



NATIONAL LIBRARY OF SOUTH AFRICA

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TERMS OF REFERENCE/SPECIFICATIONS FOR PROFESSIONAL INDEMNITY INSURANCE FOR THE NLSA BOARD

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.

CLOSING DATE: 03 July 2025

TIME:11H00

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 NLSA Annual Reports on [www, nlsa.ac.za](http://www.nlsa.ac.za)
- 1.2 The NLSA is seeking quotations for the provision of Professional Indemnity Insurance for the NLSA Board Members (nine (9) individuals) for a period of 12 months at a value of R10 million per individual.

2. SCOPE OF WORK

2.1 The objective of this coverage is to:

- Provide insurance cover in order to offer liability coverage for the NLSA Board of Directors consisting of nine members, protecting them from claims which may arise from decisions and actions taken as part of their duties.

- 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 Directors.

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 DOI 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 insurance policy should cover both current 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 director. Coverage for claims arising during the period in which they were serving as Board members.
- **Policy Term:** The 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, including but not limited to fraud, criminal actions, and intentional misconduct.

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 or changes in the organisational size.

- **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 and renewals terms will be confirmed with the successful service provider. 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.

NB: The National Library of SA requests the service providers to submit the insurance forms 5 days before the closing date.

5. EVALUATION CRITERIA

5.1. Pre-Evaluation (standard bid documents)

5.1.1 Fully completed SBD 4 and SBD 6.1 forms.

5.1.2 All the bidders must be registered on the National Treasury Central Database.

6.2. Mandatory requirement

6.2.1. Provide references from similar public sector entities or companies with comparable Board Liability Insurance cover that has been provided within the past ten (10) years.

The letters must be on the client's official letterhead, address, logo, contact details, timeframe, scope of work and must contain the referee's name and signature to be deemed compliant.

- Submit three (3) compliant references letters

NB: Failure to submit the mandatory documents listed above shall result in the disqualification of your Bid.

Evaluation Stage 2: Technical Evaluation

N/A

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

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.

8. Specific Goals

- **Companies with 100% Black ownership**

20 points if the service provider has 100% black ownership.

10 points if the service provider has less than 100% black ownership

The Central Supplier Database report will provide evidence of Black Ownership status.

9. 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 Bid

Description as a Reference; Judy.Moshige@nlsa.ac.za and quotations@nlsa.ac.za OR (012) 402 3017