



NATIONAL LIBRARY OF SOUTH AFRICA

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TERMS OF REFERENCE/SPECIFICATIONS FOR DIRECTOR'S LIABILITY INSURANCE FOR THE NLSA BOARD

CLOSING DATE: 27 MAY 2026

TIME: 11H00

NB: All proposal/quotation must be submitted to Quotations@nlsa.ac.za, kindly note that failure to submit via this email address will result in your proposal /quotation being rejected and disqualified.

1. BACKGROUND

- 1.1 The National Library of South Africa, hereafter referred to as NLSA, is a world class African National Library and Information Hub. The NLSA is responsible for collecting, recording, preserving, and making available the national documentary heritage of South Africa. The NLSA promotes awareness, appreciation and access to published documents, nationally and internationally and in doing so contributes to the development and prosperity of South Africa. The NLSA has campuses in Pretoria and Cape Town. Find the National Library of South Africa (NLSA) annual reports on www.nlsa.ac.za for financial profiling.
- 1.2 The NLSA is seeking quotations for the provision of Directors Liability Insurance for a period of 12 months at a value of R5 million per individual.

2. SCOPE OF WORK

2.1 The objective of this coverage is to:

- Provide insurance cover to offer liability protection for the National Library of South Africa Board of Directors (Nine Members), safeguarding them against claims arising from decisions and actions taken in the course of their duties.
- To safeguard the public entity from reputational and financial risks stemming from claims made against its leadership.

- Ensure compliance with applicable laws and regulations governing the liability of public entity Board Members.

2.2 The successful service provider will be required to provide comprehensive insurance coverage, which must include but not be limited to the following; specifically aligned to the insurance industry standards based on common Director's insurance risk scenarios:

- Directors' Liability: Coverage for claims arising from wrongful acts, including mismanagement, breach of fiduciary duty, negligence, or errors in judgment.
- Employment Practices Liability: Coverage for claims related to employment-related disputes, including wrongful dismissal, discrimination, harassment, or other employment-related issues.
- Regulatory Investigations and Legal Costs: Protection against costs related to investigations by regulatory bodies or government agencies.
- Third-Party Claims: Protection from claims made by third parties for damages resulting from actions taken by Board Members and inadequate or inaccurate disclosures.
- Indemnification for Legal Defense: Coverage for the costs of defending Board Members in the event of legal action.

2.3 The policy should cover both current and former Board members of the public entity.

2.4 The following are to be considered and specified in the insurance cover provisions:

- Current Board Members: Non-Executive Directors.
- Former Board Members: Coverage for claims arising during the period in which they were serving as Board Members.
- Policy Term: The Director's Insurance should be valid for a 12-month period, with an option for renewal.
- Coverage Limits: The policy must specify the limits of liability, including any sub-limits for specific types of claims (e.g., employment-related claims).
- Excess and Deductibles: The proposal should detail any excess or deductible amounts that will be applicable to the coverage.
- Exclusions: The proposal must clearly outline exclusions to the coverage.

2.5 Interested service providers are required to submit a detailed quotation that includes the following:

- Premium Amount: Total monthly and annual premium for the coverage over the 12-month period and premium increase should in the event of extension of period of cover.
- Terms and Conditions: Detailed terms of coverage, including exclusions, policy limits, and conditions.
- Claims Handling Process: Overview of the claims process, including timelines for claims submission, investigation, and settlement.

- Service Provider Information: Full details of the service provider, including qualifications, experience, and relevant accreditations.

3. DURATION OF THE PROJECT

The duration of the contract will be a minimum of 12 months. The NLSA expects the appointed service provider to commence this project as soon as the purchase order is issued.

4. CONDITIONS OF BID

- The NLSA reserves the right not to accept the lowest proposal.
- The NLSA reserves the right to appoint one or more Bidders.
- The NLSA reserves the right not to award the contract.
- The NLSA reserves the right to have any documentation, submitted by the successful Bidder checked or inspected by any other person or organisation.
- The NLSA will not be held responsible for any costs incurred by the Bidder in the preparation and submission of the RFQ.
- No upfront payment will be done by NLSA.
- The quotations shall remain valid for a period of 30 days and may be extended at the discretion of the NLSA.

4.1 Submission Timelines

- The Service Provider must submit all required forms for completion by NLSA within 7 working days, by 18 May 2026.
- The NLSA will return the completed forms within 3 working days, by 22 May 2026.

5. EVALUATION CRITERIA

5.1 Stage 1: Pre-Evaluation (standard bid documents)

5.1.1 Fully completed SBD 4 and SBD 6.1 forms.

5.1.2 The service provider must be registered with the National Treasury Central Supplier Database – (CSD).

6. Evaluation Stage 2: Technical Evaluation

Bidders are expected to obtain a minimum of seventy (70) points out of one hundred (100) points available to proceed to the next evaluation stage. Failure to obtain the prescribed points will automatically disqualify the bidder from proceeding to the next evaluation stage.

No.	Element	Weight	Points	Score
	Technical criteria			
1.	Experience of Service provider in Rendering Director's Liability Insurance References: Provide contactable reference letters from similar public sector entities, confirming experience that meets all the requirements set out below. The letters must be on the client's official letterhead, must be dated and must include the referee's name, signature, contact number, duration of the contract and scope of work. • 5 or more compliant reference letters = 20 points • 4 compliant reference letters = 15 points • 3 compliant references letters =10 points • 1 OR 2 compliant reference letters = 5 points • No reference letter = 0	20		
2.	Scope & Quality of Cover Comprehensive Cover provided to directors: • Comprehensive cover, including legal costs and regulatory investigation cover = 30 points • Comprehensive cover, including legal costs but excluding regulatory investigation cover = 15 points • Comprehensive cover, excluding both legal costs and regulatory investigation cover = 5 points	30		
3.	Experience in Handling Cases Service providers are required to submit a portfolio of evidence (with client details anonymised) demonstrating compliance with the following criteria: - Speed of claims response - Experience in handling complex Directors cases - Access to strong legal defence teams • Submission meets all of the above criteria = 20 points	20		

	Submission does not meet all of the above criteria = 0 points			
4.	Service providers must submit proof of a current financial strength rating (not older than 12 months) from a recognised credit rating agency. - Rating A- / A3 or higher = 15 points - Rating BBB / Baa or equivalent = 5 points - Below BBB/ unrated = 0 points	15		
5.	Registration with Financial Regulatory Authority (regulator) - Prospective service provider to submit proof of registration with the Financial Sector Conduct Authority (FSCA) = 15 Points - Prospective service provider NOT registered with the Financial Sector Conduct Authority (FSCA) = 0	15		
	TOTAL POINTS	100		

Only those service providers / contractors who responded exactly as per the scope of work and to the satisfaction of the NLSA shall be considered.

7. PRICING

7.1 Preference point system

The following formula must be used to calculate the points out of 80 for price in respect of an invitation for a tender with a Rand value equal to or below R50 million, inclusive of all applicable taxes:

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

P_s = Points scored for price of tender under consideration;

P_t = Price of tender under consideration; and

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

7.2 Provide a detailed quotation covering the services to be provided as per the scope of work.

7.3 Specific Goals

Specific Goal: Locality

- 20 points if the bidder is in Gauteng Province.
- 10 points if the bidder is based outside of the Gauteng Province.

Please note that CSD registration will be used to verify locality.

8. ENQUIRIES

All enquiries regarding this RFQ must be directed to the SCM Office:

For any RFQ related enquiries please send to the following email address quoting the RFQ Reference Number, Bid. Description as a Reference; Patience.Shiburi@nlsa.ac.za and quotations@nlsa.ac.za OR (012) 401 9770/9700