

Tender no.
(To be inserted by tenderer)

PREFERENCE POINTS CLAIM FORM EQUITY OWNERSHIP BY HISTORICALLY DISADVANTAGED INDIVIDUALS

1. In terms of regulation 13 of the preferential procurement regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), the preference points system must include preference points for equity ownership by historically disadvantaged individuals as defined by the Act.

EQUITY OWNERSHIP

POINTS ALLOCATED

- | | | |
|-----|--|-------|
| 1.1 | Preference points for equity ownership by historically disadvantaged individuals who, due to the apartheid policy that had been in place had no franchise in national elections prior to the introduction of the Constitution of the RSA, 1983 (Act 110 of 1983) or the Constitution of the RSA, 1993 (Act 200 of 1993) ("the Interim Constitution) and/or | |
| 1.2 | who is a female; and/or. | |
| 1.3 | who has a disability | |
| | | |
2. The equity ownership contemplated above must be equated to the percentage of an enterprise or business owned by individuals or, in respect of a company, the percentage of a company's shares that are owned by individuals, who are actively involved in the management of the enterprise or business and exercise control over the enterprise, commensurate with their degree of ownership at the closing date of the tender.
3. In the event that the percentage of ownership contemplated above changes after the closing date of the tender, the tenderer must notify the State Tender Board and such tender will not be eligible for any preference points.
4. Preference points should not be claimed in respect of individuals who are not actively involved in the management of an enterprise or business and who do not exercise control over an enterprise or business commensurate with their degree of ownership.
5. All claims made for equity ownership by an HDI will be considered according to the following criteria:
- Equity within private companies will be based on the percentage of equity ownership.
 - Preference points will not be awarded to public companies and tertiary institutions.

- The following formula will be applied to calculate the number of points for equity ownership by an HDI:

$$NEP = NOP \times \frac{EP}{100}$$

Where

NEP = Points awarded for equity ownership by an HDI

NOP = The maximum number of points awarded for equity ownership by an HDI in the specific category.

EP = The percentage of equity ownership by an HDI within the enterprise of business.

6. Equity claims for a Trust will only be allowed in respect of those persons who are both trustees and beneficiaries and who are actively involved in the management of the Trust.
7. Documentation to substantiate the validity of the credentials of the trustees contemplated above must be submitted.
8. A Consortium or Joint Venture may, based on the percentage of the contract value managed or executed by their HDI members, be entitled to equity ownership in respect of an HDI.
9. The points scored for equity ownership will be added to the points scored for price.
10. Points scored must be rounded off to the nearest 2 decimals.
11. A person awarded a contract as a result of preference for contracting with, or providing equity ownership to an HDI, may not subcontract more than 25 % of the value of the contract to a person who is not an HDI or does not qualify for such preference.

12. TENDER DECLARATION

- 12.1 Tenderers who wish to claim points in respect of Equity Ownership must complete the declaration.

13. EQUITY OWNERSHIP CLAIMED

- | | | | | |
|------|-----------------------------|---------|---|-----------------------------|
| 13.1 | HDI Equity Ownership | % | = | (maximum point) |
| 13.2 | Women Equity Ownership | % | = | (maximum point) |
| 13.3 | Disability Equity Ownership | % | = | (maximum point) |

14. DECLARATION WITH REGARD TO EQUITY OWNERSHIP

14.1 Name of Tenderer:

14.2 How long has the Company been in existence

14.3 Describe principal Business Activities

14.4 Company Classification

- ☐ Manufacturer
☐ Supplier
☐ Professional service provider
☐ Other service providers, e.g. transporter, etc.
- [TICK APPROPRIATE BOX /S]

14.5 List all Shareholders by Name, Identity Number, Citizenship, HDI status and ownership, as relevant.

[illegible]

14.6 How many permanent Staff Members does the Tenderer employ?

14.7 I/we, the undersigned, who warrants that he/she is duly authorised to do so on behalf of the firm certify that points claimed, based on owners/ shareholders who are actively involved in the day to day management of the enterprise equity ownership, qualifies the firm for the points shown and I / we acknowledge that:

- (i) The information furnished is true and correct.
- (ii) The Equity Ownership claimed is in accordance with the conditions.
- (iii) A person awarded a contract as a result of preference for contracting with ,or providing equity ownership to an HDI, may **not** subcontract more than 25% of the value of the contract to a person who is **not** an HDI or does not qualify for such preferences.
- (iv) In the event of a contract being awarded as a result of points claimed, the contractor may be required to furnish documentary proof to the satisfaction of the State Tender Board that the claims are correct.
- (v) If the claims are found to be incorrect, the State Tender Board may, in addition to any other remedy it may have -
 - (a) recover all costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (b) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (c) impose a financial penalty more severe than the theoretical financial preference associated with the claim which was made in the tender; and
 - (d) restrict the tenderer/contractor, its shareholders and directors from obtaining business from any organ of state for a period not exceeding 10 years.

WITNESSES:

1.

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SIGNATURE(S) OF TENDERER(S)

2.

DATE: