

ANNEXURE A

RFP 45/2025: APPOINTMENT OF SERVICE PROVIDERS FOR THE PROVISION OF PHYSICAL SECURITY SERVICES

(ARMED GUARDING, UNARMED GUARDING AND
TACTICAL RESPONSE)

Business Requirements Specification (BRS)

1. PURPOSE

The objective of these requirements is to appoint security service provider(s) who are capable to identify and mitigate security risks through the deployment of properly trained Security officers in the security field to maximize the protection of SARS personnel, assets and its facilities. It is within this context that the service providers must comply with the following aspects:

- 1.1 Be registered as a security service provider with the Private Security Industry Regulatory Authority (PSIRA);
- 1.2 Deliver a quality and professional security service;
- 1.3 Provide back-up service/s in cases of emergency, without deviation from the Master Services Agreement ("MSA");
- 1.4 Provide properly trained and registered security officers, as per the PSIRA requirements;
- 1.5 Provide honest and properly screened security personnel;
- 1.6 Professionally manage Security officers deployed at all SARS Sites; and
- 1.7 Assume full liability for direct damages, as well as indirect / consequential / special damages incurred by SARS due to the malicious, intentional, fraudulent, reckless or grossly negligent acts or a breach of the confidentiality provisions of the MSA by the contracted service provider/s.

2. BACKGROUND

2.1 Business Background

The South African Revenue Service (SARS) has approximately one hundred and seventy-three (173) offices (SARS Sites) nationally. The protection of SARS's assets, people, and general physical security at SARS Sites is of pivotal importance due to the nature of the operations and activities of SARS. The successful security service provider(s) will be required to provide guarding services to SARS Sites in the region(s) they are appointed in. For logistical reasons and management of the Services, SARS divided the SARS Sites into four (4) regions as shown in the table below.

Table 1: SARS Regions

Region A	<ul style="list-style-type: none">• Gauteng North Province (including Witbank)• Gauteng South Province (including Standerton)
Region B	<ul style="list-style-type: none">• North West Province• Limpopo Province

	<ul style="list-style-type: none"> • Mpumalanga Province (excluding Standerton and Witbank)
Region C	<ul style="list-style-type: none"> • Western Cape Province • Eastern Cape Province • KwaZulu-Natal Province
Region D	<ul style="list-style-type: none"> • Northern Cape Province • Free State Province

The list of SARS regional requirements is incorporated into the Pricing Schedule, which is attached hereto as Annexure C. The equipment requirements per region are incorporated in Annexure A2. During the period of the contract, SARS reserves the right to add or withdraw a site within a region and/or reduce or increase the number of security personnel and security equipment in a particular site within a region in line with operational requirements. The service delivery model entails the rendering effective security service to SARS for the duration of the contract and provide a comprehensive solution aimed at mitigating risks against SARS personnel, assets and its facilities.

The successful security service provider(s) will be required to perform or deliver the security services on a twenty-four (24) hours basis, 7 days a week, 365 days a year, provided that SARS shall have the absolute right, to be exercised in its sole discretion, to vary the service coverage hours of the Services being rendered. In such event, the successful security service provider/s shall reduce the number of security officers in accordance with the changed business requirements.

The NOE: Physical Security (NOEPS) will co-ordinate the management of the security services at the national level. The successful security service provider(s) will be accountable nationally to the SARSs' NOEPS, notwithstanding performing the Services at regional level, and operationally reporting to a SARS Authorised Representative or his/her appointed delegate. SARS will determine the policies, procedures and standards applicable to the physical and safety requirements of SARS. The SARS business requirements are listed below, including objectives.

2.2 Type of SARS Sites

2.2.1 Ad hoc site

This refers to a request for a security service that does not exceed 7 days. If the service extends beyond 7 days, the normal rate will apply. For example, a request for security to oversee the destruction of illicit goods over a 3-day period falls under this category.

2.2.2 Temporary site

This pertains to a security service request that lasts longer than 7 days, where the normal rate applies. An example would be a guarding request to safeguard a detained warehouse for a period longer than 7 days until the investigation is finalised and cleared by Customs.

2.2.3 Permanent site

This represents a security service that forms part of the guarding contract. These are sites which require guarding services for a minimum of six (6) months.

3. SCOPE OF WORK/SPECIFICATION/BUSINESS REQUIREMENTS

The Bid specifications stated in this document is minimum specifications. Notwithstanding any shortcomings or omissions in these specifications, it will be expected of the successful Bidder(s) to deliver a viable, complete and fully functional solution.

3.1 Scope of Work

Successful Bidder(s) will be required to provide the following Services in a diligent manner-

- 3.1.1 Deploy Security officers to SARS Sites, who are certified in terms of applicable legislation, especially the PSIRA;
- 3.1.2 Physical guarding of SARS's premises, assets, and buildings, as prescribed by SARS;
- 3.1.3 On-site patrolling of SARS's buildings and premises at specified sites;
- 3.1.4 Monitor security systems at designated SARS control rooms;
- 3.1.5 Operate security tools and equipment provided by SARS;
- 3.1.6 Effectively respond to Emergencies;
- 3.1.7 The detection of and response to Security Incidents;
- 3.1.8 Record, investigate and report Security Incidents and recommend solutions within prescribed timeframes;
- 3.1.9 Provide daily, weekly, and monthly reports outlining Security Incidents and Emergencies, per SARS Site. The daily, weekly, and monthly reports must be submitted to the SARS Authorised Representative or his/her appointed delegate;

- 3.1.10 Develop and implement security plans in line with SARS policies, procedures and standards;
- 3.1.11 Conducting proactive and reactive site risk assessments in line with SARS's operational requirements for submission to the SARS Authorised Representative or his/her appointed delegate;
- 3.1.12 The successful service provider must ensure that security officers deployed at SARS sites are rotated on an annual basis or as and when requested by SARS based on identified security risk; and
- 3.1.13 Provision of guarding huts/houses on an ad-hoc basis.

The services described above shall collectively be referred to as "the Services," for the purposes of the business requirements.

3.2 Service Coverage Hours

The Services MUST be provided on a 24 hour, 7 days a week and 365 days a year or as agreed: Provided that SARS shall have the absolute right to be exercised in its sole discretion, to vary the service coverage hours of the Services. In such event, the successful security service provider(s) shall reduce the number of Security officers and its fees in accordance with the changed requirements of SARS.

3.3 Security Vetting Prior to Appointment to Deliver the Services

The award of a bid is conditional on the shortlisted successful security service provider(s) passing security vetting by SARS.

3.4 Continuous Security Vetting Requirements

- 3.4.1 SARS reserves the right at its sole and absolute discretion to do a security check (vetting) on the successful security service provider(s), its Directors and Personnel involved with the performance of the Services.
- 3.4.2 The successful security service provider(s) will obtain from its Security officers deployed at SARS Sites such consents and documentation as may be reasonably requested by SARS, to enable SARS to conduct such security checks as aforementioned.
- 3.4.3 Security vetting shall include, but not be limited to, checks on criminal records, credit references and identity documents.
- 3.4.4 Where SARS, in its sole discretion, finds any of the successful security service provider(s)' Personnel to be a security risk, SARS will inform the successful security service provider(s) accordingly in writing and the successful security service provider(s) will be required to immediately remove such Personnel.
 - 3.4.5 Failure to effect such a replacement of the successful security service provider(s)' personnel, with a suitably trained and equally graded substitute within a period of twelve

(12) hours after having been so informed by SARS, will constitute a Performance Failure.

- 3.4.6 Despite the above, the successful security service provider(s) must ensure that prior to commencement of employment the successful security service provider(s)' personnel undergo security vetting, which must include the checks listed on the business requirements.
- 3.4.7 The successful security service provider(s) shall conduct a criminal status screening of its Security officers deployed at SARS annually, and SARS may at any time verify the results of such security vetting.

3.5 Successful Service Provider(s)' Personnel

The successful security service provider(s) shall ensure that every Security Officer assigned to provide the Services at a SARS Site, complies with the following requirements:

- 3.5.1 Relevant Registration, Certification, and Identification Cards.
- 3.5.2 All security officers must be registered with PSIRA.
- 3.5.3 All security officers must be trained (have a working knowledge) of evacuation procedures in terms of the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993). (certificate must be provided to SARS within two (2) months of the contract commencement).
- 3.5.4 The successful security service provider(s) must issue an Identification Card to Security officers deployed at SARS Sites containing as a minimum, the name, surname, and PSIRA registration number of the relevant security officer.
- 3.5.5 All security officers must always wear their Identification Cards, or any SARS issued Identification Card, in a clear and visible manner.
- 3.5.6 All security officers deployed at a site that requires armed guarding must have the necessary firearm competency certificates.

3.6 Uniforms

- 3.6.1 Security officers must wear an appropriate uniform at all times whilst performing the Services at SARS Sites.
- 3.6.2 The successful security service provider(s) must issue sufficient uniforms (a minimum of 3 sets per posting / duty roster) to ensure security officers are presentable at all times, without recovering the uniform costs from the security officers.
- 3.6.3 The uniforms of the security officers must be clean and worn properly at all times.

3.7 Training

The successful security service provider(s) must ensure that-

- 3.7.1 All Personnel must undergo an induction and refresher training program on SARS policies, procedures and site procedures before deployment;
- 3.7.2 All Personnel must undergo and attend refresher courses on basic security, as prescribed by PSIRA; and
- 3.7.3 All training and induction must be recorded and signed by the Security officers in the Occurrence Book, as well as the SARS Site Management File.

3.8 Acts that are Prohibited Whilst on Duty

The successful security service provider(s)' security officers must not-

- 3.8.1 Consume alcohol, take illegal drugs, or possess such substances whilst on duty;
- 3.8.2 Report for duty whilst under the influence of any intoxicating substance;
- 3.8.3 Sleep whilst on duty;
- 3.8.4 Leave a post unattended without the superior's permission;
- 3.8.5 Fight on site and argue without reason in view of SARS's employees or visitors;
- 3.8.6 Be dishonest at any time during the contract term;
- 3.8.7 Commit a Security Incident;
- 3.8.8 Aid and/or abet in the commission of a Security Incident;
- 3.8.9 Use or remove SARS's equipment without permission;
- 3.8.10 Use unauthorised electronic devices or illegal electronic connections;
- 3.8.11 Allow access to SARS Sites without authority by-
 - 3.8.11.1 Using a Security Officer's access card to allow access when a SARS employee or visitor does not possess an access card;
 - 3.8.11.2 Opening a door physically, allowing access without querying the identification of the person entering; and
 - 3.8.11.3 Failing to report an item carried by a person which obviously requires authority e.g. Weapons, laptop computers.
- 3.8.12 Reading SARS's Confidential Information and/or Taxpayer Information.

3.9 Management Responsibilities

Management and supervisors of the successful bidder(s) must ensure the following:

- 3.9.1 All security officers assigned at SARS Sites are properly trained, fit-for-purpose, reliable, of reputable background, of sound character and able to perform their duties;
- 3.9.2 Parades of security officers are conducted during each shift change, and all handovers are done timeously without interruption of the Services;
- 3.9.3 Security officers must conduct handover reporting to the incoming shift without compromising security operations;
- 3.9.4 All Security officers deployed at SARS do not have criminal records;
- 3.9.5 All security officers conduct themselves in a disciplined and professional manner, as required by the Code of Conduct for Security Service Providers, 2003 and the successful security service providers' own Disciplinary Code and Procedures, whenever they are at a SARS Site. The successful security service providers shall take all necessary steps to ensure that its Personnel selected for assignment in terms of the MSA are trained;
- 3.9.6 All security officers, do not conduct themselves in a dishonest manner;
- 3.9.7 All security officers adhere to the dress code regulations, SARS safety and security policies, and post descriptions;
- 3.9.8 All security officers assigned to SARS Sites, are of the required security level grading;
- 3.9.9 The security officers are aware of all instructions issued by the relevant SARS Authorised Representative or his/her appointed delegate and it is recorded in both the Occurrence Book and instruction book, and signed by each Security Officer allocated to SARS Sites;
- 3.9.10 The security officers acquaint themselves with the contents of the Site Procedures Manual Management File issued by the relevant SARS Authorised Representative or his/her appointed delegate;
- 3.9.11 Partially or uncovered shifts for Security officers are reported to a SARS Authorised Representative or his/her appointed delegate immediately and that replacements are trained on SARS Site instructions and procedures;
- 3.9.12 The SARS Authorised Representative or his/her appointed delegate is advised in writing when security officers are removed from or leave a SARS Site for any reason whatsoever;
- 3.9.13 All security officers conduct personal searches within the confines of the law, and according to standard operating procedures and instructions;
- 3.9.14 Incident notification must be reported immediately, and the preliminary report are prepared and submitted to the relevant SARS Authorised Representative or his/her appointed delegate within four (4) hours of the Security Incident or Emergency occurring; and the investigation report within twenty-four

(24) hours of the Security Incident or Emergency occurring;

- 3.9.15 The successful security service provider(s)' personnel are available when a SARS Security Operations Centre makes contact regarding a Security Incident or Emergency at a SARS Site;
- 3.9.16 Security officers must respond to all triggered alarms at a SARS Site, immediately;
- 3.9.17 That all exceptions to SARS's requirements must be approved in writing by SARS, prior to their implementation.

3.10 Invoice Principles to be Adhered To

SARS shall be invoiced the total monthly fee payable per region on or before the fifth (5th) day of the month following the month in which the successful security service provider(s) performed the Services;

- 3.10.1 Each invoice shall contain the detailed description of security services rendered and any such details as may be reasonably requested by SARS from time to time;
- 3.10.2 Each invoice must be verified for completeness and accuracy and that it conforms to the requirements of the MSA, before issuing the invoice to SARS;
- 3.10.3 The successful security service provider must timeously issue all invoices to SARS for security services rendered from time to time;
- 3.10.4 Should SARS query an item in an invoice, the successful security service provider(s) shall within two (2) days after a written request by SARS, provide SARS with any other documentation or information reasonably required by SARS in order to verify the accuracy of the amounts due on an invoice; and
- 3.10.5 The amount of the financial penalties for Performance Failures, calculated with reference to Penalties attached as Annexure A3 and as confirmed by SARS pertaining to the prior months, must be credited to SARS by issuing a credit note.

3.11 Administration/Documents

The Management of the successful security service provider(s) must ensure that a copy of the personnel file of Security officers assigned to a SARS Site is always available to SARS prior to the deployment. In addition, a copy of the security officers' personnel files shall be provided and/or made available to SARS or any other lawful regulatory authority on demand, containing the following information. The personnel file must at a minimum contain the following-

- 3.11.1 Security training certificates, polygraph pre-employment results, integrity evaluation record and PSIRA registration certificates;
- 3.11.2 A copy of a grading certificate, performance history, copy of the security identification (PSIRA) and a certified copy of the identity document;

- 3.11.3 A completed SARS Oath / Affirmation of Secrecy form, copies of qualifications and a medical fitness certificate;
- 3.11.4 Disciplinary record, a record of pre-employment screening results and annual criminal status screening; and
- 3.11.5 A copy of all credit references.
- 3.11.6 Management Meetings
- 3.11.7 The successful security service provider(s) is expected to allocate a Contract Manager to SARS for operational matters.
- 3.11.8 The successful security service provider(s) must provide SARS with a monthly report containing a consolidated record of all Security Incidents and Emergencies at SARS Sites during a month on a template specified by SARS. The report will be validated and quality controlled by the Contract Manager.
- 3.11.9 The successful security provider(s)' Contract Manager and the relevant SARS Authorised Representative or his/her appointed delegate shall meet for a minimum of once a month or as and when required.
- 3.11.10 The successful security service provider(s)' Chief Executive Officer or his/her appointed senior delegate and SARS's Authorised Representative or his/her appointed delegate shall meet a minimum of once every three (3) months to discuss the overall performance of Services.
- 3.11.11 At the first meeting between the Parties, they will agree on the place, the time and venue of subsequent meetings, and any proposed additions / amendments to the Standard Operating Procedures submitted by the successful security service providers, which shall include as a minimum: rostering / scheduling, dress code and code of conduct.
- 3.11.12 The successful security service provider(s) will be responsible for the correct recording of the meeting proceedings of the meetings envisaged under this paragraph and the keeping of minutes.
- 3.11.13 The successful security service provider(s) shall deliver the minutes and record of the meeting proceedings to SARS within two (2) Business Days after the date of the meeting or such shorter period as SARS may prescribe in its absolute discretion, for SARS's perusal and verification.
- 3.11.14 SARS may call an unscheduled meeting with the successful security service provider(s) or its Contract Manager to discuss any matter regarding the performance of Services, at its sole discretion.

3.12 General Obligation for Security Service Provider(s)

- 3.12.1 To ensure that security personnel are readily available whenever the SARS Authorised Representative or his/her appointed delegate require their deployment to render services;
- 3.12.2 Security personnel report Security Incidents and Emergency situations;
- 3.12.3 The successful security service provider(s) shall further comply with the following requirements-
- 3.12.4 Ensure that Security Incidents and Emergencies at a SARS Site are fully recorded;
 - 3.12.4.1 Record the incident and immediately report the details of the incident, as relayed by the

Security Officer at the SARS Site, to the relevant SARS Security Operations Centre including the following information:

- 3.12.4.2 Date of incident;
- 3.12.4.3 Details of the Security Officer who attended to the incident;
- 3.12.4.4 Details of the control room officer the incident was reported to;
- 3.12.4.5 Details regarding the findings of the Security Officer; and
- 3.12.4.6 Occurrence Book number;
- 3.12.5 Prepare an incident report within four (4) hours after every incident for SARS's perusal. The incident report contains the following information-
 - 3.12.5.1 Date of incident;
 - 3.12.5.2 Details of the Security Officer who attended to the incident;
 - 3.12.5.3 Details and designation of the persons the incident was escalated to;
 - 3.12.5.4 Address of the SARS Site where the Security Incident or Emergency occurred;
 - 3.12.5.5 Details regarding the incident;
 - 3.12.5.6 Preliminary recommendations regarding the incident;
 - 3.12.5.7 An incident number; and
 - 3.12.5.8 Corresponding Occurrence Book number.
- 3.12.6 In respect of Security Incidents, the successful security service provider(s) shall-
 - 3.12.6.1 Ensure that Security Incidents at a Site involving any damage to or loss of property or
 - 3.12.6.2 potential damage to or loss of property are fully investigated; and
 - 3.12.6.3 Submit the full investigation report to the SARS Authorised Representative or his/her delegate within one (1) day of the Security Incident or such shorter time as SARS may prescribe, in its absolute discretion.

3.13 Occurrence Books Maintenance

The successful security service provider(s) shall further comply with the following requirements-

- 3.13.1 The successful security service provider(s) shall acquire and keep a logbook ("Occurrence Book") at each and every SARS Site and accurately record therein as per SARS requirements, as well as all activities performed by the security officers on site, including the times when the activities were performed;
- 3.13.2 All patrols must be recorded in the Occurrence Book and entries made detailing what was observed during the patrol, per patrol pattern / plan on site;
- 3.13.3 All Occurrence Books at SARS Sites must be assigned a serial number, per SARS Site, and once completed shall be stored by the successful security service provider(s) for the duration of the contract

term. Subsequent Occurrence Books, per SARS Site, shall be assigned a sequential serial number;

3.13.4 SARS shall have access to all Occurrence Books, upon request, and all Occurrence Books shall become the property of SARS on termination of the MSA.

3.13.5 All stationery in relation to the Security officers' duties must be provided by the successful security service providers.

3.14 Site Visits by Supervisors and Management

The successful security service provider(s) must ensure that its security personnel designated as mobile supervisors and/or contract managers conduct site visits at various SARS facilities:

3.14.1 Contract Manager

Bidders are required to assign contract managers to SARS on a fulltime basis as outlined in Annexure C: Pricing Schedule. The requirements and duties of the contract manager are outlined in Annexure A1. They will also be responsible for the following:

3.14.1.1 Eight (8) day shift site visits per site per month;

3.14.1.2 Eight (8) night shift site visits per site per month;

3.14.2 Mobile Supervisor/Inspector

3.14.2.1 Mobile Supervisor /Inspector - day shift

Thirty (30) to thirty-one (31) site visits per site per month [minimum of one (1) per night]; and

3.14.2.2 Mobile Supervisor /Inspector - night shift

Thirty (30) to thirty-one (31) site visits per site per month [minimum of one (1) per night].

3.14.3 Duties of Contract Manager and Supervisor while onsite visit

The mobile supervisors/ inspector and contract managers of Security officers shall conduct quality site visits and will be required to-

3.14.3.1 Physically monitor the guarding posts and conduct inspections of Security officers by asking those pertinent questions in this regard;

3.14.3.2 Check the Security officers' appearance and level of alertness;

- Ensure that all Security Incidents and Emergencies are reported and recorded in the Occurrence Book;
- Inspect the Occurrence Book and, discuss and clarify any Security Incidents and Emergencies recorded therein; and

- Sign the Occurrence Book and record all non-compliance of SARS Site Officers with their obligations and duties.

3.14.3.3 The full details of the occurrence of the site visits shall be recorded in the Occurrence Book.

3.14.4 The successful security service provider(s) must further ensure that there is a specific site visit register kept at SARS Sites and the register contains the following information-

3.14.4.1 Date and time of visit;

3.14.4.2 Confirmation that the site visits were conducted in accordance with the minimum requirements set out above;

3.14.4.3 Details of the Supervisor or Manager who conducted the site visit; and

3.14.4.4 An Occurrence Book number.

3.14.5 The site visit register will be inspected by SARS as and when required. All registers utilised at SARS Sites are the property of SARS and must be handed over to the SARS Authorised Representative or his/her appointed delegate upon request.

3.14.6 The successful security service provider(s) must ensure that security personnel, designated as Contract Manager and/or a Mobile Supervisors, conduct site visits at various SARS facilities as and when required, in accordance with the Security Service Level Agreement (SLA), SARS security policies, procedures, standards, and site instructions.

3.14.7 The Contract Manager shall be the senior and accountable authority for the contract and shall supersede Mobile Supervisors in respect of responsibility, oversight, coordination, and decision making. The Contract Manager shall retain overall accountability for service delivery, contractual compliance, performance management, stakeholder engagement, and the implementation of corrective actions across all SARS sites.

Mobile Supervisors shall conduct routine operational supervision and inspections and shall report directly to the Contract Manager, who shall remain accountable to SARS for the quality, consistency, and compliance of all services rendered at SARS facilities.

3.15 Emergency Procedures

The successful security service provider(s)' security officers assigned to perform the Services at a SARS Site must adhere to the standards of the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993), to this extent, Security officers must have a working knowledge of-

3.15.1 SARS Site emergency plan;

3.15.2 Emergency telephone numbers;

3.15.3 Site escalation procedures;

- 3.15.4 Basic Fire Fighting skills;
- 3.15.5 Basic First Aid skills;
- 3.15.6 Basic Occupational Health and Safety procedure;
- 3.15.7 Basic reaction procedures to power failures on a SARS Site;
- 3.15.8 Evacuation plans of the SARS site where the Security Officer is stationed; and
- 3.15.9 A SARS Site Procedures Manual Management File.

3.16 Uncovered and Partially Covered Shifts

- 3.16.1 The successful security service provider(s) shall ensure that all Security officers, assigned to a shift, report for duty on time. Late coming shall be regarded as a partially covered or uncovered shift.
- 3.16.2 Whenever a Security Officer is late or absent for a shift, the incident must immediately be reported to the SARS Authorised Representative or his/her appointed delegate and a replacement must be deployed on a site within one (1) hour.
- 3.16.3 The replacement Security Officer shall not be a person who has just performed the Services elsewhere or at a Site immediately prior to the shift of the late or absent Security Officer.
- 3.16.4 The replacement Security Officer must be of the same quality and grading level as the absent Security Officer.
- 3.16.5 The replacement Security Officer must be trained on SARS Site instructions and procedures, prior to the placement.
- 3.16.6 Contingency plans must be developed and implemented at all SARS Sites in relation to short or late postings.
- 3.16.7 Change and Replacement of Security officers
- 3.16.8 The successful security service providers shall advise SARS by written notice whenever a Security Officer assigned to perform the Services at a site is on leave or is removed from a site for any other reason.
- 3.16.9 Whenever a Security Officer is absent for a shift, a replacement must be deployed on site within the timelines set out by SARS.

3.17 Communication

The successful security service provider(s) must ensure that security officers on site have communication with one another and to the SARS regional control room (i.e. two way radios/) and a minimum of one (1) cellular telephone per site, which must be fully functional at all times.

An electronic patrol system that generates daily reports (submitted to the SARS authorised person daily)

3.18 Security Equipment

The successful security service provider(s) must ensure that-

- 3.18.1 Security Equipment used or resources deployed at SARS Sites to perform the Services are declared at all times in the Occurrence Book;
- 3.18.2 The successful security service provider(s) shall conduct inspections of all Security Equipment deployed on SARS Sites. Should any of SARS's Security Equipment fail to be fully functional at any point during the contract term, the successful security service provider(s) must ensure that it is immediately reported to SARS to ensure a replacement is provided, in order to prevent an interruption of the Services.

3.19 Notification of Disciplinary Action/Hearings

The successful security service provider(s) must inform the SARS's Authorised Representative, or his/her appointed delegate of any disciplinary action taken against a Security Officer deployed at SARS in terms of the business requirements. Withholding such information shall constitute a serious breach of the MSA.

3.20 Information Detrimental to SARS Security

The successful security service provider(s) shall immediately inform the SARS's Authorised Representative or his/her appointed delegate of any information in its possession or that it ought reasonably to be aware of, that is detrimental to SARS's physical security or safety.

3.21 Instruction and Requests

The successful security service provider(s) and its Personnel, assigned to the delivery of the Services, must adhere to reasonable written requests and instructions by the SARS's Authorised Representative or his/her appointed delegate.

3.22 Removal of Information/Property

The successful security service provider(s) personnel must not remove any SARS Confidential and/or Taxpayer Information (irrespective of the medium it is contained in) or SARS's property without the written authority of the SARS's Authorised Representative or his/her appointed delegate.

3.23 Performance Standards and Penalty Regime

SARS has determined certain minimum performance standards (Service Levels), the adherence to which is deemed crucial to the delivery of the Services at acceptable levels. In this regard, security service provider(s) are

requested to carefully study Annexure A3 hereto which contains the Service Levels and the Financial Penalties applicable in respect of Performance Failures.

Failure to adhere to Service Levels will result in SARS levying a financial penalty for the Performance Failure. Multiple Performance Failures will constitute sufficient proof of persistent non-compliance by the successful security service provider(s) with SARS's prescribed Service Levels and that such persistent non-compliance will constitute a material breach of the MSA.

Notwithstanding the implementation of the Service Levels and Financial Penalty schedule as set out in Annexure B2, SARS reserves the right and without derogation to any other remedies it may have in law, to-

- 3.23.1 terminate the MSA for breach (persistent non-compliance) by the successful security service provider(s);
- 3.23.2 cancel with immediate effect the provision of the Services to the affected SARS Site; or
- 3.23.3 reallocate with immediate effect the Services to the affected SARS Site to another service provider, appointed in terms of this Bid process, or such other service provider as may be appointed by SARS in its exclusive discretion. In such an event, the outgoing service provider shall be obliged, and for its own account, to assist in the seamless transition of the Services to the incoming service provider.
- 3.23.4 Where SARS invokes the rights reserved in paragraph 9.23.3, the successful security service providers shall be obliged to reduce the monthly fees for the affected region accordingly in the month following the adjustment.
- 3.23.5 Cancellation or reallocation of Services in terms of this paragraph shall be without any liability to SARS, except for payment of the Services already rendered by the successful security service providers less applicable financial penalties.

3.24 Compliance with Labour Laws and Codes of Practice

- 3.24.1 The successful security service provider(s) shall ensure compliance with all labour laws and pertinent codes of practice applicable in the Republic of South Africa as regard employment contractual relationship with its Security Officers operating at a SARS site. This includes, but is not limited to, payment of remuneration (including bonus, shifts allowance, overtime) timeously per the relevant employment agreement and at the minimum wage rates; provision for leave (sick, annual, paternity, maternity etc.); registration of Security Officers under provident/pension fund and payment of employer's contributions thereunder, as stipulated in the Sectorial Determination 6: Private Security Sector, South Africa published under Government Gazette No. 35633 of 28 August 2012 as amended.
- 3.24.2 The successful security service provider(s) shall further ensure that, throughout the duration of the SLA, ensure compliance with all taxation laws applicable in the Republic of South Africa.

3.24.3 Failure to comply with labour laws and codes of practice or laws as to taxation as stipulated in paragraphs 3.24.1 and 3.24.2 hereof shall constitute a material breach of the SLA and shall entitle SARS to terminate the Services among other remedies.