

REQUEST FOR QUOTATION

YOU ARE HEREBY INVITED TO SUBMIT QUOTATIONS FOR THE REQUIREMENTS OF THE POSTBANK SOC LIMITED

REQUEST FOR QUOTATION (RFQ) NUMBER:	RFQ 30/2025 (Please use this number as reference when sending quotations and supporting documentation)
DESCRIPTION	Appointment of a Service Provider to provide Postbank with End-to-end Payroll and HR Org Management services for a period of 12 months
RFQ ISSUED DATE	13 January 2026
RFQ VALIDITY PERIOD	60 days from the closing date.
CLOSING DATE AND TIME	27 January 2026
OFFICE ADDRESS	National Postal Centre (NPC) Cnr 497 Sophie de Bruyn & Jeff Masemola Streets Pretoria 0002
RFQ RESPONSES MUST BE EMAILED TO:	Quotations should be emailed to RFQ.ProcurementNM@Postbank.co.za/ Nokulunga.moloi@postbank.co.za. Failure to follow these instructions will result in your quote not being considered.
ENQUIRIES REGARDING THIS RFQ SHOULD BE SUBMITTED VIA E-MAIL TO	Enquires can be directed at this e-mail address Nokulunga.Moloi@postbank.co.za.

Important Notes to this RFQ:

Bidders /suppliers should ensure that RFQ responses are emailed to the correct email address, (RFQ.ProcurementNM@Postbank.co.za)

- If the quotation is late, it shall not be accepted for consideration.
- The Postbank reception is generally accessible 8 hours a day (07h30 to 16h00); 5 days a week (Monday to Friday) for delivery of goods.
- Bidders /Supplier to complete and sign all Annexures to this document (including Standard Bidding Document)
- Supplier must ensure compliance with their tax obligations

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SERVICE PROVIDER/SUPPLIER:

REGISTRATION NUMBER:

CSD UNIQUE SUPPLIER REGISTRATION NUMBER:

ADDRESS:

CONTACT PERSON:

EMAIL:

TEL:

- (I) Postbanks standard conditions of purchase shall apply.
- (II) Late submissions will not be accepted.
- (III) The recommended service provider/supplier will be required to complete and sign the Standard Bidding Documents (SBD) and Annexures. All Bidders /suppliers must adhere to the General Conditions of Contract as prescribed by National Treasury.
- (IV) It is the responsibility of the service provider/supplier to ensure that the Postbank has updated information on the status of their business.
- (V) No goods or services shall be delivered before the issuing of an official Postbank's Award Letter or Purchase Order (PO) signed by the authorised Postbank official. The Postbank reserves the right not to make payment or accept the goods or services should the goods or services be delivered to the Postbank before the Postbank Award Letter or PO is issued.
- (VI) Please note that RFQ responses should be sent to email address mentioned on the cover page of the RFQ document, failure to do so, it shall not be accepted for consideration.

I, the undersigned (NAME).....certify that :

I have read and understood the conditions of this RFQ;

I have supplied the required information and the information submitted as part of this RFQ is true and correct.

1. BACKGROUND

Postbank has been embarking on a journey of reviewing its business in an effort to meet the Banks Act 94 of 1990 requirements and acquire a banking license. During 2023, Postbank Amendment Bill was signed and assented into law allowing Postbank to establish itself as a state-owned commercial bank. Part of the process requires Postbank to separate its operations SAPO and to establish a new banking controlling company (BCC).

Prior to the above process, Postbank embarked in various processes to implement an ERP system enabled business environment where cross functional areas have an integrated system supporting the various functional activities within the entire value chain. The project has been impacted over time by various decisions including ministerial moratorium placed on procurement activities, recruitment of resources and various other business decisions to prioritise another project.

2. OBJECTIVE OF THE BID

This project seeks to outsource Postbank's HR and Finance Payroll and Org Management capabilities to an external Vendor for a period of 12 months.

Qualifying criteria for the type of vendor we are looking for must:

- be knowledgeable to provide end to end payroll and Org management services.
- be highly experienced with a proven track record in end-to-end payroll and Org management services.
- must have capability and capacity to effectively manage the end-to-end payroll and Org management services.
- be able to offer expert advice on end-to-end payroll and Org management services as and when required

3. PURPOSE AND OBJECTIVES

3.1. Purpose

To engage a qualified payroll outsourcing partner to deliver secure, accurate, compliant, and efficient payroll processing for approximately 250 employees, with a modern solution that minimises monthly administrative effort by the bank.

3.2. Objectives

- **Information Security First:** Meet or exceed banking-grade security controls, data privacy, and regulatory requirements.
- **Modern Solution:** Cloud-native, API-first platform with SSO/MFA, auditability, and Seamless integrations.
- **Operational Efficiency:** Streamlined monthly changes via APIs, automated syncs, rule-

based validations, and minimal manual intervention

- **Compliance & Accuracy:** Full adherence to South African payroll laws and banking sector obligations
- **Scalability & Resilience:** Support organisational growth, robustness, and continuity (BCP/DR).

4. SCOPE OF WORK

4.1 In-Scope

- **Payroll Processing:** Monthly payroll for permanent staff, variable pay; allowances; overtime; shift differentials; deductions; garnishees.
- **Tax & Statutory:** PAYE, UIF, SDL; EMP201/EMP501 submissions; IRP5/IT3(a); tax directives; SARS interactions; COIDA (where applicable).
- **Banking & Payments:** Net pay disbursements, third-party payments, SARS payment files, provident/pension/medical aid, union fees, garnishees.
- **Reporting:** Payroll summaries, variance analysis, statutory reports, GL postings, audit trails, exception reports.
- **Year-End Activities:** Tax certificate generation and distribution; reconciliations; legislative updates.
- **Employee Self-Service (ESS):** Payslips, tax documents, personal info updates, leave balances (if integrated).
- **Integrations:** HRIS, time & attendance (T&A), benefits providers, identity provider (IdP) for SSO, and finance/GL systems.
- **Support:** Tiered support model with SLAs; dedicated service team; change management; training.

4.2 Out-of-Scope (unless proposed)

- Deep HR advisory (job grading, remuneration strategy), workforce planning, complex benefits broking.
- Global payroll outside South Africa (unless the bank requests a multi-country option).
- Non-payroll HRIS functions (performance, learning, recruitment).

5. Regulatory & Compliance Requirements

5.1 Jurisdiction: South Africa (Johannesburg-based). Ensure local compliance.

- **Labour & Payroll Legislation:**
 - Basic Conditions of Employment Act (BCEA)
 - Labour Relations Act (LRA)
 - Employment Equity Act (EEA) - reporting for payroll-linked data
 - Unemployment Insurance Act (UIF); Skills Development Levies Act (SDL)

- Compensation for Occupational Injuries and Diseases Act (COIDA) where relevant
- **Tax:**
 - SARS PAYE, UIF, SDL calculations and submissions (EMP201, EMP501, IRP5/IT3(a)).
 - Tax directives handling.
- **Data Protection & Banking Sector Controls:**
 - **POPIA** (Protection of Personal Information Act): lawful processing, purpose limitation, minimality, security safeguards, data subject rights.
 - **ISO/IEC 27001** certification (or equivalent aligned ISMS).
 - **SOC 2 Type II** report preferred; **PCI-DSS** if card data is ever in scope (typically not needed for payroll).
 - **SARB supervisory expectations** around outsourcing risk, operational resilience, security, and third-party management (vendor must support bank's governance).
 - Data residency preference: **South Africa**; if not feasible, detail location, cross-border transfer mechanisms, and POPIA-compliant safeguards.
- **Audit & Assurance:**
 - Annual independent audit reports (SOC 2 Type II, ISO surveillance).
 - Right to audit (with reasonable notice).
 - Evidence of controls, penetration tests, vulnerability scans, remediation plans.
 - Maintenance of **segregation of duties** and traceable workflows.

6. Information Security Requirements

6.1 Security Governance

- Documented **ISMS** aligned with ISO 27001.
- Named **CISO/Information Security Lead**; roles & responsibilities.
- Security policies (access control, acceptable use, incident response, change management, cryptography, vendor risk, secure development).

6.2 Access & Identity

- **SSO** via SAML/OIDC with the bank's IdP (Azure AD/Microsoft Entra preferred).
- **MFA** enforced for all privileged and user access.
- **RBAC** with least privilege; separate roles for processing, approval, and audit.
- **Just-in-time access** for support staff; session timeout; IP allow listing (optional).

6.3 Data Protection

- **Encryption:**
 - Data at rest: AES-256 or equivalent.
 - Data in transit: TLS 1.2+; HSTS: perfect forward secrecy.
- **Key Management:** HSM-Backed or cloud KMS: dual control; key rotation
- **Data Minimisation & Masking:** Mask sensitive fields; redact where appropriate.
- **Backups & DR:** Encrypted backups, immutable snapshots; RPO ≤ 4 hours, RTO ≤ 8 hours (bank may adjust).
- **Data Retention:** POPIA-compliant retention schedules; secure deletion on contract termination.

6.4 Secure Development & Ops

- **SDLC** with secure code reviews, SAST/DAST, dependency scanning, SBOM.
- **Change Management:** Versioning, segregation of duties, approval workflows.
- **Vulnerability Management:** Routine patching; CVSS-based prioritisation; monthly reporting.
- **Incident Response:** 24x7 monitoring, SIEM integration, breach notification within agreed timelines; playbooks and tabletop exercises.

Third Parties & Sub processors

- List all sub processors; data processing agreements; POPIA-compliant safeguards.
- Notify and obtain consent before adding/changes to sub processors.

7. Functional Requirements

7.1 Core Payroll

- Monthly payroll run with pre-calculation checks, simulation runs, and audit trails.
- Multiple pay elements (fixed and variable), garnishees, benefits, overtime, commissions.
- Retro pay, pro-rations, acting allowances.
- Multiple pay groups/cycles (e.g., monthly, weekly) if needed.

7.2 Employee Lifecycle

- Onboarding (new hires), transfers, promotions, terminations; automated calculations for leave encashment, pro-rata benefits, final settlement.
- **Bulk updates** (CSV/XLSX/API) for salary changes, allowances, deductions.
- **Validation rules** to prevent common errors (duplicate IDs, invalid tax numbers, negative net pay).

7.3 Statutory & Reporting

- EMP201/EMP501 generation and eFiling-ready outputs.
- IRP5/IT3(a) creation and electronic distribution to employees.
- SARS reconciliation files and exception handling.
- Audit-ready logs for each calculation step.
- **GL Integration:** Export journals by cost centre, account, dimensions; configurable mapping; support for SAP/Oracle/Microsoft Dynamics/NetSuite (vendor to specify).

7.4 Employee Self-Service

- Secure portal/mobile app: payslips, tax certificates, personal info updates (subject to approval), bank details changes (dual verification), leave balances if integrated.
- Notifications: email/SMS/in-app alerts for payslip availability and critical changes

8. Non-Functional Requirements

8.1. Availability & Performance

- **SLA:** ≥ 99.9% monthly uptime.
- Response times: UI pages ≤ 2s P95; API calls ≤ 800ms P95 under normal load.
- Batch processing capacity suitable for ~250 employees with headroom x3.

8.2. Scalability

- Elastic scaling to support growth to 500–1,000 employees without architecture rework.

8.3. Usability

- Accessible UI (WCAG 2.1 AA), intuitive dashboards, role-based views, guided workflows, inline validations.

8.4. Observability

- Real-time dashboards, health checks, API metrics, error logs accessible to bank.
- Exportable audit logs (JSON/CSV) with tamper-evident mechanisms.

9. Modern Architecture & Integrations

9.1 Platform

- **Cloud-native, multi-tenant** or single-tenant with clear isolation model.
- **API-first** (REST/GraphQL); comprehensive documentation; sandbox environment.
- **Event-driven** options (webhooks) for change notifications and status updates.
- **Extensibility:** Custom fields, rules engine, scripted validations (no code/low code where possible).

9.2 Identity & Security Integrations

- SSO with Microsoft Entra ID; SCIM 2.0 for automated user provisioning/deprovisioning.
- SIEM export (Syslog/CEF/JSON); webhook for critical security events.

9.3 HRIS / T&A / Finance

- **Inbound:**
- HRIS master data sync (daily/near real-time).
- T&A hours/overtime imports with validation.
- Benefits provider feeds for contributions.
- **Outbound:**
- GL journals to ERP; configurable mapping.
- Payslip PDFs; tax files; compliance reports
- **File Formats:** JSON/CSV/XLSX; SFTP with SSH keys; secure API tokens; digital signatures where applicable.

10. Minimising Monthly Effort (Operaing Model design)

10.1 Data Sync & Automation

- **Automated nightly sync** from HRIS via API/SCIM for master data changes (hires, terminations, promotions).
- **Webhooks** for change events; API-based submission of variable pay and deductions.
- **Bulk upload templates** (CSV/XLSX) with embedded validation (e.g., Excel add-in or web upload with pre-checks).

10.2 Smart Validations & Rules

- Pre-run validations: tax numbers, bank account checks (mod-11), duplicate IDs, out-of- range values, missing cost centres.
- **Exception queues** with guided resolution; self-healing suggestions.

10.3 Calendar & Cut-Offs

- Published **cut-off calendar** with automated reminders.
- **Freeze windows**; late changes go to next cycle unless marked urgent with workflow approval.

10.4 Self-Service & Approvals

- Manager/HR **workflows** for approvals (salary changes, once-off payments, bank detail updates).
- Dual verification for sensitive changes (four-eyes principle).

10.5 Template Library

- Standardised **change request templates**: new hire pack, variable pay load, deduction changes, garnishee orders, bank detail changes, termination packs.

11. Service Levels (SLA) & Key Performance Indicators (KPIs)

11.1

Area	Target	Measurement
Payroll accuracy	≥ 99.98%	Errors per cycle / total pays

On-time payroll	100%	Against published calendar
Statutory submissions	100% on-time	EMP201/EMP501, IRP5
Support response	P1 ≤ 30 min, P2 ≤ 4 hrs	Time to first response

Area	Target	Measurement
Support resolution	P1 ≤ 8 hrs, P2 ≤ 2 days	Time to resolve/mitigate
System uptime	≥ 99.9% monthly	Vendor monitoring validated

11.2 KPIs

- Exception rate trend; average time to clear exceptions.
- Reconciliation variance (net pay vs journals).
- Employee satisfaction (ESS usage, CSAT).
- Change automation rate (% via API vs manual).
- Audit finding closure rate & time.

12. Governance, Roles & RACI

12.1 RACI Matrix (Illustrative)

Activity	Bank	Bank Payroll Controller	Bank InfoSec	Vendor Service Lead	Vendor Security Lead
Master data sync	R	A	C	R	C
Variable pay upload	R	A	-	C	-
Payroll run	C	A	-	R	-
Statutory submissions	C	A	-	R	-
Security incident handling	C	-	A	R	R
DR/BCP testing	C	-	A	R	R

R=Responsible, A=Accountable, C=Consulted, -=Not involved

12.2 Governance Cadence

- **Monthly** operations review; **Quarterly** service review; **Annual** strategic review & audit.

13. Risk Management & Controls

- **Segregation of duties:** Preparation vs approval vs execution.
- **Maker–Checker** controls on sensitive changes (bank details, once-off payments > threshold).
- **Control evidence:** System logs, approval artifacts, change tickets.
- **Reconciliations:** Pre-payment and post-payment; payroll to bank file; payroll to GL.
- **Fraud controls:** Anomaly detection; payment cap thresholds; dual authorisation for file releases.
- **Business Continuity:** Documented BCP, DR tests at least annually; defined RPO/RTO; alternative processing site.
- **Termination & Exit:** Secure data destruction, final reconciliations, handover packs, knowledge transfer.

14. Implementation & Migration

14.1 Project Phases

- **Discovery & Design:** Requirements sign-off; integration mapping; security review.
- **Configuration:** Pay elements, rules, GL mappings, roles/RBAC.
- **Integration Build:** HRIS/T&A/ERP; SSO; SIEM.
- **Data Migration:** Historical payroll (≥ 24 months recommended), employee master, YTD balances.
- **Parallel Runs:** 2–3 cycles to validate accuracy and processes.
- **Go-Live:** Cutover plan; hyper care, knowledge transfer; post-implementation review.

14.2 Deliverables

- Configuration workbook; data migration plan; test scripts; parallel run reports; security & compliance pack; training materials; SOPs.

14.3 Training

- **Admin & Payroll Team:** System use, validations, exception management.
- **Managers & Employees:** ESS features.
- **Security & Audit:** Access controls, logs, evidence retrieval.

15. Pricing & Commercials

- **Pricing Model:** Per-employee-per-month (PEPM) + one-off implementation. Itemized statutory submissions; optional advanced analytics.
- **Indexation:** Annual CPI adjustment (negotiable)
- **Change Requests:** Rate card with estimates; cap on minor changes; no fees for legislative updates.
- **Penalties & Credits:** SLA breach credits; accuracy penalties; chronic breach escalation/termination rights
- **Data Egress:** No “hostage” fees for retrieving data on exit; provide export in standard formats.

16. Vendor Response Requirements (for RFP/RFI)

Vendors must provide:

- **Company Profile & Financial Stability.**
- **Client References** (preferably banking/regulated industries).
- **Security Certifications & Audit Reports** (ISO 27001, SOC 2 Type II).
- **Detailed Architecture & Integrations** (diagrams, API docs).
- **Operational Model** (support structure, SLAs, escalation paths).
- **Compliance Approach** (POPIA, tax, labour).
- **Implementation Methodology** (timeline, resources).
- **BCP/DR Evidence** (RPO/RTO, last test results).
- **Sample Contracts & DPAs** (including sub processor list).
- **Pricing** (transparent, itemised, assumptions).

17. Special Condition of Contract

- Parallel runs achieve $\geq 99.98\%$ accuracy for at least one cycle.
- All integrations pass UAT; SSO/MFA operational; audit logs accessible.
- Statutory outputs validate against SARS test environments or accepted procedures.
- SLAs and support processes in place; staff trained; SOPs signed off.
- Security and compliance documentation provided and approved.
- Executive sponsor sign-off post hyper care.

18. Appendices

Appendix A – Data Dictionary (Illustrative)

Field	Description	Sensitivity	Provision Source	Notes
Employee ID	Internal unique identifier	High	HRIS	Immutable
SA ID / Passport	National identifier	High	HRIS	Mask in UI
Tax Number	SARS taxpayer number	High	HRIS/ Payroll	Validate format
Bank Account	Net pay destination	High	Employee/ HRIS	Dual verification
	Description	Sensitivity	Provision Source	Notes
	Financial dimension	Medium	HRIS/ERP	Required
	Fixed/variable components	High	Payroll	Controlled list

Court-ordered deductions	High	Payroll	Confidential
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Appendix B – File & API Specifications (Illustrative)

- **Bulk Change Upload:** CSV/XLSX with schema, column-level validations, sample files.
- **API Endpoints:** /employees, /pay-elements, /runs, /exceptions, /reports, /gl-journals.
- **Webhooks:** employee. Created, employee. Updated, payrun.completed, statutory. Submitted.
- **Security:** OAuth2 client credentials; scopes per role; IP allowlisting optional.

Appendix C – Workflows (Illustrative)

- **Monthly Run:** Data sync → validations → pre-calculation → exception resolution → approval → payment file generation → GL export → statutory submissions → post-run audit.
- **Sensitive Changes:** Maker uploads → automated validation → checker approval → audit log capture → change applied.

Appendix D – Control Checklist (Quick)

- SSO/MFA enabled; RBAC configured.
- POPIA notice and DPA signed; sub processor list approved.
- SIEM feed active; audit log retention configured.
- DR tested; RPO/RTO validated.
- Parallel run results filed; acceptance sign-off captured.

Annex C :

EVALUATION CRITERIA

10 The bid will be evaluated as follows:

10.1 Phase 1: Mandatory Requirements Criteria

10.2 Phase 2: Commercial Evaluation- Price (80) and Specific Goals (20)

10.1.1 Mandatory Requirements

Mandatory Requirements	Comply	Do not Comply
<u>Secured Employees' Information</u> Bidders must have a cloud-based secure environment to store employees' information. (Provide a process/procedure on how employees' information is stored in cloud)		

10.1.2 Phase 1: Price and Specific Goals

Criteria	Weight	Sub-criteria
Total Price	80/100	Benchmark against lowest quote
Specific Goals	20/100	Points will be awarded to bidders according to the specific goals

Annex D :

COST BREAK DOWN

1. The service provider/supplier is required to provide a full cost breakdown for each item required on an official company letterhead.
2. All prices must be VAT inclusive (if VAT registered) and must be quoted in South African Rand (ZAR);
3. No price changes will be accepted after official Purchase Order (PO)/Award Letter is issued.
4. The service provider warrants that the pricing quoted above is free of any errors and omissions and that he/she is able to deliver the contract on the price quoted.

Costs Analysis	#	Unit Cost (excl)	Monthly (excl)	Annual (excl)	Annual (incl)
Transactional (per payslip)	246				
ESS-related charges (per employee)					
Filing of EMP/IRP (per instance)					
Subtotal 1					
Once-Off's					
Setup	1				
HR Training					
Subtotal 2					
Grand total					

Ad-hoc Services (if any/applicable)

Item	Description	Cost (VAT Excl.)
1		
2		
3		
4		

The Service Provider warrants that the pricing quoted above is free of any errors and omissions and that the service will be executed at the price quoted.

Bidder's Name:

Signature:

Date:

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 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;

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.

- 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.
- 3.5 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.
- 1.6 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.
- 1.7 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

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.

Annex F :

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

(delete whichever is not applicable for this tender).

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

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

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

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

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. FORMULA 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:

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

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmin = Price of lowest acceptable tender

3.2. FORMULA 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:

$$Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right) \quad \text{or} \quad Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/

documentation stated in the conditions of this tender:

- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,
- then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

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

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Historically Disadvantaged individuals	8	
Women	7	
Disabled	5	

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;

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

 SIGNATURE(S) OF TENDERER(S)
SURNAME AND NAME:
DATE:
ADDRESS:

Annex G : GENERAL CONDITIONS OF CONTRACT AND STANDARD BIDDING DOCUMENTS

1. Bidders are required to complete and sign all Standard Bidding Documents (SBDs) and Annexures. All Bidders /suppliers must adhere to the General Conditions of Contract as prescribed by National Treasury.

Detailed information on the General Condition of Contract are found in the link below:

http://ocpo.treasury.gov.za/Resource_Centre/Legislation/General%20Conditions%20of%20Contract-%20Inclusion%20of%20par%2034%20CIBD.pdf