

ANNEXURE “H”

TERMS OF REFERENCE (“TOR”)

CIPC BID NUMBER: 17/2018/2019

**DESCRIPTION: INVITATION TO BIDDERS TO SUBMIT
PROPOSALS FOR THE APPOINTMENT OF A
GROUP RISK INSURANCE/ASSURANCE
PROVIDER FOR ALL CIPC EMPLOYEES**

CONTRACT PERIOD: “AS AND WHEN REQUIRED”

TERMS AND CONDITIONS OF REQUEST FOR QUOTATION (RFT)

1. The bidder must provide assurance/guarantee to the integrity and safe keeping of the information (that it will not amended/corrupted/distributed/permanently stored/copied by the service provider) for the duration of the contract and thereafter.
2. The successful bidder must at all times comply with CIPC's policies and procedures as well as maintain a high level of confidentiality of information.
3. The successful bidder must ensure that the information provided by CIPC during the contract period is not transferred/copied/corrupted/amended in whole or in part by or on behalf of another party.
4. Further, the successful bidder may not keep the provided information by way of storing/copy/transferring of such information internally or to another party in whole or part relating to companies and/or close corporation.
5. As such all information, documents, programs and reports must be regarded as confidential and may not be made available to any unauthorized person or institution without the written consent of the Commissioner or his/her delegate.
6. The service provider will therefore be required to sign a declaration of secrecy with CIPC. At the end of the contract period or termination of the contract, all information provided by CIPC will become the property of CIPC and the service provider may not keep any copy /store/reproduce/sell/distribute the whole or any part of the information provided by CIPC unless authorized in terms of the declaration of secrecy.
7. CIPC's standard conditions of purchase shall apply.
8. Late and incomplete submissions will not be accepted.
9. Any bidder who has reasons to believe that the RFT specification is based on a specific brand must inform CIPC before RFT closing date.
10. Bidders are required to submit an original Tax Clearance Certificate for all price quotations exceeding the value of R30 000 (VAT included). Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of this RFT. Certified copies of the Tax Clearance Certificate will not be acceptable.
11. No services must be rendered or goods delivered before an official CIPC Purchase Order form has been received.
12. This RFT will be evaluated in terms of the 80/20 system prescribed by the Preferential Procurement Regulations, 2001.
13. The Government Procurement General Conditions of contractors (GCC) will apply in all instances.
14. As the commencement of this project is of critical importance, it is imperative that the services of the service provider are available immediately. Failing to commence with this project immediately from date of notification by CIPC would invalidate the prospective service provider's proposal.
15. No advance payment would be made. CIPC will pay within the prescribed period as according to PFMA.
16. All price quoted must be inclusive of Value Added Tax (VAT)
17. **All prices must be valid for 120 days.**
18. The successful contractor must at all times comply with CIPC's policies and procedures as well as maintain a high level of confidentiality of information.
19. All information, documents, programmes and reports must be regarded as confidential and may not be made available to any unauthorised person or institution without the written consent of the Commissioner or his delegate.
20. The service provider is restricted to the time frames as agreed with CIPC for the various phases that will be agreed to on signing of the Service Level Agreement.
21. CIPC will enter into Service Level Agreement with the successful service provider.

22. Prospective bidders are required to respond in chronological order to each element of the evaluation criteria in not more than four (4) pages per element, as eluded paragraph 6 (VI). You may include annexure, however for the purposes of the evaluation; focus would be on the four (4) page response to each element. Failing to comply with this condition will invalidate your proposal.
23. Travel between the consultants home, place of work to the dti (CIPC) vice versa will not be for the account of this organization, including any other disbursements.
24. Government Procurement General Conditions of contract (GCC) as issued by National Treasury will be applicable on all instances. The general conditions is available on the National Treasury website (www.treasury.gov.za).
25. Fraud and Corruption:
- 26.1 The Service Provider selected through this TOR must observe the highest standards of ethics during the performance and execution of such contract. In pursuance of this policy, CIPC:

Defines, that for such purposes, the terms set forth will be as follows:

- i. "Corrupt practice" means the offering, giving, receiving or soliciting of anything of value to influence the action of CIPC or any personnel of Service Provider(s) in contract executions.
- ii. "Fraudulent practice" means a mis-presentation of facts, in order to influence a procurement process or the execution of a contract, to CIPC, and includes collusive practice among bidders (prior to or after Proposal submission) designed to establish Proposal prices at artificially high or non-competitive levels and to deprive CIPC of the benefits of free and open competition;
- iii. "Unfair trade practices" means supply of services different from what is ordered on, or change in the Scope of Work
- iv. "Coercive practices" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the execution of contract.
- v. Shall reject a proposal for award, if it determines that the bidder recommended for award, has been engaged in corrupt, fraudulent or unfair trade practices.
- vi. Shall declare a Service Provider ineligible, either indefinitely or for a stated period of time, for awarding the contract, if it at any time determines that the Service Provider has been engaged in corrupt, fraudulent and unfair trade practice in competing for, or in executing, the contract.

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.

.....
Signature

.....
Date

Background

CIPC's mandate is the registration of companies, close corporations, cooperatives and intellectual property rights. Related services include the disclosure of information as well as dispute resolution arising out of infringements to these rights. CIPC is situated in Sunnyside, 77 Meintjies Street, The Dti Campus, Pretoria.

2. PURPOSE

CIPC would like to invite potential service providers in the insurance industry to provide Group Risk Insurance for its employees as an employment benefit. CIPC currently has a staff compliment of five hundred and two (502) and might grow to five hundred and sixty (560) in the near future.

3. SPECIFICATION / SCOPE OF WORK

The Insurance Provider / Broker to be appointed will be for **as and when it is required**, from the date of commencement of the contract, subject to notice period of 90 days by either party to terminate the contract.

4. FUNCTIONS OF BROKER / DELIVERABLES

The Insurance Provider / Broker shall, subject to approval by the CIPC, where applicable, be responsible for, but not limited to, the following functions:-

4.1.1 Arranging the CIPC's Group Life Insurance Portfolio.

- 4.1.1.1 Monitoring the terms and conditions offered by insurance companies in respect of insurance contracts issued to the CIPC and advice the CIPC or its delegated representative on the findings. The adequacy of the level of cover will be the responsibility of the CIPC or its delegated representative.
- 4.2 Carrying out a rebroking exercise at least once during every three year period.
- 4.3 Monitoring the claims process as and when required by the CIPC to ensure the efficient operation of the arrangement.
- 4.4 Liaison between the underwriter and the CIPC regarding the insurer's medical requirements.
- 4.5 Liaison between the underwriter and the CIPC on repudiation of claims and legal matters pertaining thereto.
- 4.6 Ascertaining and calculating the benefits payable in terms of the Rules of the Scheme.
- 4.7 Attending all Meetings and advising on the distribution of death benefits to beneficiaries.
- 4.8 Obtaining and providing legal opinions or legal advice on the Scheme or allocation of death benefits.
- 4.9 Providing assistance with election and training of CIPC insurance staff.
- 4.10 Undertaking research required by the CIPC.
- 4.11 Assisting the CIPC with presentations and preparation of communications, if required during the death of employee.
- 4.12 Performing any other functions related to management of the Scheme required by the CIPC from time to time.

5. SCOPE OF GROUP LIFE INSURANCE SCHEME

Group Life benefits shall be provided to:-

- Every person who is in the full-time service of the CIPC, excluding contract workers employed for a fixed term of less than six months except if a contract worker is on a long-term contract and is already receiving the benefit at the date of commencement of the new scheme, in which case membership continues.
- Provision of Service Provider: Provide / Broker to Administer the Group Life Scheme for the CIPC.

5.1 Compulsory Death and Disability Cover

Employees to be offered a 2 x annual salary death and disability cover (This portion of premiums will be covered by the CIPC.)

5.2 Funeral cover

Employees to be offered a funeral benefit of R30 000 for the employee of CIPC and spouse. (This portion of premiums will be covered by the CIPC.)

5.3 Premium

The acceptance of a premium is subject to approval by the CIPC.

5.3.1 Free Cover Limit

The Free Cover Limit is to be increased by the same percentage cost of living increase awarded to employees annually.

5.3.2 Death and Funeral Benefits

Death and funeral benefits are to be paid in a lump sum.

5.3.3 Disability Benefits

Disability benefits are to be paid in 60 (sixty) equal monthly installments.

5.3.4 No waiting period is to apply to the submission of disability claims.

5.3.5 Continuation of cover at Retirement

There shall be no continuation of cover at Retirement.

6. INFORMATION REQUIRED

All information regarding salary, age, gender, etc. of employees to be covered by this Tender will be supplied by the CIPC. Any information provided must be treated as confidential and may not be used for any other purposes.

Extension of the scheme

New employees are to be admitted to the Scheme on a compulsory basis.

Governance

Every amendment to the scheme and every mandate for review shall be approved by the CIPC.

Cost structure

The costing structure shall include:

- Premiums (CIPC) - CIPC's premium for compulsory death, funeral and disability cover.

- Broker's Fee

Any Broker's Fee is to be included in the premium rates of the underwriter.

6.1 Contractual Period

The long-term, as and when it is required for the broker, subject to annual review.

6.2 Conditions applicable to this Tender

- i) The General Conditions of Contract for National Treasury will apply in all instances.
- ii) As the commencement of this project is of critical importance, it is imperative that the service provider is available immediately after appointment.
- iii) No advance payment will be made. CIPC will pay all invoices within the 30 days period as prescribed by National Treasury.
- iv) All prices quoted must be inclusive of VAT (if applicable).
- v) CIPC reserves the right to cancel or not to award this to any bidder.
- vi) The successful contract must at all times comply with CIPC's policies and procedures as well as maintain a high level of confidentiality of information.
- vii) All information, documents, programmes and reports must be regarded as confidential and may not be made available to any unauthorised person or institution without the written consent of the Commissioner his/her delegate.
- viii) The service provider is restricted to the time frames as agreed with CIPC for the various phases that will be agreed to on signing of the Service Level Agreement.
- ix) CIPC will enter into a service level agreement with the successful service provider
- x) Prospective bidders are required to respond in chronological order to each element of the evaluation criteria mentioned below. You may include annexures, however for the purpose of evaluation; focus would be on the evaluation criterion.

7. Pricing

In order to evaluate and adjudicate bids effectively it is imperative that bidders submit pricing as per table below and failure to do so will disqualify the bid.

Cost Per Employee per month	Cost Per Employee per annum	Total Cost Per Employee over 5 year period	Projected Escalation over 5 to 10 years	Firm increases of up to 10 years

- *Price validity period*
- *All prices must be inclusive of VAT*
- *Note: Service providers will be responsible for all costs; e.g. transportation and other disbursements for ALL activities/ meetings associated with this quote and must include this cost in the pricing for this quote.*

FAILURE TO COMPLY WITH THE ABOVE REQUIREMENTS SHALL IMMEDIATELY INVALIDATE THE BID.

PRICE PROPOSALS: (MUST BE PRINTED AND SUBMITTED IN A SEPARATE SEALED ENVELOP TOGETHER) AND MUST BE MARKED WITH THE BIDDERS DETAILS

1. **EVALUATION PROCESS (Criteria)**

The evaluation process will be done in accordance with the following criteria:

Bids will be evaluated in accordance with the **80/20** preference point system contemplated in the Preferential Procurement Policy Framework Act (Act 5 of 2000).

Evaluation Process (Phases)

Bids will be evaluated in accordance with the 80/20 preference point system contemplated in the Preferential Procurement Policy Framework Act (Act 5 of 2000).

The evaluation will be completed in 3 phases:

- Phase 1: Compliance to minimum requirements.
- Phase 2: Functional evaluation
- Phase 3: Pricing and Preferential Procurement policy.

Phase 1: Compliance to minimum requirements

During Phase 1 all bidders will be evaluated to ensure compliance to minimum document requirements (ex. Tax Clearance Certificates), ensuring all documents have been completed and that the specified documentation has been submitted in accordance to the bid requirements. All bidders that comply with the minimum requirements will advance to Phase 2.

Responsiveness Criteria: Failure to provide the following might result in a bid not to be considered: (minimum requirements)

- a) Bid offers must be properly received on the tender closing date and time specified on the invitation, fully completed and signed in ink as per Standard Conditions of Tender.
- b) Submission and completion of the Declaration of Interest
- c) Submission of an original and valid Tax Clearance Certificate
- d) Submission of the company's registration certificate from the Register of Companies (CIPC).
- e) National Treasury CSD report **WITH the Supplier number and Unique number**
- f) Proof of accreditation and compliance with the **Financial Advisory and Intermediary Services Act and/ or the Banking Act, are compulsory.**

Phase 2: Functional evaluation

As per the evaluation criteria

EVALUATION CRITERIA

Evaluation Criteria	Rating					Weight	Total
	1	2	3	4	5		
Functional Requirements							
Experience in the Industry (Years): Rating Between 0 -3 years = 2 Between 3 -7 years = 3 Between 7-10 years = 4 Greater than 10 years = 5 Provide proof that the company was active during the all the years.						20	
Provide Financial Statement for the past 3 years						10	
Track record of Clientele Between 0 – 500 000 = 2 Between 500 000 -1 mill = 3 Between 1 mill – 2 mill = 4 Between 2 mill – 5 mill = 5 NB: Indicate current number of clients						20	
Deliverables in terms of support, project plan, reporting, investment options etc						20	
Proof of accreditation and compliance with the Financial Advisory and Intermediary Services Act and/ or the Banking Act						20	
Innovation, additions and/or other improvements and options regarding the project						10	
TOTAL						100	

Note:

- Functionality will count out of 100 points. Bidders must achieve a minimum score of **60 points** out of 100 on the functionality evaluation to proceed to the next phase.
- Bidders that achieve less **than 60 points** on functionality will be disqualified for further evaluation.

Please Note: CIPC 6.1 Preference Points Claim Form in terms of the PPPFA is attached for claiming above mentioned points, if not completed the company will automatically score 0 points.

Preferential Procurement Policy

The bidders that have successfully progressed will be evaluated in accordance with the 80/20 preference point system contemplated in the Preferential Procurement Policy Framework Act (Act 5 of 2000).

Pricing

Pricing will be calculated using the lowest price quoted as the baseline, thus the lowest price quoted will achieve full marks, while all other quotes will achieve a weighted average mark based on the lowest price.

Description	Total
Price	80
BBBEE	20
Total	100

The bidder with the highest score will be recommended as the successful service provider.

2. SUBMISSION OF PROPOSALS

Sealed proposals will be received at the Tender Box at the Reception, 77 Meintjies Street, Sunnyside, the dti campus, Block F.

Proposals should be addressed to:

Manager (Supply Chain Management)
Companies and Intellectual Property Registration Office
Block F, the dti Campus, 77 Meintjies Street,
Sunnyside
PRETORIA

ENQUIRIES

A. Supply Chain Enquiries

Mr Solomon Motshweni OR Ms Ntombi Maqhula
Contact No: (012) 394 3971 /45344
E-mail: Nmaqhula@cipc.co.za OR SMotshweni@cipc.co.za

B. Technical Enquiries

Ms Tryphina Masuku
Contact No: (012) 394 3828
E-mail: tmasuku@cipc.co.za