

## TERMS OF REFERENCE

**REQUEST FOR PROPOSALS FOR THE APPOINTMENT OF A REGISTERED SHORT-TERM INSURANCE SERVICE PROVIDER TO PROVIDE INDEMINITY INSURANCE COVER FOR THE BOARD MEMBERS AND OFFICERS OF THE GAUTENG ENTERPRISE PROPELLER FOR A PERIOD OF 36 (THIRTY-SIX) MONTHS, STARTING FROM 01 OCTOBER 2026 UNTIL 30 SEPTEMBER 2029.**

### 1. PURPOSE

The purpose of this engagement is to appoint a registered, suitably qualified, reputable and experienced short-term service provider to obtain an appropriate insurance policy to all Board Members of the Gauteng Enterprise Propeller (GEP) and its Executive Officers who are involved in the day to day running of the entity for the decisions made in the execution of the duties.

### 2. BACKGROUND

The Gauteng Enterprise Propeller (GEP) is a Provincial Government Agency established in terms of the Gauteng Enterprise Propeller Act (No. 5 of 2005), under the guide of the Gauteng Department of Economic Development (GDED) to ensure the development of “Sustainable SMMEs and co-operatives propelled into the mainstream economy of Gauteng.” To achieve this, the GEP has set the following vision for the new five-year term that lies ahead: “Propelling entrepreneurs into sustainable enterprises that contribute meaningfully to inclusive economic growth and job creation.”

GEP ACT chapter 7 indicates that Gauteng Enterprise Propeller a company incorporated under section 21 of the Companies Act, 61 of 1973, and with the registration number 2004/031868/08 is deemed to be GEP as contemplated in section (2) of GEP Act. The Board of Gauteng Enterprise Propeller incorporated in section 21 of the Companies Act, 1973 is deemed to be the Board contemplated in section 7 of this Act and serves for the unexpired portion of the period for which it was appointed by the MEC prior to the coming into operation of this Act. The MEC must take all steps necessary to ensure that GEP ceases to be a company incorporated under section 21 of the Companies Act, 61 of 1973 and is listed as a Provincial Public Entity contemplated in section 3(1) of the GEP Act.

#### EKURHULENI OFFICE

Ground Floor,  
188 Victoria Street,  
Germiston, 1400  
Telephone: 011 776 9079  
Fax: 011 827 2886

#### SEDIBENG OFFICE

36 Merriman Avenue,  
Vereeniging, 1930  
Telephone: 016 910 1200  
Fax: 016 910 1216

#### WEST RAND OFFICE

23 Eloff Street,  
Krugersdorp, 1739  
Telephone: 011 950 9870  
Fax: 011 950 9886

#### TSHWANE OFFICE

1<sup>st</sup> Floor, Block G,  
333 Grosvenor Street,  
Hatfield Gardens, Hatfield  
Telephone: 012 430 2359  
Fax: 012 323 4205

Website: [www.gep.co.za](http://www.gep.co.za)

#### BOARD

Ms. R Letwaba (Chairperson), Vacant (Deputy Chairperson),  
Dr. F Ngqobe (Chief Executive Officer), Ms. S Lockman (Acting Company Secretariat)  
Ms. K Skhosana, Ms. C Diale, Ms. B Mgobozi, Ms. N Mathenjwa,  
Ms. S Sekhitha, Mr. S Mkhize, Mr. A Mawela, Mr. A Mashele, Mr. B Ngobeni

To this end, the Gauteng Enterprise Propeller has an independent and diverse Board of (Board), whose non-executive members are appointed by the Shareholder (Executive Authority); striving always to comply with the principles contained in the King Code on Corporate Governance in South Africa. The Board is the Accounting Authority in terms of the PFMA and provides strategic direction and leadership to enhance shareholder value and ensure the Gauteng Enterprise Propeller's long-term sustainable development and growth. In fulfilling its responsibilities, the Board is supported by the Chief Executive Officer, the Executive Officers and an Executive Management Team in implementing the approved strategic and annual performance plans and related policies.

Further, the Board provides strategic direction and exercises oversight over the advancement of the business operations of the Gauteng Enterprise Propeller whilst the day-to-day management of its affairs is managed by the Chief Executive Officer assisted by the Executive Management. In the provisions of its strategic leadership and control, as well as the execution of its oversight and monitoring, the Board is expected to make decisions and take resolutions based on the most appropriate and available information and/or documentation. The Board Members are expected to follow the best application of the good business judgement rule and the duty of care. They are expected to determine and follow all applicable parameters, thresholds and legislative powers, duties and responsibilities in the pursuance of the mandate and business activities of the Gauteng Enterprise Propeller.

In discharging their duties, performing their functions and exercising their authority, the Board Members Executive Management and Team are expected to act in good faith and for a proper purpose, in the best interest of the entity, with a certain degree of care, skill and diligence reasonable expected from a person carrying out the same functions with the same knowledge, skills and experience.

The Gauteng Enterprise Propeller has determined that it was imperative to provide Directors and Officers Liability Insurance policy to cover the past and present Board and Executive Management and to duly indemnify them from liability for decisions made in the executive of their responsibilities.

### 3. REQUIREMENTS

The following are requirements for potential service providers to be considered:

#### EKURHULENI OFFICE

Ground Floor,  
188 Victoria Street,  
Germiston, 1400  
Telephone: 011 776 9079  
Fax: 011 827 2886

#### SEDIBENG OFFICE

36 Merriman Avenue,  
Vereeniging, 1930  
Telephone: 016 910 1200  
Fax: 016 910 1216

#### WEST RAND OFFICE

23 Eloff Street,  
Krugersdorp, 1739  
Telephone: 011 950 9870  
Fax: 011 950 9886

#### TSHWANE OFFICE

1<sup>st</sup> Floor, Block G,  
333 Grosvenor Street,  
Hatfield Gardens, Hatfield  
Telephone: 012 430 2359  
Fax: 012 323 4205

Website: [www.gep.co.za](http://www.gep.co.za)

#### BOARD

Ms. R Letwaba (Chairperson), Vacant (Deputy Chairperson),  
Dr. F Ngqobe (Chief Executive Officer), Ms. S Lockman (Acting Company Secretariat)  
Ms. K Skhosana, Ms. C Diale, Ms. B Mgobozi, Ms. N Mathenjwa,  
Ms. S Sekhitla, Mr. S Mkhize, Mr. A Mawela, Mr. A Mashele, Mr. B Ngobeni

- Proof of registration with the Central Supplier Database as the short-term insurance provider or insurance broker for short-term insurance products;
- Certified copies of company registration documents as issued by the CIPC;
- Certified copies of the ID of the company directors;
- Company profile;
- Proof of Registration with the Financial Sector Conduct Authority (FSCA);
- Proof of appointment of validity insurance issued by the FSCA;
- Proof of appointment of an auditor in terms of Section 32 of the Insurance Act together with proof of approval of such appointment by the Prudential Authority;
- Proof of appointment of a senior manager as contemplated in Section 15 of the Insurance Act;
- A copy of the relevant annual disclosures report contemplated in Section 45 of the Insurance Act;

#### **Compulsory Requirements:**

- Proof of Registration with the Financial Sector Conduct Authority (FSCA); and
- Proof of appointment of validity insurance issued by the FSCA.

Failure to submit all compulsory requirements will result in submissions being deemed null and void and shall be considered “non-responsive” and therefore not considered further.

#### **4. SCOPE OF WORK**

The prospective service provider shall source and/or underwrite a Directors and Officers Insurance policy for a total of 10 Board Members and 6 of Executive Officers past and present and Executive Management for claims made against them while serving on the Board of Members or in the employ of the Gauteng Enterprise Propeller.

#### **Cover as follows:**

- 4.1 Excess of between R50 000 and R100 000 or lesser than R50 000;
- 4.2 Cover should not exclude matters of irregular, fruitless and wasteful expenditure – matters of wilful incurring these should be excluded;
- 4.3 Cover to be for directors and prescribed officers;

##### **EKURHULENI OFFICE**

Ground Floor,  
188 Victoria Street,  
Germiston, 1400  
Telephone: 011 776 9079  
Fax: 011 827 2886

##### **SEDIBENG OFFICE**

36 Merriman Avenue,  
Vereeniging, 1930  
Telephone: 016 910 1200  
Fax: 016 910 1216

##### **WEST RAND OFFICE**

23 Eloff Street,  
Krugersdorp, 1739  
Telephone: 011 950 9870  
Fax: 011 950 9886

##### **TSHWANE OFFICE**

1<sup>st</sup> Floor, Block G,  
333 Grosvenor Street,  
Hatfield Gardens, Hatfield  
Telephone: 012 430 2359  
Fax: 012 323 4205

Website: [www.gep.co.za](http://www.gep.co.za)

##### **BOARD**

Ms. R Letwaba (Chairperson), Vacant (Deputy Chairperson),  
Dr. F Ngqobe (Chief Executive Officer), Ms. S Lockman (Acting Company Secretariat)  
Ms. K Skhosana, Ms. C Diale, Ms. B Mgobozi, Ms. N Mathenjwa,  
Ms. S Sekhitla, Mr. S Mkhize, Mr. A Mawela, Mr. A Mashele, Mr. B Ngobeni

4.4 Cover for retired directors;

4.5 Cover for spousal liability (For directors legally married in community of property as prescribed by the South African Law);

4.6 Cover inclusive of cyber loss, infectious epidemics, pandemics, communicable diseases

4.7 Indemnity to a maximum of R25 million

4.8 Annual premium to be VAT inclusive

The term of the Liability Insurance would be for a period of 36 (thirty-six) months, starting from 01 October 2026 until 30 September 2029.

## 5. Evaluation CRITERIA

### Stage 1: Administrative Compliance

Administrative compliance will cover all the requirement as per bid document which include review of completion of all document's submission of all compulsory required information and adherence to the tender invitation.

#### ***Bidder to note Compulsory Administrative Compliance:***

Failure to submit the following required documents will render the bidders tender disqualified:

Bidders must duly complete and sign all Standard Bidding Documents (SBD 1, SBD 3 / Pricing schedule, and SBD 4), which form part of the RFQ document.

### Stage 2: Mandatory Requirements

#### **Reference letters**

Bidder to submit a minimum of 3 reference letters not older than 5 years issued by the previous client for similar service rendered. The reference letter must be on the company's letterhead, dated, signed and have contactable references. The Bidders must have rendered similar service in nature to the required scope.

#### **Proposal, Methodology,**

Should entail project plan, detailed process plan, methodology

#### **EKURHULENI OFFICE**

Ground Floor,  
188 Victoria Street,  
Germiston, 1400  
Telephone: 011 776 9079  
Fax: 011 827 2886

#### **SEDIBENG OFFICE**

36 Merriman Avenue,  
Vereeniging, 1930  
Telephone: 016 910 1200  
Fax: 016 910 1216

#### **WEST RAND OFFICE**

23 Eloff Street,  
Krugersdorp, 1739  
Telephone: 011 950 9870  
Fax: 011 950 9886

#### **TSHWANE OFFICE**

1<sup>st</sup> Floor, Block G,  
333 Grosvenor Street,  
Hatfield Gardens, Hatfield  
Telephone: 012 430 2359  
Fax: 012 323 4205

Website: [www.gep.co.za](http://www.gep.co.za)

#### **BOARD**

Ms. R Letwaba (Chairperson), Vacant (Deputy Chairperson),  
Dr. F Ngqobe (Chief Executive Officer), Ms. S Lockman (Acting Company Secretariat)  
Ms. K Skhosana, Ms. C Diale, Ms. B Mgobozi, Ms. N Mathenjwa,  
Ms. S Sekhitla, Mr. S Mkhize, Mr. A Mawela, Mr. A Mashele, Mr. B Ngobeni

## Approach and Project Plan

A clearly defined Proposal including a detailed Project plan with clear timelines. Detailed process Plan on how the account will be managed, i.e., processing of claims, queries, etc.

The quality criteria to be used to provide cover, i.e., what will be regarded as a valid claim to maximum risk, and risk management advice.

Provide a detailed methodology including how the service provider will conduct services between the client, broker and insured party.

Detailed process Plan on how the account will be managed i.e., processing of claims, queries, etc.

## Key deliverables

As per paragraph 4, Scope of Work.

## Team members relevant experience and qualifications

The relevant team members should have a minimum of (5) years experience and relevant qualifications in the Short-Term Insurance Brokerage.

Curriculum Vitae/profile for each of the key personnel which highlights experience that is relevant

Bidder must provide:

Qualifications:

### Project Manager.

Degree in Business Administration and/or Finance and/or Risk Management or equivalent

Experience:

Must have 5 or more years of experience in claims processing, policy coverages and settlement procedures.  
**(attach CV)**

### EKURHULENI OFFICE

Ground Floor,  
188 Victoria Street,  
Germiston, 1400  
Telephone: 011 776 9079  
Fax: 011 827 2886

### SEDIBENG OFFICE

36 Merriman Avenue,  
Vereeniging, 1930  
Telephone: 016 910 1200  
Fax: 016 910 1216

### WEST RAND OFFICE

23 Eloff Street,  
Krugersdorp, 1739  
Telephone: 011 950 9870  
Fax: 011 950 9886

### TSHWANE OFFICE

1<sup>st</sup> Floor, Block G,  
333 Grosvenor Street,  
Hatfield Gardens, Hatfield  
Telephone: 012 430 2359  
Fax: 012 323 4205

Website: [www.gep.co.za](http://www.gep.co.za)

### BOARD

Ms. R Letwaba (Chairperson), Vacant (Deputy Chairperson),  
Dr. F Ngqobe (Chief Executive Officer), Ms. S Lockman (Acting Company Secretariat)  
Ms. K Skhosana, Ms. C Diale, Ms. B Mgobozi, Ms. N Mathenjwa,  
Ms. S Sekhitha, Mr. S Mkhize, Mr. A Mawela, Mr. A Mashele, Mr. B Ngobeni

## 6. COSTS

The service provider must provide a detailed costing for sourcing or underwriting the Directors and Officers Indemnity Insurance per year over the 3-year duration of the cover. This shall be all-inclusive, and the pricing shall be transparent and in compliance with the provisions of applicable legislation governing the pricing of insurance products including any insurance brokerage services.

## 7. ENQUIRIES

Enquiries can be directed to Ms Stefani Lockman at [slockman@gep.co.za](mailto:slockman@gep.co.za)

### EKURHULENI OFFICE

Ground Floor,  
188 Victoria Street,  
Germiston, 1400  
Telephone: 011 776 9079  
Fax: 011 827 2886

### SEDIBENG OFFICE

36 Merriman Avenue,  
Vereeniging, 1930  
Telephone: 016 910 1200  
Fax: 016 910 1216

### WEST RAND OFFICE

23 Eloff Street,  
Krugersdorp, 1739  
Telephone: 011 950 9870  
Fax: 011 950 9886

### TSHWANE OFFICE

1<sup>st</sup> Floor, Block G,  
333 Grosvenor Street,  
Hatfield Gardens, Hatfield  
Telephone: 012 430 2359  
Fax: 012 323 4205

Website: [www.gep.co.za](http://www.gep.co.za)

### BOARD

Ms. R Letwaba (Chairperson), Vacant (Deputy Chairperson),  
Dr. F Ngqobe (Chief Executive Officer), Ms. S Lockman (Acting Company Secretariat)  
Ms. K Skhosana, Ms. C Diale, Ms. B Mgobozi, Ms. N Mathenjwa,  
Ms. S Sekhitla, Mr. S Mkhize, Mr. A Mawela, Mr. A Mashele, Mr. B Ngobeni