

SUBMISSION

To: Supply Chain Management
From: Internal Audit
Date: Friday, 24 November 2023

Subject: **APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE CO-SOURCING RESOURCES IN SUPPORTING THE sefa IN-HOUSE INTERNAL AUDIT TEAM TO CONDUCT THE ORSA AUDIT.**

RFP Validity Period : 90 Days

TERMS OF REFERENCE

1. PURPOSE OF THE SPECIFICATION

- 1.1. Co-sourcing in internal audit is a collaboration between the in-house team and an externally appointed service provider. The external service provider allocates resources to the in-house team to use on a full-time basis, during the term of the contract. This approach can help to plug resource and knowledge gaps and help to complete a specific project or task on time.
- 1.2. The Internal Audit structure comprises of the Head of the Department, the Manager, Senior Internal Audit Manager, Forensic /IT Auditor, three Internal Auditors and two Interns.
- 1.3. The annual audit plan was developed based on a fully fledged Internal Audit structure. With a fully-fledged team, audit hours required to complete the planned engagements are in deficit. As a result, provision was made in the annual audit plan for co-sourcing hours.
- 1.4. To ensure full execution of the annual audit plan, Internal Audit seeks to appoint an external service provider on a co-sourcing arrangement for a period of three months, through sourcing of quotations.



2. BACKGROUND

2.1. The Delegation of Authority (DoA) requires that approval for co-sourcing be sought from the Audit Committee. Provision for the use of co-sourced services was made in the annual audit plan approved by the Audit Committee in April 2023.

3. *Note for SCU only

RFQ No.	POS0000003195
Issue Date	24/11/2023
Closing Date and Time	29/11/2023 @ 16:00
Compulsory Briefing session	N/A
Closing date for questions and answers	29/11/2023
Method of submission.	Via email – mphot@sefa.org.za

4. SCOPE OF WORK AND DELIVERABLE

4.1. Bidders are invited to provide co-sourcing Internal Audit services to support the sefa in-house Internal Audit function on ORSA and cover the following scope:

- Review compliance with the Prudential Authority (PA) regulatory requirements, internal policy, and procedure documents.
- Review the Khula Credit Guarantee (KCG) long term and short-term risks and verify that ORSA is taken into consideration, including the risk appetite for KCG.
- Review the measurement model in use, how scenarios and stress tests have been drawn up.
- Establish whether the assumptions, scenarios, and projections from the business plan and the ORSA have been aligned to KCG business strategy.
- Follow-up on previously raised issues if any (i.e., External Audit).

4.2. OBJECTIVES

The objectives of the co-sourcing will include, but is not limited to providing objective and independent appraisal of the company's activities and provide assurance to the Audit Committee on:

- Effectiveness and efficiency of controls.



- Achievement of the set goals and objectives.
- Effectiveness of the financial reporting system.
- Evaluation of the reliability and integrity of information.
- Compliance with relevant laws and regulations, policies and procedures.
- Security and safeguarding of assets.
- Identify areas for improvement.

NB: The audit should be completed by 31 March 2024.

5. LEGISLATIVE REQUIREMENTS

The service provider must be knowledgeable with the following:

- 4.1 National and Provincial Treasury Regulations.
- 4.2 Protected Disclosures Act, 200 (Act 26 of 2000).
- 4.3 Protection of Personal Information Act (POPI).
- 4.4 Public finance Management Act No. 1 of 1999 (PFMA).

6. CONTRACT DURATION

- 5.1 The contract will be valid for three (03) months from the date of appointment.
- 5.2 To the extent that **sefa** merges with another institution, or there is succession in title, **sefa** reserves the right to terminate the contract by giving 30 days' notice.

7. EVALUATION CRITERIA

Proposal shall be evaluated in terms of the following process.

7.1 STAGE 1: INITIAL SCREENING PROCESS:

During this phase, bid response will be reviewed for purposes of assessing compliance with RFB requirements including the general bid conditions, which requirements include the following:

1. Submission of valid Tax Clearance Certificate or P/N issued by SARS.
2. Submission of original certified valid B-BBEE certificate.
3. In the event of submission of B-BBEE Sworn Affidavit, bidder must ensure that the Affidavit is stamped by Commissioner of Oath and indicate the contribution level of the Bidding entity.



4. Proof of registration report from National Treasury Central Supplier Database (CSD);
5. Submission of bidder's Companies & Intellectual Property Commission (CIPC) Company Registration documents listing all Directors or Shareholders and original certified ID copies of Directors or Shareholders; and
6. Completion of all Standard Bidding Documents (SBD's) and other requirements as reflected in the Special Conditions of Contract which covers the following:

SBD 4 : Declaration of Interest

SBD 6.1 : Preference Points Claim Form

NB: All Standard Bidding Document (SBD's) must be fully completed and duly signed.

7.2 STAGE 2: MANDATORY REQUIREMENTS

No.	MANDATORY	COMPLY/ NOT COMPLY
1.	<p>The bidder's company profile must demonstrate:</p> <ul style="list-style-type: none">- The bidder/Key individuals must provide evidence of audit engagements where similar services were provided, audits covering Own Risk and Solvency Assessments (ORSA).- Experience in auditing IFRS 17 transactions; and- Experience in auditing the insurance industry for financial institutions in the last three (03) years.	
2.	<p>The bidder must demonstrate compliance with the following applicable laws, regulations and standards:</p> <ul style="list-style-type: none">- Public Finance Management Act (PFMA). <p>A detailed comprehensive company profile with the following:</p> <ul style="list-style-type: none">i. Management Structure/Company organogram;ii. Ownership & years of service of the company; andiii. Services offered by the company. <p>CVs of personnel to be assigned.</p>	



NB: The bidder must comply with all mandatory requirement to qualify for stage three i.e., Functionality Stage. Failure to comply with the requirements in Stage 2 (Mandatory Requirements) will lead to disqualification of the proposal.

7.3 STAGE 3: FUNCTIONAL REQUIREMENTS

ONLY BIDDERS WITH THE HIGHEST FUNCTIONALITY SCORES OF 70 OR MORE OUT OF 100 WILL BE CONSIDERED FOR PRICING.

Definition	Score
No information provided	0
Does not meet the requirements	1
Partially meet the requirements	2
Fully meets the requirements	3
Exceeds the requirements	4
Significantly exceeds the requirements	5

ELEMENT	WEIGHT (%)
Corporate experience on similar projects previous completed The bidder/ key individuals must provide evidence of audit engagements where audits covering Own Risk and Solvency Assessments (ORSA) were conducted. Points will be awarded on the comprehensiveness of the scope of the referenced projects. Note: The bidder must provide a list of projects where they conducted such projects and their knowledge of IFRS 17. Please include, for each referenced project, the details of your level of involvement. The bidder must provide at least three (03) relevant contactable reference of similar implementation projects in the last three years on the closing time and	35



date of the bid. Reference letters from previous and current clients on the client's letterhead, and the letter should contain the following:

- Name of department/organisation.
- Nature of work.
- Duration of the contract.
- Contact person, contact details and email address.
- Rand values of the assignment.

No reference letters provided.	0 point
One reference letter provided.	1 point
Two reference letters provided.	2 points
Three reference letters provided.	3 points
Four reference letters provided.	4 points
Five and more reference letters provided.	5 points

BIDDERS TECHNICAL REQUIREMENT AND QUALIFICATIONS

Preferred: 4-5 years' experience in either of the following:

Technical accounting, financial accounting and auditing in short term insurance or financial services industry with a focus on IFRS 17 for each team member to be on the project.

Note: The bidder must submit detailed CVs of the proposed team members, and the CVs must clearly indicate the team member's years of experience for similar projects.

Attach CVs, qualifications, or certificates of core team as proof.

Requirements	Scale
No information provided/ no relevant experience	0
Less than 1 year experience in financial services for each team member with CVs and professional certificates provided.	1

35



1-2 Years experience in financial services for each team member with CVs and professional certificates provided.	2							
2-3 Years experience in financial services for each team member with CVs and professional certificates provided.	3							
3-4 Years experience in financial services for each team member with CVs and professional certificates provided.	4							
Minimum 5 years' experience in financial services for each team member with CVs and professional certificates provided.	5							
METHODOLOGY AND PROJECT APPROACH		25						
<ul style="list-style-type: none">The Bidder should provide a project management implementation methodology.The bidder should provide a project management implementation methodology with a clear project plan, reasonable time frames and deliverables from start to end of an audit. The project should be completed within three (03) months.The bidder should provide sample documents of their working papers for planning, execution, and reporting:<ul style="list-style-type: none">Notification and engagement lettersControl adequacy assessment report and audit programWorking papersAudit reports								
<table border="1"><thead><tr><th>Requirements Scale</th><th>Scale</th></tr></thead><tbody><tr><td>No information provided</td><td>0</td></tr><tr><td><ul style="list-style-type: none">The bidder did not provide a clear project management implementation methodology, project plan, reasonable time frames and deliverables from start to end of an audit. The sample documents included either two (02) of the following:<ul style="list-style-type: none">Notification lettersEngagement lettersControl adequacy assessment reportsAudit program</td><td>1</td></tr></tbody></table>		Requirements Scale	Scale	No information provided	0	<ul style="list-style-type: none">The bidder did not provide a clear project management implementation methodology, project plan, reasonable time frames and deliverables from start to end of an audit. The sample documents included either two (02) of the following:<ul style="list-style-type: none">Notification lettersEngagement lettersControl adequacy assessment reportsAudit program	1	
Requirements Scale	Scale							
No information provided	0							
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<ul style="list-style-type: none">○ Working papers○ Audit reports		
<ul style="list-style-type: none">● The bidder did not provide a clear project management implementation methodology, project plan, reasonable time frames and deliverables from start to end of an audit. The sample documents included either three (03) of the following:<ul style="list-style-type: none">○ Notification letters○ Engagement letters○ Control adequacy assessment reports○ Audit program○ Working papers○ Audit reports	2	
<ul style="list-style-type: none">● The bidder did not provide a clear project management implementation methodology, project plan, reasonable time frames and deliverables from start to end of an audit. The sample documents included either four (04) of the following:<ul style="list-style-type: none">○ Notification letters○ Engagement letters○ Control adequacy assessment reports○ Audit program○ Working papers○ Audit reports	3	
<ul style="list-style-type: none">● The bidder should provide a project management implementation methodology with a clear project plan, reasonable time frames and deliverables from start to end of an audit. The methodology should be accompanied by sample documents with either five (05):<ul style="list-style-type: none">○ Notification letters○ Engagement letters○ Control adequacy assessment reports○ Audit program	4	



<ul style="list-style-type: none">○ Working papers○ Audit reports		
<ul style="list-style-type: none">• The bidder should provide a project management implementation methodology with a clear project plan, reasonable time frames and deliverables from start to end of an audit. The methodology should be accompanied by sample documents of all six below:<ul style="list-style-type: none">○ Notification letters○ Engagement letters○ Control adequacy assessment reports○ Audit program○ Working papers○ Audit reports	5	
Knowledge Transfer Plan The bidder must provide a detailed approach on how the skills will be transferred to Internal Audit. Points will be awarded on the comprehensiveness and quality of the approach provided.	5	
TOTAL FUNCTIONALITY		100

7.5 STAGE 4: FUNCTIONAL REQUIREMENTS

NO.	AUDIT PROCESSES/ STAGES	DESCRIPTION
Guided by sefa internal audit methodology, the service provider needs to apply the minimum requirements as follows:		
1.	Engagement planning	<ul style="list-style-type: none">▪ Perform client surveys and understanding.▪ Issue the notification and engagement letters to the client prior commencement of the audit.▪ Conduct system description with the client and document.▪ Perform control risk assessments per audit engagement.▪ Document the audit program per audit engagement.▪ Request for information from the auditees.



NO.	AUDIT PROCESSES/ STAGES	DESCRIPTION
Guided by sefa internal audit methodology, the service provider needs to apply the minimum requirements as follows:		
		<ul style="list-style-type: none">▪ Each audit member to declare independence per audit engagement.
2.	Execution	<ul style="list-style-type: none">▪ Ensure that all audit procedures on the audit program are tested and draw a report on those that were not tested.▪ Referencing the working papers to work programs and audit findings.▪ Allow for incorporation of scanned images/documents, emails, and digital pictures into the file as part of the audit evidence, where applicable.▪ Execution should be recorded as completed only when all the required steps have been completed and the working papers reviewed.▪ Audits steps to be recorded as complete only when all review notes are cleared.
3.	Reporting and quality management	<ul style="list-style-type: none">▪ Findings from the execution working papers to be generated into the draft report.▪ Discuss the draft report with the auditee and secure actions plans from management.▪ Compile the final report, signed off by auditee and ready for governance committee submissions.▪ Complete the sefa quality check toolkit and obtain sign-off.
4.	Time/ resource- management	<ul style="list-style-type: none">▪ Keep track of the actual hours against planned hours per audit engagement per auditor, including the review hours.
5.	Administration	<ul style="list-style-type: none">▪ Working papers and supporting documents should be saved on the sefa Internal Audits shared drive.▪ All working papers including reports must be reviewed and signed off.



8. TERMS AND CONDITIONS OF CONTRACT

The service provider undertakes:

- Not to discuss or make any information available to any members of the public, press, other tenderer, or any other unauthorised person(s) except as authorised by **sefa's** CEO or delegated representative.
- Not to copy or duplicate any software or documentation for private use.
- To give back to **sefa** all documentation and reports etc. All information is to be stored on the **sefa's** Internal Audit shared drive.
- **sefa** reserves the right to discontinue the work at any given time in consultation with the Internal Audit.
- The successful service provider will be required to sign a non-disclosure agreement and/ or adhere to the signed master service agreement.

This RFQ will be evaluated based on price and specific goals in line with the provisions of the Preferential

Procurement Policy Framework Act 5 of 2000, Regulation 2022. As the RFQ price is estimated to be less than R 50 00 000.00, RFQ responses will be evaluated on the 80/20 price & specific goals.

This tender's applicable preference point system is the 80/20 preference point system. Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

CRITERIA	POINTS
Price	80
Specific Goals	20
TOTAL	100 points

Specific Goals for this tender and points that may be claimed are indicated in table below:

Criteria	POINTS
	(80/20 system)
Black ownership	10
30% Black Women's Ownership	5
Any % of ownership by Black Designated Groups >0	3



Criteria	POINTS
	(80/20 system)
Reconstruction Development Programme Objective: Promotion of SMMEs (Entities that are EME or QSE)	2
Total Points	20

Black ownership: 100% Black owned entities will score 10 points, and between 51% - 99%black-owned entities will score 4 points.

Supporting Document for Claiming of Specific Goals:

The bidder must submit proof of either a BBBEE Certificate accredited by SANAS or a BBBEE Certificate issued by the Department of Trade and Industry (DTI) or a Sworn Affidavit.

Black Designated Group means:

- a) Unemployed black people not attending and not required by law to attend an educational institution and not awaiting admission to an educational institution.
- b) Black people who are youth as defined in the National Youth Commission Act of 1996.
- c) Black people who are persons with disabilities as defined in the Code of Good Practice on employment of people with disabilities issued under the Employment Equity Act.
- d) Black people living in rural and underdeveloped areas.
- e) Black military veterans qualify to be called military veterans in terms of the military veteran Act 18 of 2021.

9. PRICE PROPOSAL

The bidder must complete the pricing schedule as per **Annexure A**

NB: Failure to complete the pricing schedule may result in invalidation of such RFP

ANNEXURE A: PRICING

Pricing (costs must state all pricing information including levels of seniority, hourly rates, costs, fees, etc.) as illustrated below. This should be in line with the DPSA rating.

No	Name of Resource/Expert	Designation	Years of Experience	Hourly Rate (VAT Excl.)
1				
2				



3				
4				
5				
6				
7				
8				
9				
10				
11				
12				

- Rates must be quoted in South African Rands inclusive of VAT
- Rates must clearly incite a breakdown of fees, expenses, and contingencies where applicable, and these should be market related.
- Details of additional fees if any.
- Pricing must include all increases/escalations that will be incurred for the duration of the contract.
- Please check the correctness of ALL Calculations/Total Price/Rate per Hour stated for pricing purposes.
- Remuneration will be subject to negotiations, not exceeding the applicable rates as contained in the cost containment instruction note 03 of 2017/2018.

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

2.2 Do you, or any person connected with the bidder, have a relationship

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

with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

.....
.....

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

2.3.1 If so, furnish particulars:

.....
.....

3 DECLARATION

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

² Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

SBD4

institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

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

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL
PROCUREMENT REGULATIONS 2017**

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

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

1.2

- a) The value of this bid is estimated to exceed/not exceed R50 000 000 (all applicable taxes included) and therefore the **80/20** preference point system shall be applicable; or
- b) The 80/20 preference point system will be applicable to this tender

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

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

	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTOR	20
Total points for Price and B-BBEE must not exceed	100

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

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

2. DEFINITIONS

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

- (c) “**bid**” means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) “**Broad-Based Black Economic Empowerment Act**” means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) “**EME**” means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) “**functionality**” means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) “**prices**” includes all applicable taxes less all unconditional discounts;
- (h) “**proof of B-BBEE status level of contributor**” means:
 - 1) B-BBEE Status level certificate issued by an authorized body or person;
 - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
 - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) “**QSE**” means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) “**rand value**” means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3. POINTS AWARDED FOR PRICE

3.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20

$$Ps = 80 \left(1 - \frac{Pt - P_{\min}}{P_{\min}} \right)$$

Where

Ps = Points scored for price of bid under consideration

Pt = Price of bid under consideration

Pmin = Price of lowest acceptable bid

4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

4.1

In terms of Regulation 6 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (80/20 system)
1	20
2	18
3	14
4	12

5	8
6	6
7	4
8	2
Non-compliant contributor	0

5. BID DECLARATION

5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

6.1 B-BBEE Status Level of Contributor: . . . =(maximum of 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. SUB-CONTRACTING

7.1 Will any portion of the contract be sub-contracted?

(Tick applicable box)

YES	NO	
-----	----	--

7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%.....
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE

(Tick applicable box)

YES	NO	
-----	----	--

- v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations, 2017:

Designated Group: An EME or QSE which is at last 51% owned by:	EME	QSE
Black people	✓	✓
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name of company/firm:.....

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One person business/sole proprietor
- Close corporation
- Company
- (Pty) Limited

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

8.6 COMPANY CLASSIFICATION

- Manufacturer
- Supplier
- Professional service provider
- Other service providers, e.g. transporter, etc.

8.7 Total number of years the company/firm has been in business:.....

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we 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 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding 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 bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury 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.

WITNESSES

- 1.
- 2.

SIGNATURE(S) OF BIDDERS(S)

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 **TRANS CALEDON TUNNEL AUTHORITY** 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;
 - Purchase order / Letter of Award or acceptance;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Filled in task directive/proposal;
 - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2017;
 - Declaration of interest;
 - Declaration of bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)

3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and 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

DATE:

CONTRACT FORM - RENDERING OF SERVICES**PART 2 (TO BE FILLED IN BY THE PURCHASER)**

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

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

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

SIGNED AT ON

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

A large rectangular box intended for an official stamp or signature.

WITNESSES

1

2

DATE: