



PIC001/2019: REQUEST FOR PROPOSAL APPOINTMENT OF A SUITABLY QUALIFIED BUSINESS PARTNER TO IMPLEMENT A CREDIT RISK SOLUTION INCLUDING MAINTENANCE AND SUPPORT OF THE SOLUTION FOR A PERIOD OF FIVE YEARS

The Public Investment Corporation (SOC) Limited (PIC) is a registered Financial Service Provider and a public entity, wholly owned by the South African Government. PIC invests funds on behalf of public sector entities. Among the PIC's clients are the Government Employee Funds ("GEPF"), Unemployment Insurance Fund ("UIF") and Compensation Fund ("CP").

The Public Investment Corporation seeks responses from suitably qualified business partners with a proven track record of implementing and managing a Credit Rating Solution to improve ability to assess credit risk for unlisted/private firms at deal origination, monitoring credit quality of unlisted investments and to facilitate in the pricing of credit risk.

The service providers are required to provide an adequate credit rating solution and to demonstrate the right level of skills and experience for the services required for a period of at least five (5) years. A Compulsory briefing session will be held on 26 April 2019 at the PIC building, time 11:00 am. Menlyn Maine Central Square, Corner Aramist Avenue & Corobay Avenue, Waterkloof Glen Extension 2.

Soft copies of the document will be made available on PIC website www.pic.gov.za from 23 April 2019. May also be requested at the following email address: tenders@pic.gov.za

CLOSING DATE FOR SUBMISSION: 24 MAY 2019, 11:00 AM.

Proposals to be submitted at Menlyn Maine Central Square, Corner Aramist Avenue & Corobay Avenue, Waterkloof Glen Extension 2. (PIC entrance between Absa and Woolworths)

Enquiries: tenders@pic.gov.za



**APPOINTMENT OF A SUITABLY QUALIFIED BUSINESS PARTNER TO IMPLEMENT A
CREDIT RISK SOLUTION INCLUDING MAINTENANCE AND SUPPORT OF THE SOLUTION
FOR A PERIOD OF FIVE YEARS**

Bid Number : PIC001/2019

Closing Date : 24 May 2019

Closing Time : 11:00 AM

Place of Submission: Public Investment Corporation SOC Ltd

Menlyn Maine Central Square

Corner Aramist Avenue & Corobay Avenue

Waterkloof Glen Extension 2

PRETORIA

Compulsory Briefing Session on: 26 April 2019

Briefing Time: 11:00 AM

Venue: PIC Offices: Menlyn Maine Central Square, Corner Aramist Avenue & Corobay Avenue,
Waterkloof Glen Extension 2

Validity Period: 120 days

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DEFINITIONS AND ABBREVIATIONS

- 1.1 **B-BBEE** means black broad-based economic empowerment;
- 1.2 **B-BBEE** status level of contributor means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of good practice on Black Economic Empowerment, issues in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- 1.3 **Bid** means a written offer in a prescribed or stipulated form in response to an invitation by PIC for the provision of goods and services, through price quotations, advertised competitive tendering processes or proposals;
- 1.4 **BBBEE Act** means the Broad Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- 1.5 **Consortium or joint venture** means an association of persons for the purpose of combining their expertise, property, capital, skill and knowledge in an activity for the execution of a contract;
- 1.6 **Contract** means the agreement that results from the written acceptance of a bid by the PIC and successful negotiation and signature of same by both parties delegated authorities;
- 1.7 **Functionality** means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
- 1.8 **Management** means an activity inclusive of control and performed on a daily basis, by any person who is a principal executive officer of the company, by whatever name that person may be designated, and whether or not that person is a director;
- 1.9 **Ownership** means the percentage ownership and control, exercised by individuals within an enterprise;
- 1.10 **Validity Period** means the time period for which price quotation for the provision of goods and services shall remain valid, in this case, being a period of 120 (one hundred and twenty) days;

1.11 **PPFA** means the Preferential Procurement Policy Framework Act, 2000 (Act No 5 of 2000);

1.12 **SANAS** means the South African National Accreditation System; and

1.13 **POPIA** means the Protection of Personal Information Act, 2013 (Act No 4 of 2013)

1.14 **GDPR** means the General Data Protection Regulation (EU) 2016/679

1. INTRODUCTION

The Public Investment Corporation (PIC) is an asset management company wholly owned by the government of the Republic of South Africa duly represented by the Minister of Finance. The PIC Investment Manager on behalf of public sector funds which include Government Employees Pension Fund (GEPF), Unemployment Insurance Fund (UIF) and Compensation Fund.

Established in 1911, the PIC ranks amongst the best and successful asset management firms in the world and is by far the biggest in Africa. The PIC runs one of the most diversified portfolios, which is made-up of multiple asset classes. These assets include listed equities, real estate, capital market, private equity and impact investing. Through listed investments, the PIC controls over 10% of the Johannesburg Stock Exchange and has direct and indirect exposure to almost all sectors of the South African economy. The corporation has a mandate to invest in the rest of the African continent and beyond. Over and above generating financial returns for clients, through its impact-investing programme, the PIC seeks to generate social returns by investing in projects that ensure inclusive growth. The PIC supports the United Nations' Sustainable Development Goals and considers environment, social and governance issues in all its investments.

The PIC has a Risk department which is responsible for the ongoing measurement, monitoring and reporting of portfolio investment performance, portfolio risk which encompasses market risk, credit risk which encompasses counterparty risk and credit migration, compliance risk and operational risk. The department has identified a need to source a new Credit Risk Management Solution.

2. PURPOSE

The Public Investment Corporation seeks responses from suitably qualified business partners with a proven track record of implementing and managing a Credit Rating Solutions to improve ability to assess credit risk for unlisted/private firms at deal origination, monitoring credit quality improvement or deterioration of unlisted investments and the pricing of credit risk. The service providers are required to provide professional services and to demonstrate the right level of skills and experience for the services required for a period of five (5) years.

3. BACKGROUND

The PIC Risk Management Department is currently using credit risk rating system services with capabilities to assess credit risk for unlisted/private firms at deal origination, monitoring credit quality improvement or deterioration of unlisted investments and the pricing of credit risk.

The solution that the PIC was using has expired and there is a requirement to procure a new solution.

4. SCOPE OF WORK

The purpose of this bid is to request proposals from competent and highly qualified bidders, who have sufficient experience in supplying, installing and maintaining the Credit Rating Solution for the PIC. The following areas are required to be implemented by the solution for+ _12 employees who are located at the Head office in Pretoria.

Bidders must indicate compliance with this requirement as follows- By ticking ✓ the relevant box "Comply" or "Not Comply" in the event that no tick ✓ is made it will be accepted that the bidder does "Not Comply".

The table below indicates the mandatory requirements that the solution should address:

	Requirements	Comply	Not Comply	Reference/Comments
NO.				
1.	Be able to calculate highly predicative probability of default (PD) /expected default frequency (EDF) estimates over any horizon between one and five years. The model must be dynamic and granular enough to incorporate default data at a minimum sector level.			

	Requirements	Comply	Not Comply	Reference/C omments
2.	Be able to calculate predicative probability of default (PD)/expected default frequency (EDF) for the South African Market, by using a local model which incorporates South African default data, tax laws and bankruptcy laws.			
3.	Be able to calculate predicative probability of default (PD)/expected default frequency (EDF) for the Rest of Africa (ex RSA) Market, by using a local model which incorporates Rest of Africa (ex RSA) default data, tax laws and bankruptcy laws.			
4.	Model input data must be current and updated at least on a monthly basis.			
5.	Map the EDF to a rating agency rating (Global and National scale ratings).			
6.	Capability to incorporate qualitative rating factors into the overall EDF/PD.			

	Requirements	Comply	Not Comply	Reference/Comments
7.	Be a solution provider with a proven track record of supporting the South African financial services industry and be committed to developing their products in line with the industry requirements.			
8.	Ability to batch import and export data in various file formats.			
9.	Ability to provide a capability of integrating/feeding essential financial market (rating data) into other internal systems in a seamless manner.			

The table below is an evaluation of the extent of compliance to the mandatory requirements

	Requirements	Weight (%)
NO.		
1.	Be able to calculate highly predicative probability of default (PD)/ expected default frequency (EDF) estimates.	
1.1.	Ability to calculate highly predicative probability of default (PD) of entities located within South Africa.	15
1.2.	Ability to calculate highly predicative probability of default (PD) of entities for different economic sectors/industries within South Africa.	10
1.3.	Ability to calculate highly predicative probability of default (PD) of entities located within Africa (ex South Africa).	15

NO.	Requirements	Weight (%)
1.4.	Ability to calculate highly predicative probability of default (PD) of entities for different economic sectors/industries within Africa (ex South Africa).	10
2.	Display valuable ratio diagnostics and their individual contributions to the overall risk rating qualitatively and quantitatively.	
2.1.	Ability to decompose the key drivers to a particular entities overall rating (e.g. split between quantitative and qualitative contributions to the overall risk rating).	5
2.2.	Quantitatively attribute an entities risk rating by decomposing the quantitative factors/ratios that have led to an entities rating.	5
2.3.	Attribute an entities risk rating by decomposing the qualitative factors that have led to an entities rating.	5
3.	Illustrate the sensitivity of a company's PD/EDF to changes in various input.	10
4.	Be able to capture the impact of changes in the credit cycle on the PD/EDF credit measures (i.e. the ability to give a rating a different dates/stages of the credit cycle).	5
5.	Capability to measure expected loss (EL) at an instrument level for unlisted investments.	
5.1.	Be able to calculate Expected Loss at an instrument level	2,5
5.2.	Provide relevant Loss Given Default assumptions at an instrument level	2,5
6.	Produce flexible output reports in different formats at a counter party and portfolio level.	
6.1.	Ability to produce flexible output reports in different formats at an instrument level and portfolio level.	5

NO.	Requirements	Weight (%)
6.2.	Ability to produce flexible output reports in different formats at a portfolio level.	5
6.3.	Be able to provide structured reports in different formats for database/ data warehouse consumption	5
Total		100

5. INFORMATION SECURITY REQUIREMENTS

No	Description	Requirement Fulfilled Yes/No	Bidder Comment (Compulsory)	Reference Page on Proposal
1.	The solution must be protected against the OWASP Threats			
2.	Ensure privacy requirements are met (e.g., the need to protect the confidentiality of customer records or personally identifiable information (PII) such as investee and deal details			
3.	Solution must provide for sound Identity and Access Management			
4.	Encryption - Solution must be able to provide adequate protection for Sensitive information in transit (e.g., between client and server) must be protected against unauthorized disclosure			

No	Description	Requirement Fulfilled Yes/No	Bidder Comment (Compulsory)	Reference Page on Proposal
5.	Session management - Application must be capable of issuing session IDs that are unique to users and must be randomly generated, and issued after successful authentication			
6.	De-personalizing of Data - The solution must have the capability to scramble investment data as well as the capability to mask sensitive information			
7.	Solution must ensure confidentiality, integrity and availability of information throughout its life cycle			
8.	Archiving and Backup capability – Ability to archive and backup data			
9.	Recoverability – ability to recover within reasonable time of power failure or network failure			
10.	Application must support audit logging of all Transactions at database and application level; Audit trail – all system transactions to have date, time, and user identity			

No	Description	Requirement Fulfilled Yes/No	Bidder Comment (Compulsory)	Reference Page on Proposal
11.	Capability for the audit logs generated by the system/solution to be able to integrate with Security Events and Information Management (SEIM) systems			
12.	Segregation of Duties – Ability to enforce separation of duties through defined user roles and rights			
13.	Security-related events generated for each not only for access attempt but the significant system and network events (e.g., service creation, system crash, object deletion and failed login attempt);			
14.	Incorporate relevant event attributes in event entries (e.g., Process description, process owner, IP address, username, time and date, protocol used, port accessed, method of connection and name of device			

6. PROJECT MANAGEMENT SERVICES

The PIC recognizes the extent of the scope of work that the service provider will be engaging in to implement the desired solution. The PIC further recognizes the importance of employing the correct delivery model from the onset.

Bidders must provide detailed description of their process/ methodology to convey to the PIC that it is capable to implement its proposed service on time

7. SERVICE MANAGEMENT

The Bidder to provide the Service Level Agreement for Support and Maintenance for a period of 5 years stipulating the following:

- Relationship Management Activities
- Service Levels: Service Priority Levels and associated Turnaround times(response and resolution turnaround time)
- Services credit methodology in case of a Service Level Breach; and
- Sample service level reporting

8. CLIENT REFERENCES

The bidder to provide:

- A minimum of three (3) companies where similar work has been implemented within the last five (5) years.
- The bidders are requested to provide PIC with details of clients in order for the PIC to complete the reference checks.
- This information must also include, the name of the entity, size of the entity designation of contact, contact person, contact number, a project implemented and implementation date.
- It is preferred that a listing of the bidder's references is relevant to similar implementation that PIC is requesting proposals for.
- A reference letter from Clients.

9. PRICING

Service providers are required to submit a proposal for all services outlined in the Scope of work. The costs for the service provider's proposal should be submitted in a separate document in line with the Scope of Work identified. It is the responsibility of the Bidder to ensure the accuracy of the pricing as part of the response.

- Costs should include all costs for services on the Pricing Proposal.
- When completing the Pricing please take note of the following:
- All pricing (software, license fees, professional fees, annual maintenance fees, training, installation, documentation, support, etc.) to be quoted in South Africa Rand.
- Annual increases must not exceed CPI related to the specific year. All prices should be exclusive of VAT.
- Disbursement will be negotiated during contract in line with PFMA or National Treasury Regulations. Payments must consider the milestones completed in the project.

Price and BEE (BEE Level contributor, ownership, executive management)

10. PROPOSED RESPONSE FORMAT

For the purpose of ease in evaluating the bids, Bidders are required to present their bid documentation under the following headings:

Reference	Title	Guideline
Section 1	Cover letter	Brief company background, services and expertise, contact name and details of delegate authorized to make representations for the organization.
Section 2	Understanding of the PIC Requirements	Outline your understanding of the PIC Request for Proposal

Section 4	Scope of Work	Respond and cover all items presented in section 4 and 5.
Section 4	Project Management Services	Respond and cover all items presented in section 6 of this document.
Section 5	Information Security Services	Respond and cover all items presented in section 5 of this document
Section 6	Client References	Provide a summary of client references as outlined in section 8
Section 6	Service Management	Should cover the proposed SLA, support and maintenance plan - in section 7
Section 7	Pricing Proposal	Cover all costs in detail as per pricing proposal details outlined in section 9 and 11.3
Section 8	PIC legal terms and conditions	Comply with the PIC legal contract terms and conditions 12.10 to 12.11.2.8.

11. EVALUATION CRITERIA

Proposals will be evaluated in the following three Phases:

- **Phase 1:** Compliance with administrative requirements
- **Phase 2:** Technical/Functional evaluation of proposals in terms of requirements.

References responses (site visits if taking place)

- **Phase 3: Shortlisted** Bidders to conduct compulsory demonstration.
- **Phase 4:** Price and BBBEE scoring in terms of PPPFA.

11.1. Phase 1: Minimum and Administrative Requirements

- ***The bidder will proceed to the next stage when they comply with the following requirements:***

Submission of:

- A valid Tax Pin number. BBBEE status level certificate –Accredited by SANAS or IRBA BEE verification agencies,
- EME's with an annual total revenue of R10 million or less are required to obtain a sworn affidavit or certificate issued by companies Intellectual Property Commission (CIPC)
- Signed declaration of interest document
- Completed and signed SBD1 document
- Completed and signed Company Information document and submission of all the required documentation as stipulated in the company profile document
- Acceptance of the conditions as stipulated in the bid document
- Submission of the bid document and a pricing quotation.
- All documents should be indexed, clearly marked with bid number.
- Technical and administrative requirements (one document) and should be clearly separated with heading Administrative and Technical.
- The CSD (Central Supplier Database) is a single source of all supplier information for all spheres of government and all suppliers engaging with the PIC must be registered on the CSD. **Kindly enclose your CSD registration number.** _____

11.2. Phase 2: Technical / Functional Criteria

With regard to technicality/functionality, the following criteria shall be applicable and the maximum weight of each criterion is indicated in the table below:

Criteria	Definition	Weighting
1. Functionality	<p>Adherence to section 4 & 5 of the RFP:</p> <ul style="list-style-type: none"> • Business Requirements • Security Audit requirements <p>(Failure to meet the minimum score of 80% for this criteria will result in the bidder being disqualified from further evaluation)</p>	80

Criteria	Definition	Weighting
2.References	Provide list of contactable references for similar services Bidder' overall experience to be in 5 years in Financial Services industry, preferably in Asset &Investment Management. Bidder to provide three contactable references of similar project implemented in the last 3 years.	10
3. Project Management	As Per Section 5 of the RFP: • Project Methodology	10
Total		100%
Minimum Threshold		70%

11.3. Phase 3: Pricing Requirements

11.3.1 Price and BEE (BEE Level contributor, ownership, executive management)

Pricing: Prices must be quoted in South African Rand excluding VAT.

Price	Rand Value
<i>(Kindly submit a detailed price breakdown as per the scope requirements)</i>	

11.3.2 Support and Maintenance Service

Year 1	To be included
Year 2	
Year 3	

11.3.3 All bidders to submit their pricing as per schedule below-

- (a) Annual increases must not exceed CPI related to the specific year;
- (b) A maximum of 90 points is allocated for price on the following basis:

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

P = Points scored for price of bid under consideration

11.4.1 Bidders with annual total revenue of R5 million or less qualify as Exempted Micro Enterprises (EMEs) in terms of the Broad-Based Black Economic Empowerment Act, and must submit a certificate issued by a registered auditor, accounting officer (as contemplated in Section (60 (4) of the Close Corporation Act, 1984 or an accredited verification agency.

11.4.2 Bidders other than the Exempted Micro-Enterprises (EMEs) must submit their original and valid BBBEE status level verification certificate or a certified copy thereof issued by a SANAS accredited agency, substantiating their BBBEE rating.

Pt. = Rand value of bid under consideration

Pmin = Rand value of lowest acceptable bid

11.4. Broad-Based Black Economic Empowerment Status Level Certificates

11.4.3. Points will also be awarded based on a bidder for attaining their B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points /20
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non- compliant Contributor	0

11.5. Ownership

11.5.1. Indicate percentage of Black ownership

_____ %

11.5.2.. Indicate a percentage of black executive management

_____ %

11.5.3. List of Shareholders

Name	ID No	SA Citizen	Race	Gender	Shareholding %

Name	ID No	SA Citizen	Race	Gender	Shareholding %

- 11.6. Points scored in terms of the 80/20 preference system will be added to the points scored for % black ownership and % of black Executive Management.
- 11.7. Points scored will be rounded off to the nearest two decimal places.
- 11.8. The Bidder who scored the highest point will be awarded the bid.
- 11.9. In the event where two or more bidders scored equal points, the successful bidder must be the one scoring the highest preference points for BBBEE.

11.10. However, when functionality is part of the evaluation process and two or more bidders have scored equal points including equal preference points for BBBEE, the successful bidder must be the one scoring the highest for functionality.

11.1. Should two or more bidders be equal in all respects, the award shall be decided by the drawing of lots.

12. CONDITIONS

12.1. Non-Commitment

12.1.1. The PIC reserves the right to withdraw or amend these terms of reference by notice in writing to all parties who have received the terms of reference prior to the closing date.

12.1.2. The cost of preparing of bids will not be reimbursed.

12.2. Reasons for rejection

12.2.1. The PIC reserves the right to reject bids that are not according to specification/Terms of Reference. Bidders must clearly indicate compliance or non-compliance with specification/Terms of Reference.

12.2.2. Bidders shall not contact the PIC on any matter pertaining to their bid from the time the bids are closed to the time the bid has been adjudicated. Any effort by a bidder to influence the bid evaluation, bid comparisons or bid award decisions in any matter, may result in rejection of the bid concerned.

12.2.3. The PIC shall reject a submission if the Bidder has committed a proven corrupt or fraudulent act in competing for a particular contract.

12.3.4. The PIC may disregard any submission if that Bidder, or any of its directors

12.3.4.1. Have abused the Supply Chain Management (SCM) system of any Government Department/ institution;

12.3.4.2. Have committed proven fraud or any other improper conduct in relation to such system;

12.3.4.3. Have failed to perform on any previous contract and the proof thereof exists; and/or

12.3.4.4. Is restricted from doing business with the public sector if such a bidder obtained preferences fraudulently or if such bidder failed to perform on a contract based on the specific goals.

12.4. Cancellation of Bid

12.4.1. The PIC may prior to the award of a bid, cancel a bid for the following reasons -

12.4.1.1. Due to changed circumstances, there is no longer a need for the goods or services requested;

12.4.1.2. Funds are no longer available to cover the total envisaged expenditure;

12.4.1.3. No acceptable bids are received.

12.4.2. The PIC may after award of the tender but before conclusion of a contract, cancel a bid for the following reasons-

12.4.2.1. Due to change of circumstances, there is no longer a need for the goods or services requested;

12.4.2.2. Funds are no longer available to cover the total envisaged expenditure.

12.5. Clarifications

12.5.1 Any clarification required by a bidder regarding the meaning or interpretation of the

12.5.2 Document, or any other aspect concerning the submission, is to be requested in writing e-mail to tenders@pic.gov.za.

12.6. Receipt of Bids

12.6.1 Each bid shall be in writing using non -erasable ink and shall be submitted on the official document of Bid issued with the bid documents. The bid shall be submitted in a separate sealed envelope with the name and address of the bidder, the bid number and title, the bid box number (where applicable), and the closing date indicated on the envelope. The envelope shall not contain documents relating to any bid other than that shown on the

envelope. The onus shall be on the bidder to place the sealed envelope in the official marked locked bid box provided for this purpose, at the designated venue, not later than the closing date and time specified in the bid notice.

12.6.2 Postal bids will be accepted for consideration only if they are received in sufficient time to be lodged in the appropriate bid box by the closing time for such bids, it being understood that PIC disclaims any responsibility for ensuring that such bids are in fact lodged in the bid box. Proof of posting of a bid will not be accepted as proof of delivery to the appropriate place for the receipt of bids.

12.6.3 Documents submitted on time by bidders shall not be returned and shall remain the property of the PIC.

12.7. Late Bids

12.7.1 Bids received late shall not be considered. A bid will be considered late if arrived only one second after 11h00 or any time thereafter. The tender box shall be locked at exactly 11h00.

12.7.2 Bids received late shall be returned unopened. Bidders are therefore strongly advised to ensure that bids be dispatched allowing enough time for any unforeseen events that may delay the delivery of the bid.

12.8. Presentations

12.8.1 The PIC will require presentations at a stipulated date and time from short-listed bidders as part of the bid process.

12.9. Service Level Agreement (SLA)

12.9.1. The SLA will set out the administration processes, service levels and timelines.

- 12.9.2. The award of a tender shall always be subject to successful negotiation and conclusion of an SLA / contract. There will be no binding agreement between the parties if a contract has not been concluded.

12.10. Contracting

- 12.10.1. Bidders are advised that a valid contract will only come into existence between the PIC and the successful bidder after conclusion of successful negotiations and signature of the Contract by both parties' respective delegated authorities.

- 12.10.2. Key contractual principles that successful bidders must accept in the final contract are as follows:

12.10.2.1. Duration

Contracts will be for a fixed period. There will be no auto-renewals.

12.11.2.2. Limitation of Liability

The limitation of liability is subject to negotiation and will be informed by the contract value and risk associated with the contract.

12.11.2.3. Ownership of Data

The PIC shall retain ownership of the Data and all Intellectual Property Rights in and to all the Data.

12.11.2.4. Termination of Convenience

PIC requires a clause addressing termination of convenience

12.11.2.5. Governing Law

The PIC preferred Governing Law of the Contract between the parties is the law of the Republic of South Africa. In the event that the parties cannot agree on South African law, the PIC will accept the law of England.

12.11.2.6. Warranty

The Successful Bidder warrants that it:

- is authorised to enter into an Agreement and able to perform each of its duties in terms of the Agreement;
- is suitably qualified to provide the Services;
- is registered with the relevant industry body and its employees have the required certification and licences; and
- has public liability insurance cover commensurate with the risks to which it is exposed for the Term of the Agreement. Documentary proof of such insurance cover is to be provided to on or before the Date of Signature.

The Bidder shall provide the Services:

- with due care and skill;
- in accordance with the terms and conditions of this Agreement; and
- in compliance with all applicable laws and regulations.

The Bidder further warrants and guarantees that:

- the Services shall be rendered and executed in a professional manner in accordance with the standards agreed between the Parties and expected in the relevant industry; and
- the personnel tasked with rendering the Services have completed the requisite formal training and have the expertise to execute their functions properly, in particular regarding but not limited to:
- the execution of their Services, having regard for the legal aspects thereof;

12.11.2.7. Data Storage

The Successful Bidder must disclose where the data is stored. PIC requires data to be stored in the Republic of South Africa or an EU jurisdiction.

12.11.2.8 Exit Management

If this Agreement is terminated in whole or in part for any reason whatsoever the provisions of the exit management plan agreed (if any) between the Parties shall come into effect and in any event, including where no agreed exit management plan exists, the Supplier shall co-operate fully with the PIC to ensure an orderly migration of the Services to the PIC or, at the PIC's request, a new supplier (an **Orderly Migration**). Without limiting the afore going, the PIC shall be entitled to require the Supplier to continue to provide the Services for up to **[6 (six)]** months after the effective date of the termination of this Agreement on the same payment terms if, in the opinion of the PIC, such continuation is required in order to allow for an Orderly Migration. Co-operation by the Supplier shall include (without limitation), at the PIC's election, the provision by the Supplier of such personnel, equipment, resources, software, documentation, training and consultancy as may reasonably be required to enable an Orderly Migration and the return of the PIC's data in the manner, timeframes and a form and format specified by the PIC.

PART A

SBD 1

13. INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE PUBLIC INVESTMENT CORPORATION					
BID NUMBER:	PIC 001/19	CLOSING DATE:	24 May 2019	CLOSING TIME:	11:00 AM
DESCRIPTION	APPOINTMENT OF A SUITABLY QUALIFIED BUSINESS PARTNER TO IMPLEMENT A CREDIT RISK SOLUTION INCLUDING MAINTENANCE AND SUPPORT OF THE SOLUTIONS FOR A PERIOD OF FIVE YEARS				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
Menlyn Maine Central Square					
Corner Aramist Avenue & Corobay Avenue					
Waterkloof Glen Extension 2					
Tender Box is located on ground floor: Between ABSA and Woolworths					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON			CONTACT PERSON		
TELEPHONE NUMBER			TELEPHONE NUMBER		
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS			E-MAIL ADDRESS		
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					

SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX]		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX]
	<input type="checkbox"/> Yes <input type="checkbox"/> No				<input type="checkbox"/> Yes <input type="checkbox"/> No
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?					<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE A BRANCH IN THE RSA?					<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?					<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?					<input type="checkbox"/> YES <input type="checkbox"/> NO
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?					<input type="checkbox"/> YES <input type="checkbox"/>
NO					
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

PART B

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO SIGN A SERVICE LEVEL AGREEMENT.**

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- 2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

(Proof of authority must be submitted e.g. company resolution)

DATE:

14. DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favoritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorized representative declare his/her position in relation to the evaluating/adjudicating authority where-

- the bidder is employed by the state; and/or
- the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

2.1 Full Name of bidder or his or her representative:

.....

2.2 Identity Number:

.....

2.3 Position occupied in the Company (director, trustee, shareholder²)

.....

2.4 Company Registration Number:

.....

2.5	Tax	Reference	Number:
-----	-----	-----------	---------

.....

2.6	VAT	Registration	Number:
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.....

2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

¹“State” means –

- (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

²"Shareholder" means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

2.7 Are you or any person connected with the bidder **YES / NO**

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member:

.....

Name of state institution at which you or the person

Connected to the bidder is employed:

Position occupied in the state institution:

Any other particulars:

.....

.....

.....

2.7.2. If you are presently employed by the state, did you obtain the **YES/NO** appropriate authority to undertake remunerative

Work outside employment in the public sector?

2.7.2.1 If yes, did you attach proof of such authority to the bid document? **YES/NO**

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

2.7.2. If no, furnish reasons for non-submission of such proof:

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

2.8. Did you or your spouse, or any of the company's directors / **YES / NO**
trustees / shareholders / members or their spouses conduct business with
the state in the previous twelve months?

2.9 If so, furnish particulars:

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

2.10 Do you, or any person connected with the bidder, have **YES / NO**

any relationship (family, friend, other) with person employed
by the state and who may be involved with the evaluation and or
adjudication of this bid?

2.10.1 If so, furnish particulars.

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

2.11. Are you, or any person connected with the bidder, **YES/NO**
aware of any relationship (family, friend, other) between any other bidder and any
person employed by the state/PIC who may be involved with the evaluation and or
adjudication of this bid?.

2.11.1. If so, furnish particulars.

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

2.12. Do you or any of the directors / trustees / shareholders / members **YES/NO** of the
company have any interest in any other related companies whether or not they are
bidding for this contract?

2.12.1. If so, furnish particulars:

.....

.....

.....

3 Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	Personal Tax Reference Number	State Employee Number / Personal Number

DECLARATION 1

I, THE UNDERSIGNED (NAME).....

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

I ACCEPT THAT THE PIC MAY REJECT THE BID OR ACT AGAINST ME SHOULD THIS
DECLARATION PROVE TO BE FALSE.

.....

Signature

.....

Date

.....

Position

.....

Name of bidder

15. COMPANY INFORMATION

Please complete the following questionnaire:

1. Company Name:

--

2. Other Trading Names:

--

3. Type of Organization: (Public Company ('Limited'), Private Company ('(Pty) Ltd'), Close Corporations ('cc'))

--

4. Physical and Postal Address of the Company:

Postal Code:	Postal Code:

5. Contact Details

Contact Name	
Contact Number	
Cell Number	
Email Address	
Alternative Contact	
Email Address	
Contact Number	

6. Company Information

Average no. of employees:	
Average annual turnover:	

Type of Enterprise: (e.g. Generic, Qualifying small enterprise, Exempted Micro Enterprise)	
Industry in which the entity operates:	

7. Banking Details

Banker:	
Auditor:	
Year of Establishment:	
Registration number of entity:	
Sector:	

*A letter from your bank with a bank stamp or cancelled cheque must be submitted.

8. Tax Registration Details:

Income Tax Reference Number:	
VAT Registration Number:	
PAYE Registration Number:	

9. List of Shareholders:

*** ID Documents of the Board of directors/members, owners, shareholders or executive committee must be submitted.**

*** CIPC Documents must be attached.**

B-BBEE (Broad-based Black Economic Empowerment) Status Details:

Please tick the relevant box(es):

STATUS	INDICATION
<p>The company has been independently verified (assessed / rated / certified)</p> <p><i>Please submit the B-BBEE verification certificate.</i></p>	<input type="checkbox"/>
<p>The company is in the process of being verified. Please submit a letter from verification agency.</p> <p><i>(i.e. verification to be completed within a maximum of 2 months)</i></p>	<input type="checkbox"/>

DECLARATION 2

Bidder Name: _____

Signature: _____

Designation: _____

I declare that:

- All information provided is true and correct
- The signatory of the bid document is duly authorised
- Documentary proof regarding any bid issue, will, when required be submitted to the satisfaction of the PIC

PIC will upon detecting that:

- The BBBEE status level of contribution has been claimed or obtained on a fraudulent basis;
- Any of the conditions have not been fulfilled act against the bidder.

I understand that:

PIC may:

- Disqualify the bidder from the bidding process;
- Recover all costs, losses or damages it has incurred or suffered as a result of the bidder's conduct
- Cancel the contract and claim any damages which has suffered as a result of having less favorable arrangements due to cancellation
- Restrict the bidder, its shareholders and directors or only shareholders and directors who acted on fraudulent basis, from obtaining business from any organ or state for a

period not exceeding 10 years after audi alteram partem (hear the other side) rule has been applied; and

- Forward the matter for criminal prosecution

Thus signed and accepted on this _____^{st / nd / rd / th} day of _____, 20____
at _____:

Who warrants his / her authority hereto

For and on behalf of:
