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## Finance and Procurement Department Supply Chain Management

# Request for Bids (RFB)

**APPOINTMENT OF SERVICE PROVIDERS TO SUPPLY AUCTIONEERING SERVICES, INCLUDING THE RECOVERY OF COLLATERAL ASSETS HELD BY THE SMALL ENTERPRISE DEVELOPMENT AND FINANCE AGENCY (SEDFA) AS SECURITY FOR LOANS OF DEFAULTING CLIENTS FOR 3 YEARS.**

### Bid Information

<b>Bid Number</b>	<b>RFB 01-2025/2026</b>
<b>Bid Submission Date</b>	<b>10 December 2025 @ 11:00am</b>
<b>Bid Description</b>	Appointment of service providers to supply auctioneering services, including the recovery of collateral assets held by the Small Enterprise Development And Finance Agency (sedfa) as security for loans of defaulting clients.
<b>Bid Validity Period from Date of Publication</b>	120 days
<b>Bid Compulsory Briefing Session</b>	N/A
<b>Address for Compulsory Briefing Session</b>	N/A
<b>Bid Contact Person</b>	Sebotse Mokgabudi
<b>Evaluation Method: Points System</b>	80/20
<b>Deadline for Responding to Clarifications for this bid</b>	<b>28 November 2025 @ 11:00 am</b>
<b>Fraud Hotline</b> <i>to report any wrongful or criminal deception or coercion intended to result in financial or personal gain by any <b>SEDFA</b> employee or person involved in this bidding process</i>	0800 724 666 (For <b>anonymous</b> reporting)
<b>For complaints</b>	<a href="mailto:procurement_complaints@Sedfa.org.za">procurement_complaints@Sedfa.org.za</a>

Small Enterprise Development and Finance Agency (SOC) LTD Registration Number 2024/614733/30

**Board Members:** Ms N Makanda (Chairperson) · Mr KT Bonakele · Mr W Carrim · Ms X Daku · Ms NP Lubisi · Mr PL Makape · Ms K Mogorosi · Ms C Motale · Mr S Mpakama · Ms DM Ntsika · Mr L Ntuane · Ms H Tsoadi · Mr A Xabadiya

Mr N Mbatha (ACEO) · Ms C Williams (ACFO) · Mr L Makupula (ACIO) · Ms B Ndlovu (Acting Company Secretary)



## Special Conditions and Requirement of Contract

### **APPOINTMENT OF SERVICE PROVIDERS TO SUPPLY AUCTIONEERING SERVICES, INCLUDING THE RECOVERY OF COLLATERAL ASSETS HELD BY THE SMALL ENTERPRISE DEVELOPMENT AND FINANCE AGENCY (SEDFA) AS SECURITY FOR LOANS OF DEFAULTING CLIENTS FOR 3 YEARS.**

#### **1. INTRODUCTION AND BACKGROUND**

- 1.1. As of 01 October 2024, **sefa**, Seda, and the Cooperative Banks Development Agency (CBDA) have officially merged to form Sedfa. The incorporation of Sedfa stems from the signing of the National Small Enterprise Amendment Act 2024 (No. 21 of 2024) by President Cyril Ramaphosa on 23 July 2024, and its subsequent gazetting on 30 September 2024. Sedfa is a development finance institution, listed as a Schedule 3B National Government Business Enterprise, with the State as the sole shareholder and the Department of Small Business Development as the Executive Authority. Sedfa complies with both the Public Finance Management Act 1 of 1999 and the Companies Act 71 of 2008.
- 1.2. As a development finance institution, Sedfa provides both financial and non-financial support to Micro-Small Medium Enterprises (MSMEs) with the objectives to:
  - 1.2.1. Design and implement development support programs for small enterprises,
  - 1.2.2. Promote service delivery network that enhances the contribution of small enterprises to the South African economy,
  - 1.2.3. Foster economic growth, job creation, and equity in historically disadvantaged communities,
  - 1.2.4. Support, promote, and develop cooperative banks and cooperative financial institutions, and
  - 1.2.5. Strengthen the capacity of service providers to support and enable small enterprises to compete successfully both domestically and internationally.

#### **2. BID SUBMISSION REQUIREMENTS**

- 2.1. Bids must be submitted in a **sealed envelope and marked** as follows:

##### **ATTENTION: SEDFA SUPPLY CHAIN MANAGEMENT**

Description of the Bid

Bid Number

Name of the Bidder

#### **2.2. GENERAL BID REQUIREMENTS**

- a. Bid documents **must** be initialled on every page.
- b. Number of sealed envelopes/files must compose of one (1) **ORIGINAL** and one (1) electronic PDF **copy** of the original bid proposal document on a memory stick or flash drive.
- c. The bid proposal should be written in English including the certificates.



- d. Submissions of the Bid responses MUST be made by depositing the Bid proposal into the Tender Box situated at Sedfa Head Office at the physical address below on or before the closing date as stated on page 1 of this Request for Bid document under Bid Information.
- e. The bidder will bear all expenses associated with the preparation and submission of this Bid.

### 2.3. **SEDFA PHYSICAL ADDRESS**

11 Byls Bridge Boulevard,  
Doringkloof,  
Centurion,  
0157

For more information, please visit the **Sedfa** websites: [www.Sedfa.org.za](http://www.Sedfa.org.za).

### 2.4. **BID RESPONSES**

#### 2.4.1. **BID FORMAT**

2.4.2. Bidders shall submit their bid response in accordance with the requirements as outlined in the Bid Response Template provided in [Appendix 1](#).

2.4.3. Each section must be clearly marked, and the documents must be bound.

2.4.4. The RFB comprises several sections and the bidder's proposal must include all the required information and documentation as outlined in this RFB.

#### 2.4.5. **GENERAL CONDITIONS OF CONTRACT**

2.4.5.1. Completion of all Standard Bidding Documents (SBD by hand, attached in **ANNEXURES A**, and adhering to all other requirements as outlined on each form. The following SBD and other forms must be duly completed and signed, and returned as part of the Bid Proposal:

- a. **SBD 1:** Invitation to Bid.
- b. **SBD 4:** Declaration of Interest.
- c. **SBD 6.1:** Preference Points Claim Form.
- d. Valid Tax Compliant Status (TCS PIN issued by SARS).
- e. In bids where Consortium, Joint Ventures and Sub-Contractors are involved, it is required that each party must submit separate proof of Tax Clearance Certificate(s) or *PIN* issued by SARS.
- f. Submission of a copy of a **valid B-BBEE certificate** issued through a SANAS Accredited Agency, except for Exempted Micro Enterprises (EMEs) and Qualifying Small Enterprises (QSEs). These enterprises need to submit B-BBEE **sworn affidavits** as per the requirements of the Department of Trade, Industry and Competition (the **dtic**) for qualifying enterprises except those who fall under the Construction Sector Charter Council (CSCC). Other sworn affidavits will not be accepted. The **dtic** and CSCC affidavit templates are available under **ANNEXURE B**.
- g. National Treasury **Central Supplier Database (CSD) registration** (The bidder to attach a proof of registration).





## 2.9. EVALUATION PROCESS

This bid will be evaluated in four (04) stages as follows:

Stage 1 - Administrative Compliance Requirements (Initial Screening Process).

Stage 2 - Mandatory Requirements.

Stage 3.- Functionality Criteria.

Stage 4 - Price and Preference (Specific Goals).

### 2.9.1. STAGE 1: ADMINISTRATIVE SCM COMPLIANCE

During this stage, bid responses will be reviewed for purposes of assessing compliance with the RFB requirements including the General Conditions of Contract as outlined in this RFB, stated Special Conditions of Contract - **ANNEXURE A.**

### 2.9.2. STAGE 2 - FUNCTIONALITY EVALUATION

- a. All bids will be evaluated independently by the evaluation panel members in terms of the defined evaluation criteria for functionality evaluation.
- b. Bids that score less than **70 points out of 100** on functionality shall not be considered further.
- c. Bids will be evaluated on Functional requirements as outlined in **ANNEXURE B.**

### 2.9.3. STAGE 3: EVALUATION OF PROPOSAL ON APPLICABLE POINTS SYSTEM

2.9.3.1. Only bidders that have scored a minimum of **70/100** on functionality will be evaluated during stage 3 for pricing and specific goals.

2.9.3.2. In terms of Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000) and the amended regulations, responsive bids will be adjudicated by the State on the applicable point system.

2.9.3.3. The applicable preference point system for this tender is the 80/20 preference point system.

2.9.3.4. In terms of 80/20 points system, points are awarded to bidders based on:

<b>CRITERIA</b>	<b>POINTS</b>
Price	80
Specific Goals	20
<b>TOTAL</b>	<b>100 POINTS</b>

## 3. POST AWARD CONDITIONS

3.1. Services will be rendered as detailed/ stated in the Scope of Work / Terms of Reference.



- 3.2. The successful bidder shall submit a monthly statement of all outstanding payments, credit notes issued, and payments made. Such statements shall also contain the order number, the details of the date of the transaction, the invoice number, remittance number and credit note details.
- 3.3. Sedfa shall not be held responsible in any way for any damage, losses, theft of equipment or any valuables of the successful bidder or injury of his/her employees whilst on site or in the execution of their duties.
- 3.4. All procurement related to this service, as outlined in this RFB, shall be conducted by Sedfa's Supply Chain Management department only.

#### **4. STAFF REQUIREMENTS**

- 4.1. The successful bidder must ensure the following:
  - a. That the staff working under this contract are in good health.
  - b. That they are adequately trained prior to commencement of the contract.
  - c. That replacement staff is available should the need arise. The bidder is obligated to inform Sedfa of any removal and replacement and the replacement of staff can only be done with the formal approval of Sedfa.
  - d. Staff must be dressed appropriately and where required.
  - e. The bidder's staff must be South African citizens and Sedfa reserves the right to validate citizenship.

#### **5. RESOURCE REQUIREMENTS**

The successful bidder must provide the necessary work tools to the bidder's employees working on the project.

#### **6. SERVICE LEVEL AGREEMENT**

- 6.1. The successful bidder will be required to enter into a Service Level Agreement with Sedfa.
- 6.2. A performance measurement process will form an integral part of the Service Level Agreement, to be signed after the successful bidder has been appointed.

#### **7. SUPPLIER DUE DILIGENCE**

- 7.1. Sedfa reserves the right to conduct bidder due diligence to short-listed bidders prior to final award or at any time during the contract period. This may include site visits if applicable.
- 7.2. Sedfa reserves the right to request the successful bidder and its staff to undergo a security vetting and/or credit vetting processes via external services providers such as Credit Bureaus and the South African Police Services. By submitting a bid proposal, the bidder gives explicit approval for Sedfa to conduct such vetting requirements, when required.

#### **8. BID CANCELLATION**

In the case of the cancellation of this RFB, Sedfa shall endeavour to inform all bidders, through the same medium used for the communication of the RFB.



## **9. MATERIAL CHANGES**

- 9.1. Any material changes in the control and/or composition of any bidder or any core member of a bidder after submission of a Bid, shall require the prior written approval of Sedfa, and any failure to seek such approval from Sedfa shall result in Sedfa being entitled, in its sole discretion, to exclude the relevant bidder from any further participation in the bid process or to cancel the engagement. This shall be interpreted to include post appointments and subcontracting of work arising out of this bid to complete certain work.
- 9.2. Sedfa shall be the sole arbiter as to what constitutes a “material change in the control and/or composition of any bidder”, and as to what constitutes a “core member of a bidder” for purposes of such approval. Any request for such approval shall be made to Sedfa’s Supply Chain Management in writing and shall provide sufficient reasons and information to allow Sedfa to make such a decision. Sedfa reserves the right to accept or reject any such request for approval.

## **10. FRAUD ALERT**

- 10.1. Sedfa takes a zero-tolerance approach to fraud, corruption and bribery.
- 10.2. Sedfa is committed to acting fairly, with integrity, in all its’ relationships and business dealings both internally and externally (with its suppliers, contractors and other stakeholders).
- 10.3. Please note that under no circumstances will Sedfa ever require any payment to secure an award of an RFP or a tender. Individuals that claim that an upfront payment to an individual, third party or a Sedfa official, is a blatant attempt at defrauding bidders and such a scam must immediately be reported to the Sedfa Anti-Corruption line. Sedfa follows a fair, competitive and transparent procurement process in evaluating and awarding bids.
- 10.4. Should you or anyone wish to report any suspected fraud, corruption or bribery, you can BLOW the whistle by calling a free hotline on **0800 724 666**.

## **11. COMMUNICATION**

- 11.1. Sedfa may communicate with bidders where clarity is sought after the closing date of the bid and prior to the award of the contract, or to extend the validity period of the bid, if necessary. Such communications will be done via the Supply Chain officials listed as the contact people for this bid process.
- 11.2. All communication (enquiries/clarifications) relating to this bid shall take place between the bidder and the Supply Chain Management officials listed as the contact people for this bid process. Such communication shall be done in writing only.
- 11.3. Communication between the closing date and the award of the bid, between the bidder and other Sedfa officials or persons acting in an advisory capacity for the State, in respect of this bid, is prohibited.



## 12. CONTACT DETAILS

### 12.1. Main Contact

**Name :** Sebotse Mokgabudi

**Email :** [smokgabudi@sedfa.org.za](mailto:smokgabudi@sedfa.org.za)

**NB:** Communication outside this platform is **strictly prohibited** and should bidders be found to be in contact with any of Sedfa's staff members on matters relating to this bid, such bidders shall automatically be disqualified from this bid process.

## 13. SCOPE OF WORK / TERMS OF REFERENCE

The Scope of Work / Term of Reference is attached as **ANNEXURE E**.

## 14. ANNEXURES

Annexure A: Stage 1 - Administrative Compliance Requirements

Annexure B: Stage 2 - Functionality Criteria

Annexure C: Stage 3 - Price and Preference






Annexure D: Scope of Work / Terms of Reference

Appendix 1: Bid Proposal Template



## ANNEXURE A

### STAGE 1 - ADMINISTRATIVE COMPLIANCE REQUIREMENTS

Document Name	Template
<b>National Treasury. Government Procurement: General Conditions of Contract, July 2010</b>	 NT General Conditions of Contr
<b>SBD 1</b>	 SCM-Bid documents SBD 1 - RFB 01-2025-
<b>SBD 6.1</b>	 SBD 6.1 IN TERMS OF PPR2022-Revised
<b>SBD 4</b>	 Standard Bidding Document (SDB) 4_A
<b>GCC</b>	 GCC



## **STAGE 1 - ADMINISTRATIVE COMPLIANCE**

- a) The Standard Bid Document (SBD 4 & 6.1) forms must be fully completed and signed by the authorized company representative.  
The bidder must submit proof of registration on CSD (Central Supplier Database) in the form of CSD Report.
- b) Submission of valid Tax Compliance Status (TCS) Certificate with a unique security personal, Identification (PIN) issued by the South African Revenue Services certifying that the taxes of the bidder are in the order must be submitted at the closing date and time of the RFQ.
- (d) The bidder must submit a certified valid B-BBEE certificate; in the event of submission of a B-BBEE Sworn Affidavit, the bidder must ensure that the Affidavit is stamped by the Commissioner of Oath and indicate the ownership percentages and specific goals of the Bidding entity;
- (e) The bidder must submit Companies & Intellectual Property Commission (CIPC) company registration documents listing all Directors or Shareholders and certified ID copies for directors/shareholders/members/partners.

### **Note:**

- If the bidder is listed on the National Treasury List of Restricted Suppliers, it will result in disqualification of the bid
- If any of its Directors are Listed on the Register of Defaulters, it shall result in disqualification of the bid.
- If the status of the bidder is reflected deregistered on CIPC and or CSD shall result in disqualification of the bid.

**Note: All bidders who do not comply with the items listed above will be disqualified and not be evaluated further.**



## ANNEXURE B

### STAGE 2 - FUNCTIONALITY CRITERIA

The bidder must comply will all mandatory requirements to qualify for stage three, i.e. functionality requirements.

NO.	MANDATORY REQUIREMENTS	COMPLY / NOT COMPLY
1.	<p><b>REGISTRATION WITH THE SOUTH AFRICAN INSTITUTE OF AUCTIONEERS</b></p> <ul style="list-style-type: none"> <li>• The Firm of Auctioneers must be registered with the South African Institute of Auctioneers (SAIA).</li> <li>• Certified proof/ written confirmation of registration from the South African Institute of Auctioneers must be provided (certified copies must be within three months).</li> </ul>	
2.	<p><b>FIDELITY FUND INSURANCE COVER</b></p> <ul style="list-style-type: none"> <li>• The Firm of Auctioneers must provide proof of the Fidelity Fund Insurance Cover from R2. 5 to R 10 million and the level of cover (in Rand Value).</li> <li>• Certified Proof of a valid Fidelity Fund Certificate must be provided, as issued by the South African Institute of Auctioneers (certified copies must be within three months).</li> </ul>	
3.	<p><b>AUCTION PREMISES</b></p> <ul style="list-style-type: none"> <li>• The bidder must have proper physical presence of auction premises across nine provinces. The bidder should indicate which regions they are bidding for auctioneering services.</li> <li>• The bidder must provide written summary, documentary proof from a third party e.g. municipality account or signed lease agreement etc to collaborate the physical address of the main office per province where the bidder will operate.</li> </ul>	

**Bidder (s) who failed to comply with the above Mandatory requirements will not be considered for further evaluation.**



**ANNEXURE C**

**STAGE 3: FUNCTIONAL EVALUATION CRITERIA**

**ONLY BIDDERS WHO SCORED A MINIMUM OF 70 POINTS OUT OF 100 ON FUNCTIONALITY AS PER THE REQUIREMENTS WILL BE FURTHER EVALUATION ON PRICE AND SPECIFIC GOAL.**

<b>FUNCTIONALITY REQUIREMENTS</b>	<b>POINTS ALLOCATIONS</b>
<p><b>1. COMPANY EXPERIENCE</b></p> <ul style="list-style-type: none"> <li>• The bidder must submit a detailed company profile demonstrating experience in rendering the auctioneering services in the last five years.</li> <li>• The bidder must provide details of four (04) auction transactions (of different assets) they have successfully handled over the preceding three (03) years.</li> </ul> <p><b>REFERENCE LETTERS</b></p> <ul style="list-style-type: none"> <li>• The bidder’s proven track record in handling assignments of a similar nature.</li> <li>• A minimum of four (04) written reference letters from clients where a similar service is/ was being rendered in the last three years (reference letters should not be older than three (3) years).               <ul style="list-style-type: none"> <li>- Signed reference letter from previous and current clients on the client’s letterhead, and the letter should contain the following:                   <ul style="list-style-type: none"> <li>- Name of department/organization,</li> <li>- Description of the contract.</li> <li>- Contact person and contact details.</li> </ul> </li> </ul> </li> <li>• Please refer to <b>Table (a) of Section 2</b> of this document for the format in which the required information must be provided as per references submitted.</li> </ul> <p>NB: Purchase Order or Appointment letter will not be considered as reference.  <b>Sedfa</b> reserves the right to verify the reference letter submitted prior appointment.</p> <p><b>The following scoring matrix will be used to evaluate this criterion:</b></p> <ul style="list-style-type: none"> <li>- Less than two (2) auction transactions = <b>15 points.</b></li> <li>- Two (2) to three (3) auction transactions = <b>30 points.</b></li> <li>- Four (04) and above auction transactions in the last three years = <b>60 points.</b></li> </ul>	<p><b>60</b></p>
<p><b>2. ONLINE IT PLATFORMS</b></p>	<p><b>40</b></p>



FUNCTIONALITY REQUIREMENTS	POINTS ALLOCATIONS
<ul style="list-style-type: none"> <li>• The bidder must demonstrate online platforms to render the auctioneer services</li> </ul> <p><b>As proof the bidder must provide proof/screenshots of the following.</b></p> <ul style="list-style-type: none"> <li>• The terms and conditions of the auction house should be easily accessible on the homepage.</li> <li>• Provide pictures of the online catalogue of goods being auctioned.</li> <li>• Provide proof of the audit trail demonstrating the chronology of the auction, bid increments and the final closing bid.</li> </ul> <p><b>The following scoring matrix will be used to evaluate this criterion:</b></p> <p><b>AUCTION PLAN OR METHODOLOGY:</b></p> <ul style="list-style-type: none"> <li>• <b>Pre-auction plan</b></li> <li>• <b>Auction day plan</b></li> <li>• <b>Post auction plan</b></li> </ul> <ul style="list-style-type: none"> <li>- The proposed plan/methodology that meet one requirement of the tender scope=<b>15 points</b>.</li> <li>- The proposed plan/methodology that meet two requirements of the tender scope=<b>20 points</b>.</li> <li>- The proposed plan/methodology that meet three requirements of the tender scope=<b>40 point</b></li> </ul>	
<b>Total Functionality</b>	<b>100</b>

***Bidders are required to obtain a minimum threshold of 70 out of 100 points on functionality in order to be evaluated further. Any bidder who scored less than 70 Points will be eliminated and not be evaluated further.***



## ANNEXURE D

### STAGE 4: EVALUATION OF PROPOSAL ON APPLICABLE POINTS SYSTEM

1. Only bidders that have scored a minimum of **70 / 100** on functionality will be evaluated during stage 4 for pricing and specific goals.
2. In terms of Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000) and the amended regulations, responsive bids will be adjudicated by the State on the applicable point system.
  - a. The applicable preference point system for this tender is the 80/20 preference point system.
  - b. In terms of 80/20 points system, points are awarded to bidders based on:

CRITERIA	POINTS
Price	80
Specific Goals	20
<b>TOTAL</b>	<b>100 POINTS</b>

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

**(Note to Tenderers: The tenderer must indicate how they claim points for each preference point system. Failure of the tenderer to submit the fully completed SBD 6.1 with the points claimed and supported by proof/documentation will result in points being forfeited)**

Specific Goals Allocated and Points to claimed in terms of this tender		
Indicate the following to support this claim. Failure to provide the required information will result in being forfeited.		
Indicate Number of <b>Full Time Employed Paid Employees:</b>	_____	
Total Annual Turnover or Revenue:	R_____	
Size of Enterprise	<b>Number of points allocated (80/20 system)</b>	<b>Number of points claimed (80/20 system) (To be completed by the tenderer)</b>



Micro Enterprise	<b>8</b>																	
Small Enterprise	5.6																	
Medium Enterprise	3.2																	
Large Enterprise	0.8																	
Sworn Affidavit/ BBBEE Certificate (Ownership aligned to B-BBEE Status Level)	<b>2</b>																	
<table border="1"> <thead> <tr> <th>L1</th> <th>L2</th> <th>L3</th> <th>L4</th> <th>L5</th> <th>L6</th> <th>L7</th> <th>L8</th> </tr> </thead> <tbody> <tr> <td>2</td> <td>1.75</td> <td>1.50</td> <td>1.25</td> <td>1</td> <td>0.75</td> <td>0.25</td> <td>0</td> </tr> </tbody> </table>	L1	L2	L3	L4	L5	L6	L7	L8	2	1.75	1.50	1.25	1	0.75	0.25	0		
L1	L2	L3	L4	L5	L6	L7	L8											
2	1.75	1.50	1.25	1	0.75	0.25	0											
Black Women Owned (more/ $\geq$ 30% owned)	<b>4</b>																	
Target Group: Youth	2																	
Spatial: Rural	<b>4</b>																	
Spatial: Townships	2.4																	
Spatial: City	0.8																	

**Supporting Document for Claiming of Specific Goals:**

The bidder must also indicate point claims on SBD 6.1.

**Size of Enterprise:** Micro, Small, Medium enterprises: maximum 8/20

**Verification Method:** National Small Enterprise thresholds for defining enterprise size classes by sector and CSD

**B-BBEE (Black Ownership):** Maximum 2/20 points.

**Verification Method:** BBBEE certificate and or Sworn Affidavit:

**Youth** = 2/20 points which will be allocated follows:

**Verification Method:** CIPC and or CSD

**Spatial:** Rural and Township and City-based enterprises: 4/20 points

- Rural = maximum 4 points
- Township= 2.4
- City= 0.8

**Verification method:** Copy of Utility Bill, Lease Agreement, Title Deed, letter from Municipality outlining the physical address of the company and official letter with stamp from the local councilor.

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

**80/20**

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



Where

$P_s$  = Points scored for price of tender under consideration

$P_t$  = Price of tender under consideration

$P_{min}$  = Price of lowest acceptable tender

The points scored by a bidder in respect of Specific Goals will be added to the points scored for price.

Only bidders who have completed and signed the declaration part of the Specific Goal form and who have submitted the relevant supporting documents will be allocated points.

The points scored will be rounded off to the nearest 2 decimals.

Criteria for breaking deadlock in scoring

- a) If two or more tenderers score an equal total number of points, the contract will be awarded to the tenderer that scored the highest points for Specific Goals.
- b) If two or more tenderers score equal total points in all respects, the award will be decided by the drawing of lots.
- c) A contract may, on reasonable and justifiable grounds, be awarded to a tender that did not score the highest number of points.
- d) Sedfa reserves the right to enter into negotiations with the preferred bidder.
- e) Sedfa reserves the right to provide policy relating to the handling of information (Protection of Personal Information Act).



## **ANNEXURE E**

### **SCOPE OF WORK / TERMS OF REFERENCE**

#### **APPOINTMENT OF SERVICE PROVIDERS TO SUPPLY AUCTIONEERING SERVICES, INCLUDING THE RECOVERY OF COLLATERAL ASSETS HELD BY THE SMALL ENTERPRISE DEVELOPMENT AND FINANCE AGENCY (SEDFA) AS SECURITY FOR LOANS OF DEFAULTING CLIENTS FOR 3 YEARS.**

#### **1. SCOPE OF WORK**

##### **1.1 RECOVERY OF ASSETS**

- 1.1.1 The auctioneer should attend the clients' premises, where the collateral assets (goods) are held, and identify the assets that belong to Sedfa using the VIN or serial number.
- 1.1.2 Provide quotations to remove the goods, which may include tow trucks, cranes, and other recovery equipment. The cost will be limited to the sellers commission payable; see paragraph 1.6.3.1.
- 1.1.3 Obtain approval for the recovery of the goods.
- 1.1.4 Uplift and remove the goods that have been identified to the auctioneers' premises, including assets secured under a general or special notarial bond.
- 1.1.5 Provide a book-in sheet for each asset.
- 1.1.6 A seller's commission will be allowed for the recovery of the goods; see paragraph 1.6.3.1 pertaining to the commission structure.

##### **1.2 VALUATION**

- 1.2.1 Each asset must be valued once it arrives. The valuation must be on a forced-sale basis.
- 1.2.2 The valuation must be in writing.
- 1.2.3 A registered valuator must complete the valuation for assets that exceed the value of R100 000.00.

##### **1.3 STORAGE**

- 1.3.1 The auctioneer should provide storage for 150 days without charge.
- 1.3.2 Agree on storage fees exceeding 150 days, should legal processes delay the selling of the assets.
- 1.3.3 An approval in writing should be obtained for the storage fees before the storage exceeds 150 days.
- 1.3.4 Assets that are not sold within 150 days, can be subject to re-assignment.

##### **1.4 PREPARE ITEMS FOR AUCTION**

- 1.4.1 The goods must be parked to provide an unobstructed view.
- 1.4.2 Goods should be cleaned if possible.
- 1.4.3 Assuming the goods are in running condition, they should be able to be started on the day of the auction.



- 1.4.4 The goods should be advertised for sale in the relevant media or social media platforms to attract the relevant buyers of the goods.
- 1.4.5 Obtain the relevant Natis or registration documents for each asset from the Sedfa securities department.
- 1.4.6 Dealer-stock each asset in the name of the auctioneer before the auction.
- 1.4.7 Ensure that the goods are cleared for sale by Sedfa.

## **1.5 AUCTION**

- 1.5.1 The goods are to be auctioned to registered bidders (must have paid the registration deposit as required by the auctioneer and be provided with an auction paddle/number) on the day of the auction.
- 1.5.2 Where auctions are online, the same process should be followed.
- 1.5.3 Auctions should be concluded in the region where the goods are repossessed to minimise recovery costs; however, goods may be moved to major centres to improve the prospects for better recoveries.
- 1.5.4 The auctioneer should charge a buyer's commission between 5% and 10% in line with the auction rules for that specific day.
- 1.5.5 Prepare auction sale summary after the auction (no later than 48 hours after the auction).
- 1.5.6 Once the auction has concluded and the selling prices are confirmed, final approval should be obtained from Sedfa to ensure that the selling price is commercially viable and must be higher than the forced-sale valuation. If not, the sale must be declined unless there is a motivation to sell at the reduced value.
- 1.5.7 Request "Paid-Up" letters from Sedfa, with change of ownership forms signed by Sedfa proxy.

## **1.6 PAYMENTS**

- 1.6.1 No asset should leave the auctioneer's premises without being settled in full.
- 1.6.2 Pay Sedfa within 48 hours after units have been sold and payment has been credited to the auctioneers' account.
- 1.6.3 The auctioneer must pay the net amount to Sedfa after deducting the following expenses:
  - 1.6.3.1 Recovery costs where a seller's commission of 3% will be allowed for the recovery costs.
  - 1.6.3.2 Storage fees (see 1.3)
  - 1.6.3.3 Valuation fees as per industry norm.
  - 1.6.3.4 Approved repair costs.
  - 1.6.3.5 Any other associated auctioneering costs that have been approved in writing.
- 1.6.4 A full remittance should be provided to Sedfa, which includes the name of the client, the deal number, the proceeds of the sale, and the costs associated with each asset individually.

## **2. BID PROPOSAL FORMAT**

All bidders must return their proposals categorized and indexed under the following sections:



### **3. SECTION 1: LEGISLATIVE REQUIREMENTS**

The bidders must supply the required documentation as outlined in this Request for Bid document as outlined in item 2.4.5.

### **4. SECTION 2: COMPANY PROFILE & REFERENCES**

The bidder must submit a detailed company proposal demonstration understanding of scope of work and experience in rendering the auctioneering services in the last five years.

The bidder must provide details of four (04) auction transactions (of different assets) they have successfully handled over the preceding three (03) years. Experience and reference letters as outlined in the evaluation criteria must be submitted as part of this section.

### **5. SECTION 3: AUCTION PREMISES**

The bidder must have proper physical presence of auction premises. The bidder should indicate which regions they are bidding for auctioneering services.

### **6. SECTION 4: ONLINE IT PLATFORMS**

- The bidder must demonstrate online platforms to render the auctioneer services.
- The terms and conditions of the auction house should be easily accessible for users and there should be a tick box indicating that users have read and understood the terms and conditions.
- Bidders should have access to pictures of the goods being sold online prior to the auction and bidders should be able to perform physical asset inspection prior to the auctions
- The system should have functionality for deposits to be paid prior to the auction and will include the provision of FICA documents.
- The auction rules pertaining to VAT and buyers commission should be clearly visible before the auction.
- Time extensions should be allowed where bidders make last-minute bids prior to closing time.
- If bids are Subject to Confirmation (STC) the platform should inform the highest bidder of this, and payment will only be required when the seller gives approval.
- The system should have functionality where the reserve price (minimum selling price set by the seller) is not met, notifying the highest bidder that the bid is not accepted.
- There should be an audit trail of the auction demonstrating the chronology of the auction, bid increments and the final closing bid.

### **7. SECTION 5: PRICING PROPOSAL/SCHEDULE**

Bidder must submit a pricing proposal as outlined in the Bid Proposal Template (Appendix 1).

- Bidders must provide the costs for the following services:



- 7.1. Forced sales valuation for each asset.
- 7.2. Storage fees per asset more than 150 days.
- Bidders must indicate any other charges, if any.
- All prices should be fixed and inclusive of taxes, disbursements, etc.

## **8. SECTION 6: ADDITIONAL INFORMATION**

Any additional information pertinent to the proposal can be attached under this Section.

An electronic editable copy of the Bid Proposal Template will be available on the Sedfa website: <http://www.SEDFA.org.za/publications/tenders>



**APPENDIX 1**

**BID PROPOSAL COVER PAGE**

**APPOINTMENT OF SERVICE PROVIDERS TO SUPPLY AUCTIONEERING SERVICES, INCLUDING THE RECOVERY OF COLLATERAL ASSETS HELD BY THE SMALL ENTERPRISE DEVELOPMENT AND FINANCE AGENCY (SEDA) AS SECURITY FOR LOANS OF DEFAULTING CLIENTS FOR 3 YEARS.**

Bid Number	
MAAA Number	
Company name	
CSD Number	
Contact Person	
Telephone Number	
e-mail address	



## **SECTION 1: LEGISLATIVE REQUIREMENTS**

Attach all required documentation behind this section.



**SECTION 2: COMPANY PROFILE, EXPRIENCE & REFERENCE LETTERS**

*Note to the Bidder: The bidder must complete the information set out below in response to the requirements stated in the bid document. If the bidder requires more space than is provided below it must prepare a document in substantially the same format setting out all the information referred to below and return it with this Returnable Schedule]*

**Table (a):The bidders must provide the following information:**

**NB: Reference letters provided under this section should be same as individual letters provided on Annexure C-Functionality Requirements**

Client' Name	Transaction Description	Transaction Value	Project period		Description of service performed and extent of Bidder's responsibilities	Name, title, and telephone contact of client
			Start Date	End Date		



### **SECTION 3: AUCTION PREMISES**



#### **SECTION 4: ONLINE IT PLATFORMS**

Attach/provide the required documentation under this section.



## **SECTION 5: ADDITIONAL INFORMATION**

Any additional information that is considered pertinent to the proposal can be attached under this section.