint Ventures and Sub-Contracting Regulations
- Annexure D - Previous completed projects/Current Projects
- Annexure E - SBD 4 Form

**ANNEXURE A**

**DECLARATION OF INTEREST**

1. Any legal or natural person, excluding any permanent employee of SABC, may make an offer or offers in terms of this tender invitation. In view of possible allegations of favoritism, should the resulting tender, or part thereof be awarded to-
  - (a) any person employed by the SABC in the capacity of Tenderer, consultant or service provider; or
  - (b) any person who acts on behalf of SABC; or
  - (c) any person having kinship, including a blood relationship, with a person employed by, or who acts on behalf of SABC; or
  - (d) any legal person which is in any way connected to any person contemplated in paragraph (a), (b) or (c),

it is required that:

The Tenderer or his/her authorised representative shall declare his/her position *vis-à-vis* SABC and/or take an oath declaring his/her interest, where it is known that any such relationship exists between the Tenderer and a person employed by SABC in any capacity.

Does such a relationship exist? [YES/NO]

If YES, state particulars of all such relationships (if necessary, please add additional pages containing the required information):

	[1]	[2]
NAME	:.....	
POSITION	:.....	
OFFICE WHERE EMPLOYED	:.....	
TELEPHONE NUMBER	:.....	
RELATIONSHIP	:.....	

2. Failure on the part of a Tenderer to fill in and/or sign this certificate may be interpreted to mean that an association as stipulated in paragraph 1, *supra*, exists.
3. In the event of a contract being awarded to a Tenderer with an association as stipulated in paragraph 1, *supra*, and it subsequently becomes known that false information was provided in response to the above question, SABC may, in addition to any other remedy it may have:
  - recover from the Tenderer all costs, losses or damages incurred or sustained by SABC as a result of the award of the contract; and/or
  - cancel the contract and claim any damages, which SABC may suffer by having to make less favourable arrangements after such cancellation.

\_\_\_\_\_  
SIGNATURE OF DECLARANT

\_\_\_\_\_  
TENDER NUMBER

\_\_\_\_\_  
DATE

\_\_\_\_\_  
POSITION OF DECLARANT

\_\_\_\_\_  
NAME OF COMPANY OR TENDERER

**ANNEXURE B****SBD 6.1****PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022**

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

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

**1. GENERAL CONDITIONS**

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

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

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

a) The applicable preference point system for this tender is the **80/20** preference point system.

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

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

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

The maximum points for this tender are allocated as follows:

<b>SPECIFIC GOALS</b>	<b>80/20</b>
<b>EME/SME 51% owned by Black people</b>	<b>10</b>
<b>51% owned by Black people;</b>	<b>5</b>
<b>51% owned by Black people who are women</b>	<b>3</b>
<b>Black Youth</b>	<b>2</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:

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

##### 3.2.1. POINTS AWARDED FOR PRICE

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

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

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 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)
SMMEs (inclusive or QSEs and EMEs) 51% owned by Black people	10	
51% owned by Black people;	5	
51% owned by Black people who are women	3	
Black Youth	2	

*NB: All tenders will be issued to the market with all specific goals, and these will be scored in accordance with the evidence as submitted by the bidder. The bidder who does not meet the specific goals will not be disqualified but score zero*

**Source Documents to be submitted with the tender or RFQ**

Specific Goals	Acceptable Evidence
B-BBEE	Valid BEE Certificate / Sworn Affidavit (in case of JV, a consolidated scorecard will be accepted)
Black Women Owned	Certified ID Documents of the Owners/shareholder
Black Youth owned	Certified ID Documents of the Owners
EME or QSE 51% Black Owned	Annual Financial/ Management Accounts/ B-BBEE Certificate / Affidavit/ Certified ID Documents of the Owners/shareholder
51% Black Owned	CIPC Documents / B-BBEE Certificate/Affidavit/ Certified ID Documents of the Owners/shareholder
South African Enterprises	CIPC Documents

**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.

..... <b>SIGNATURE(S) OF TENDERER(S)</b>	
<b>SURNAME AND NAME:</b>	.....
<b>DATE:</b>	.....
<b>ADDRESS:</b>	..... ..... ..... .....

**CONSORTIUMS, JOINT VENTURES AND SUB-CONTRACTING REGULATIONS**

**1. CONSORTIUMS AND JOINT VENTURES**

- 1.1 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 1.2 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate tender.

**2 SUB-CONTRACTING**

- 2.1 A person awarded a contract may only enter into a subcontracting arrangement with the approval of the organ of state.
- 2.2 A person awarded a contract in relation to a designated sector, may not subcontract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 2.3 A person awarded a contract may not subcontract more than 30% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level of contributor than the person concerned, unless the contract is subcontracted to an EME that has the capability and ability to execute the subcontract.

**3 DECLARATION OF SUB-CONTRACTING**

3.1 Will any portion of the contract be sub-contracted? YES / NO

3.2 If yes, indicate:

- 3.2.1 The percentage of the contract will be sub-contracted .....%
- 3.2.2 The name of the sub-contractor .....
- 3.2.3 The B-BBEE status level of the sub-contractor.....
- 3.2.4 whether the sub-contractor is an EME YES / NO

\_\_\_\_\_  
SIGNATURE OF DECLARANT

\_\_\_\_\_  
TENDER NUMBER

\_\_\_\_\_  
DATE

\_\_\_\_\_  
POSITION OF DECLARANT

\_\_\_\_\_  
NAME OF COMPANY OR TENDERER

**BIDDER'S DISCLOSURE**

**1. PURPOSE OF THE FORM**

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

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

**2. Bidder's declaration**

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest<sup>1</sup> in the enterprise, employed by the state? **YES/NO**

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

Full Name	Identity Number	Name of State institution

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

2.2.1 If so, furnish particulars:  
.....  
.....

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

3.1.1 If so, furnish particulars:  
.....  
.....

**4. DECLARATION**

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

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

- 3.1 I have read and I understand the contents of this disclosure;
  - 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
  - 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> will not be construed as collusive bidding.
  - 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
  - 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
  - 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

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

..... Signature	..... Date
..... Position	..... Name of bidder

<sup>2</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.

