

KENYA LITERATURE BUREAU

PROVISION OF GENERAL INSURANCE SERVICES

TENDER NO. KLB/T/7/2019-2020

CLOSING DATE: 20-5-2019

TIME: 10:00AM

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SECTION II - INSTRUCTIONS TO TENDERERS

2.1. Eligible Tenderers

- 2.1.1 This Invitation for Tenders is open to all tenderers(Brokerage firms) eligible as described in the Appendix to Instructions to Tenderers. Successful tenderers shall provide the services for the stipulated duration from the date of commencement (hereinafter referred to as the term) specified in the tender documents.
- 2.1.2 The Bureau's employees, committee members, board members and their relatives (spouse and children) are not eligible to participate in the tender unless where specially allowed under section 131 of the Act.
- 2.1.3 Tenderers shall provide the qualification information statement that the tenderer (including all members of a joint venture and subcontractors) is not associated, or have been associated in the past, directly or indirectly, with a firm or any of its affiliates which have been engaged by the Bureau to provide consulting services for the preparation of the design, specifications, and other documents to be used for the procurement of the services under this Invitation for tenders.
- 2.1.4 Tenderers involved in the corrupt or fraudulent practices or debarred from participating in public procurement shall not be eligible.

2.2 Cost of Tendering

- 2.2.1 The Tenderer shall bear all costs associated with the preparation and submission of its tender, and the Bureau, will in no case be responsible or liable for those costs. Regardless of the conduct or outcome of the tendering process
- 2.2.2 The price to be charged for the tender document shall be Kshs. **1,000/=** for a hard copy. Download of the same is free.
- 2.2.3 The Bureau shall allow the tenderer to view the tender document free of charge before purchase.

2.3 Contents of Tender Document

- 2.3.1 The tender documents comprise the documents listed below and addenda issued in accordance with clause 2.5 of these instructions to tenderers.
- (i) Instructions to Tenderers
 - (ii) General Conditions of Contract
 - (iii) Special Conditions of Contract
 - (iv) Schedule of Requirements
 - (v) Details of Insurance Cover
 - (vi) Form of Tender
 - (vii) Price Schedules
 - (viii) Contract Form
 - (ix) Confidential Business Questionnaire Form
 - (x) Tender security Form
 - (xi) Performance security Form

- (xii) Insurance Company's Authorization Form
- (xiii) Declaration Form

2.3.2 The Tenderer is expected to examine all instructions, forms, terms and specification in the tender documents. Failure to furnish all information required by the tender documents or to submit a tender not substantially responsive to the tender documents in every respect will be at the tenderers risk and may result in the rejection of its tender.

2.4 Clarification of Tender Documents

2.4.1 A Candidate making inquiries of the tender documents may notify the Bureau by post, fax or by email at the Bureau's address indicated in the Invitation for tenders. The Bureau will respond in writing to any request for clarification of the tender documents, which it receives not later than seven (7) days prior to the deadline for the submission of the tenders, prescribed by the Bureau. Written copies of the Procuring entities response (including an explanation of the query but without identifying the source of inquiry) will be sent to all candidates who have received the tender documents.

2.4.2 The Bureau shall reply to any clarifications sought by the tenderer within 3 days of receiving the request to enable the tenderer to make timely submission of its tender.

2.4.3 Preference where allowed in the evaluation of tenders shall not exceed 15%.

2.5 Amendment of Tender Documents

2.5.1 At any time prior to the deadline for submission of tenders, the Bureau, for any reason, whether at its own initiative or in response to a clarification requested by a prospective tenderer, may modify the tender documents by issuing an addendum.

2.5.2 All prospective tenderers who have obtained the tender documents will be notified of the amendment by post, fax or email and such amendment will be binding on them.

2.5.3 In order to allow prospective tenderers reasonable time in which to take the amendment into account in preparing their tenders, the Bureau, at its discretion, may extend the deadline for the submission of tenders.

2.6 Language of Tenders

2.6.1 The tender prepared by the tenderer, as well as all correspondence and documents relating to the tender exchanged by the tenderer and the Bureau, shall be written in English language. Any printed literature furnished by the tenderer may be written in another language provided they are accompanied by an accurate English translation of the relevant passages in which case, for purposes of interpretation of the tender, the English translation shall govern.

2.7 Documents Comprising the Tender

2.7.1 The tender prepared by the tenderer shall comprise the following components:
(a) A Tender Form and a Price Schedule completed in accordance with paragraph 2.8, 2.9 and 2.10 below

- (b) Documentary evidence established in accordance with paragraph 2.1.2 that the tenderer is eligible to tender and is qualified to perform the contract if its tender is accepted;
- (c) Tender security furnished in accordance with paragraph 2.12 (if applicable)
- (d) Declaration Form.

2.8. Form of Tender

2.8.1 The tenderer shall complete the Tender Form and the Price Schedule furnished in the tender documents, indicating the services to be provided.

2.9. Tender Prices

2.9.1 The tenderer shall indicate on the form of tender and the appropriate Price Schedule the unit prices and total tender price of the services it proposes to provide under the contract.

2.9.2 Prices indicated on the Price Schedule shall be the cost of the services quoted including all customs duties and VAT and other taxes payable.

2.9.3 Prices quoted by the tenderer shall remain fixed during the Term of the contract unless otherwise agreed by the parties. A tender submitted with an adjustable price quotation will be treated as non-responsive and will be rejected, pursuant to paragraph 2.20.5

2.10. Tender Currencies

2.10.1 Prices shall be quoted in Kenya Shillings

2.11. Tenderers Eligibility and Qualifications

2.11.1 Pursuant to paragraph 2.1 the tenderer shall furnish, as part of its tender, documents establishing the tenderers eligibility to tender and its qualifications to perform the contract if its tender is accepted.

2.11.2 The documentary evidence of the tenderer's qualifications to perform the contract if its tender is accepted shall establish to the Bureau's satisfaction that the tenderer has the financial and technical capability necessary to perform the contract.

2.12. Tender Security

2.12.1 The tenderer shall furnish, as part of its tender, a tender security for the amount and form specified in the Appendix to Instructions to Tenderers.

2.12.2 The tender security shall be **2 per cent of the tender price.**

2.12.3 The tender security is required to protect the Bureau against the risk of Tenderer's conduct which would warrant the security's forfeiture, pursuant to paragraph 2.12.7

2.12.4 The tender security shall be denominated in Kenya Shillings or in another freely convertible currency, and shall be in the form

- a) Cash.
- b) A bank guarantee.
- c) Letter of credit.

2.12.5 Any tender not secured in accordance with paragraph 2.12.1. and 2.12.3 shall be rejected by the Bureau as non-responsive, pursuant to paragraph 2.20.5

2.12.6 Unsuccessful Tenderer's tender security will be discharged or returned as promptly as possible but not later than thirty (30) days after the expiration of the period of tender validity

2.12.7 The successful Tenderer's tender security will be discharged upon the tenderer signing the contract, pursuant to paragraph 2.29, and furnishing the performance security, pursuant to paragraph 2.30

2.12.8 The tender security may be forfeited:

- (a) if a tenderer withdraws its tender during the period of tender validity.
- (b) in the case of a successful tenderer, if the tenderer fails:
 - (i) to sign the contract in accordance with paragraph 2.29 or
 - (ii) to furnish performance security in accordance with paragraph 2.30.
- (c) If the tenderer rejects correction of an arithmetic error in the tender.

2.13. Validity of Tenders

2.13.1 Tenders shall remain valid for 90days after date of tender opening pursuant to paragraph 2.18. A tender valid for a shorter period shall be rejected by the Bureau as non-responsive.

2.13.2 In exceptional circumstances, the Bureau may solicit the Tenderer's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing. The tender security provided under paragraph 2.12 shall also be suitably extended. A tenderer granting the request will not be required nor permitted to modify its tender.

2.14. Format and Signing of Tenders

2.14.1 The tenderer shall prepare an original and a copy of the tender, clearly marking each "ORIGINAL TENDER" and "COPY OF TENDER," as appropriate. In the event of any discrepancy between them, the original shall govern.

2.14.2 The original and all copies of the tender shall be typed or written in indelible ink and shall be signed by the tenderer or a person or persons duly authorized to bind the tenderer to the contract. All pages of the tender, except for un-amended printed literature, shall be initialed by the person or persons signing the tender.

2.14.3 The tender shall have no interlineations, erasures, or overwriting except as necessary to correct errors made by the tenderer, in which case such corrections shall be initialed by the person or persons signing the tender.

2.15 Sealing and Marking of Tenders

- 2.15.1 The tenderer shall seal the original and the copy of the tender in separate envelopes, duly marking the envelopes as “ORIGINAL TENDER” and “COPY OF TENDER”. The envelopes shall then be sealed in an outer envelope.
- 2.15.2 The inner and outer envelopes shall:
- (a) be addressed to the Bureau at the address given in the Invitation to Tender.
 - (b) bear tender number and name in the invitation to tender and the words, “DO NOT OPEN BEFORE” the stipulated date and time.
- 2.15.3 The inner envelopes shall also indicate the name and address of the tenderer to enable the tender to be returned unopened in case it is declared “late”.
- 2.15.4 If the outer envelope is not sealed and marked as required by paragraph 2.15.2, the Bureau will assume no responsibility for the tender’s misplacement or premature opening.

2.16. Deadline for Submission of Tenders

- 2.16.1** Tenders must be received by the Bureau at the address specified under paragraph 2.15.2 not later than the date and time stipulated **20th May 2019 at 10.00am.**
- 2.16.2 The Bureau may, at its discretion, extend this deadline for the submission of tenders by amending the tender documents in accordance with paragraph 2.5.3 in which case all rights and obligations of the Bureau and candidates previously subject to the deadline will thereafter be subject to the deadline as extended.
- 2.16.3 The Bureau as provided for in the appendix shall receive bulky tenders that will not fit the tender box.

2.17. Modification and Withdrawal of Tenders

- 2.17.1 The tenderer may modify or withdraw its tender after the tender’s submission, provided that written notice of the modification, including substitution or withdrawal of the tenders, is received by the Bureau prior to the deadline prescribed for submission of tenders.
- 2.17.2 The tenderer’s modification or withdrawal notice shall be prepared, sealed, marked and dispatched in accordance with the provisions of paragraph 2.15. a withdrawal notice may also be sent by fax or email but followed by a signed confirmation copy, postmarked not later than the deadline for submission of tenders.
- 2.17.3 No tender may be modified after the deadline for submission of tenders.
- 2.17.4 No tender may be withdrawn in the interval between the deadline for submission of tenders and the expiration of the period of tender validity. Withdrawal of a tender during this interval may result in the Tenderer’s forfeiture of its tender security, pursuant to paragraph 2.12.7.

2.18. Opening of Tenders

- 2.18.1 The Bureau will open all tenders in the presence of tenderers' representatives who choose to attend at KLB'S Boardroom as specified in the invitation for tenders. The tenderers' representatives who are present shall sign a register evidencing their attendance.
- 2.18.2 The tenderers' names, tender modifications or withdrawals, tender prices, discounts, and the presence or absence of requisite tender security and such other details as the Bureau, at its discretion, may consider appropriate, will be announced at the opening.
- 2.18.3 The Bureau will prepare minutes of the tender opening, which will be submitted to tenderers that signed the tender opening register and will have made the request.

2.19 Clarification of Tenders

- 2.19.1 To assist in the examination, evaluation and comparison of tenders the Bureau may, at its discretion, ask the tenderer for a clarification of its tender. The request for clarification and the response shall be in writing, and no change in the prices or substance of the tender shall be sought, offered, or permitted.
- 2.19.2 Any effort by the tenderer to influence the Bureau in the Bureau's tender evaluation, tender comparison or contract award decisions may result in the rejection of the tenderers' tender.

2.20 Preliminary Examination and Responsiveness

- 2.20.1 The Bureau will examine the tenders to determine whether they are complete, whether any computational errors have been made, whether required sureties have been furnished, whether the documents have been properly signed, and whether the tenders are generally in order.
- 2.20.2 Arithmetical errors will be rectified on the following basis. If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail, and the total price shall be corrected. If the candidate does not accept the correction of the errors, its tender will be rejected, and its tender security forfeited. If there is a discrepancy between words and figures, the amount in words will prevail
- 2.20.3 The Bureau may waive any minor informality or non-conformity or irregularity in a tender which does not constitute a material deviation provided such waiver does not prejudice or affect the relative ranking of any tenderer.
- 2.20.4 Prior to the detailed evaluation, pursuant to paragraph 2.20, the Bureau will determine the substantial responsiveness of each tender to the tender documents. For purposes of these paragraphs, a substantially responsive tender is one which conforms to all the terms and conditions of the tender documents without material deviations the Bureau's determination of a tender's responsiveness is to be based on the contents of the tender itself without recourse to extrinsic evidence.

2.20.5 If a tender is not substantially responsive, it will be rejected by the Bureau and may not subsequently be made responsive by the tenderer by correction of the nonconformity.

2.21. Conversion to single currency

2.21.1 Where other currencies are used, the Bureau will convert those currencies to Kenya Shillings using the selling exchange rate on the date of tender closing provided by the Central Bank of Kenya.

2.22. Evaluation and Comparison of Tenders

2.22.1 The Bureau will evaluate and compare the tenders that have been determined to be substantially responsive, pursuant to paragraph 2.20

2.22.2 The Bureau's evaluation of a tender will take into account, in addition to the tender price, the following factors, in the manner and to the extent indicated in paragraph 2.22.3.

(a) operational plan proposed in the tender;

(b) deviations in payment schedule from that specified in the Special Conditions of Contract

2.22.3 Pursuant to paragraph 2.22.2. the following evaluation methods will be applied.

(a) Operational Plan

The Bureau requires that the services under the Invitation for Tenders shall be performed at the time specified in the Schedule of Requirements. Tenders offering to perform longer than the Bureau's required delivery time will be treated as non-responsive and rejected.

(b) Deviation in payment schedule

Tenderers shall state their tender price for the payment on schedule outlined in the special conditions of contract. Tenders will be evaluated on the basis of this base price. Tenderers are, however, permitted to state an alternative payment schedule and indicate the reduction in tender price they wish to offer for such alternative payment schedule. The Bureau may consider the alternative payment schedule offered by the selected tenderer.

2.22.4 The tender evaluation committee shall evaluate the tender within 30 days from the date of opening the tender.

2.23. Contacting the Bureau

2.23.1 Subject to paragraph 2.19 no tenderer shall contact the Bureau on any matter relating to its tender, from the time of the tender opening to the time the contract is awarded.

2.23.2 Any effort by a tenderer to influence the Bureau in its decisions on tender evaluation, tender comparison, or contract award may result in the rejection of the Tenderers' tender.

2.24 Post-qualification

2.24.1 The Bureau will verify and determine to its satisfaction whether the tenderer that is selected as having submitted the lowest evaluated responsive tender is qualified to perform the contract satisfactorily.

2.24.2 The determination will take into account the tenderer financial and technical capabilities. It will be based upon an examination of the documentary evidence of the tenderer's qualifications submitted by the tenderer, pursuant to paragraph 2.11.2 , as well as such other information as the Bureau deems necessary and appropriate

2.24.3 An affirmative determination will be a prerequisite for award of the contract to the tenderer. A negative determination will result in rejection of the Tenderer's tender, in which event the Bureau will proceed to the next lowest evaluated tender to make a similar determination of that Tenderer's capabilities to perform satisfactorily.

2.25 Award Criteria

2.25.1 Subject to paragraph 2.29 the Bureau will award the contract to the successful tenderer whose tender has been determined to be substantially responsive and has been determined to be the lowest evaluated tender, provided further that the tenderer is determined to be qualified to perform the contract satisfactorily.

2.25.2 To qualify for contract awards, the tenderer shall have the following:-

- (a) Necessary qualifications, capability experience, services, equipment and facilities to provide what is being procured.
- (b) Legal capacity to enter into a contract for procurement
- (c) Shall not be insolvent, in receivership, bankrupt or in the process of being wound up and is not the subject of legal proceedings relating to the foregoing.
- (d) Shall not be debarred from participating in public procurement.

2.26. Bureau's Right to accept or Reject any or all Tenders

2.26.1 The Bureau reserves the right to accept or reject any tender, and to annul the tendering process and reject all tenders at any time prior to contract award, without thereby incurring any liability to the affected tenderer or tenderers or any obligation to inform the affected tenderer or tenderers of the grounds for the Bureau's action. If the Bureau determines that none of the tenders is responsive, the Bureau shall notify each tenderer who submitted a tender.

2.26.2 The Bureau shall give prompt notice of the termination to the tenderers and on request give its reasons for termination within 14 days of receiving the request from any tenderer.

2.26.3 A tenderer who gives false information in the tender document about is qualification or who refuses to enter into a contract after notification of contract award shall be considered for debarment from participating in future public procurement.

2.27 Notification of Award

- 2.27.1 Prior to the expiration of the period of tender validity, the Bureau will notify the successful tenderer in writing that its tender has been accepted.
- 2.27.2 The notification of award will signify the formation of the contract subject to the signing of the contract between the tenderer and the Bureau pursuant to clause 2.9. Simultaneously the other tenderers shall be notified that their tenders were not successful.
- 2.27.3 Upon the successful Tenderer's furnishing of the performance security pursuant to paragraph 2.29 the Bureau will promptly notify each unsuccessful Tenderer and will discharge its tender security, pursuant to paragraph 2.12

2.28 Signing of Contract

- 2.28.1 At the same time as the Bureau notifies the successful tenderer that its tender has been accepted, the Bureau will simultaneously inform the other tenderers that their tenders have not been successful.
- 2.28.2 Within fourteen (14) days of receipt of the Contract Form, the successful tenderer shall sign and date the contract and return it to the Bureau.
- 2.28.3 The contract will be definitive upon its signature by the two parties.
- 2.28.4 The parties to the contract shall have it signed within 30 days from the date of notification of contract award unless there is an administrative review request.

2.29 Performance Security

- 2.29.1 The successful tenderer shall furnish the performance security in accordance with the Conditions of Contract, in a form acceptable to the Bureau.
- 2.29.2 Failure by the successful tenderer to comply with the requirement of paragraph 2.29 or paragraph 2.30.1 shall constitute sufficient grounds for the annulment of the award and forfeiture of the tender security, in which event the Bureau may make the award to the next lowest evaluated tender or call for new tenders.

2.30 Corrupt or Fraudulent Practices

- 2.30.1 The Bureau requires that tenderers observe the highest standard of ethics during the procurement process and execution of contracts. A tenderer shall sign a declaration that he has not and will not be involved in corrupt or fraudulent practices.
- 2.30.2 The Bureau will reject a proposal for award if it determines that the tenderer recommended for award has engaged in corrupt or fraudulent practices in competing for the contract in question

2.30.3 Further a tenderer who is found to have indulged in corrupt or fraudulent practices risks being debarred from participating in public Procurement in Kenya.

SECTION III - GENERAL CONDITIONS OF CONTRACT

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3.1. Definitions

3.1.1 In this Contract, the following terms shall be interpreted as indicated:

- (a) “The Contract” means the agreement entered into between the Bureau and the tenderer, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- (b) “The Contract Price” means the price payable to the tenderer under the Contract for the full and proper performance of its contractual obligations
- (c) “The Services” means services to be provided by the tenderer including any documents, which the tenderer is required to provide to the Bureau under the Contract.
- (d) “The Bureau” means the organization procuring the services under this Contract
- (e) “The Contractor” means the organization or firm providing the services under this Contract.
- (f) “GCC” means the General Conditions of Contract contained in this section.
- (g) “SCC” means the Special Conditions of Contract
- (h) “Day” means calendar day

3.2. Application

3.2.1 These General Conditions shall apply to the extent that they are not superceded by provisions of other part of the contract

3.3. Standards

3.3.1 The services provided under this Contract shall conform to the standards mentioned in the schedule of requirements.

3.4. Use of Contract Documents and Information

3.4.1 The Contractor shall not, without the Bureau’s prior written consent, disclose the Contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the Bureau in connection therewith, to any person other than a person employed by the contractor in the performance of the Contract.

3.4.2 The Contractor shall not, without the Bureau's prior written consent, make use of any document or information enumerated in paragraph 2.4.1 above.

3.4.3 Any document, other than the Contract itself, enumerated in paragraph 2.4.1 shall remain the property of the Bureau and shall be returned (all copies) to the Bureau on completion of the contract's or performance under the Contract if so required by the Bureau.

3.5. Patent Rights

3.5.1 The Contractor shall indemnify the Bureau against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the services under the contract or any part thereof.

3.6 Performance Security

3.6.1 Within twenty eight (28) days of receipt of the notification of Contract award, the successful tenderer shall furnish to the Bureau the performance security where applicable in the amount specified in SCC

3.6.2 The proceeds of the performance security shall be payable to the Bureau as compensation for any loss resulting from the Tenderer's failure to complete its obligations under the Contract.

3.6.3 The performance security shall be denominated in the currency of the Contract, or in a freely convertible currency acceptable to the Bureau and shall be in the form of:

- a) Cash.
- b) A bank guarantee.

3.6.4 The performance security will be discharged by the Bureau and returned to the Candidate not later than thirty (30) days following the date of completion of the Contractor's performance of obligations under the Contract, including any warranty obligations, under the Contract.

3.7. Delivery of services and Documents

3.7.1 Delivery of the services shall be made by the Contractor in accordance with the terms specified by the Bureau in the schedule of requirements and the special conditions of contract

3.8. Payment

3.8.1. The method and conditions of payment to be made to the contractor under this Contract shall be specified in SCC

3.8.2. Payment shall be made promptly by the Bureau, but in no case later than sixty (60) days after submission of an invoice or claim by the contractor

3.9. Prices

3.9.1 Prices charges by the contractor for Services performed under the Contract shall not, with the exception of any price adjustments authorized in SCC vary from the prices quoted by the tenderer in its tender or in the Bureau's request for tender validity extension the case may be. No variation in or modification

to the terms of the contract shall be made except by written amendments signed by the parties.

3.9.2 Contract price variations shall not be allowed for contracts not exceeding one year (12 months)

3.9.3 Where contract price variation is allowed the variation shall not exceed 10% of the original contract price

3.9.4 The Bureau shall process Price variation requests within 30 days of receiving the request.

3.10. Assignment

3.10.1 The Contractor shall not assign, in whole or in part, its obligations to perform under this Contract, except with the Bureau's prior written consent.

3.11. Termination for Default

3.11.1 The Bureau may, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the Contractor terminate this Contract in whole or in part:

- (a) if the Contractor fails to provide any or all of the services within the period(s) specified in the Contract, or within any extension thereof granted by the Bureau.
- (b) If the Contractor fails to perform any other obligation(s) under the Contract
- (c) If the Contractor in the judgment of the Bureau has engaged in corrupt or fraudulent practices in competing for or in executing the contract

3.11.2 In the event the Bureau terminates the contract in whole or in part, it may procure, upon such terms and in such manner as it deems appropriate, services similar to those un-delivered, and the Contractor shall be liable to the Bureau for any excess costs for such similar services. However, the contractor shall continue performance of the contract to extent not terminated.

3.12. Termination for Insolvency

3.12.1 The Bureau may at any time terminate the contract by giving written notice to the Contractor if the contractor becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the contractor, provided that such termination will not prejudice or affect any right of action or remedy, which has accrued or will accrue thereafter to the Bureau.

3.13. Termination for Convenience

3.13.1 The Bureau by written notice sent to the contractor, may terminate the contract in whole or in part, at any time for its convenience. The notice of termination shall specify that the termination is for the procuring entities convenience, the extent to which performance of the contractor of the

contract is terminated and the date on which such termination becomes effective.

- 3.13.2 For the remaining part of the contract after termination the Bureau may elect to cancel the services and pay to the contractor an agreed amount for partially completed services.

3.14 Resolution of Disputes

- 3.14.1 The Bureau and the contractor shall make every effort to resolve amicably by direct informal negotiations and disagreement or disputes arising between them under or in connection with the contract
- 3.14.2 If after thirty (30) days from the commencement of such informal negotiations both parties have been unable to resolve amicably a contract dispute either party may require that the dispute be referred for resolution to the formal mechanisms specified in the SCC.

3.15. Governing Language

- 3.15.1. The contract shall be written in the English language. All correspondence and other documents pertaining to the contract, which are exchanged by the parties shall be written in the same language.

3.16. Applicable Law

- 3.16.1 The contract shall be interpreted in accordance with the laws of Kenya unless otherwise expressly specified in the SCC.

3.17 Force Majeure

- 3.17.1 The Contractor shall not be liable for forfeiture of its performance security, or termination for default if and to the extent that its delay in performance or other failure to perform its obligations under the Contract is the result of an event of Force Majeure.

3.18 Notices

- 3.18.1 Any notices given by one party to the other pursuant to this contract shall be sent to the other party by post or by Fax or Email and confirmed in writing to the other party's address specified in the SCC.
- 3.18.2 A notice shall be effective when delivered or on the notices effective date, whichever is later.

SECTION IV - SPECIAL CONDITIONS OF CONTRACT

4.1. CONDITIONS TO BE MET BY THE INSURANCE COMPANY

- 4.1.1 Must be registered with the Commissioner of Insurance for the current year and a copy of the current license be submitted.
- 4.1.2 Must have done annual gross premiums in previous year of Kshs. 500 million.
- 4.1.3 Must have paid up capital of at least Kshs. 100 million.
- 4.1.4 Must give a list of 10 (ten) reputable clients.
- 4.1.5 Must submit a copy of the audited accounts for the previous year

- 4.1.6 Must have total number of management staff of at least 10. No
- 4.1.7 Must submit copies of the following documents;
 - (a) Copy of valid Tax Compliance Certificate
 - (b) Certificate of Registration/Incorporation
- 4.1.8 Must be a member of the Association of Kenya Insurance (AKI)

4.2. CONDITIONS TO BE MET BY INSURANCE BROKER

- 4.2.1 Must be registered with the Commissioner of Insurance for current year and a copy of the current license be submitted.
- 4.2.2 Must have a Bank guarantee of Kshs. 1 Million deposited with the Commissioner of Insurance and a Copy be submitted
- 4.2.3 Must have a Professional Indemnity Insurance Cover of at least 1 million and a copy be submitted
- 4.2.4 Must submit a list and recommendation letters of 10 (ten) reputable clients served in the previous year
- 4.2.5 Must submit a copy of the audited accounts for the previous year
- 4.2.6 Must be a current member of the Association of Insurance Brokers (AIB)
- 4.2.7 Must have had an annual turnover of at least Kshs 100 million in the previous year.
- 4.2.8 Must indicate proposed Underwriter

SECTION V EVALUATION CRITERIA

The following requirements must be met by the tenderer notwithstanding other requirements in the tender documents:-

a) Mandatory Requirements (MR)

No	Requirement	Responsive or Not Responsive
MR 1	Must submit a copy of Certificate of Registration/ Incorporation	
MR 2	Must submit a copy of a valid Tax Compliance Certificate	
MR 3	Must Fill the price Schedule in the Format provided	
MR 4	Must fill the Form of tender in the format provided	
MR 5	Must provide Tender security 2% -Valid for 120 days after bid opening. (Bid Bond)	
MR 6	Must submit a duly filled up Confidential Business Questionnaire in format provided	
MR 7	Submit two Tender documents, well paged, securely bound and clearly marked (original and (copy)	
	At this stage the tenderers submission will either be responsive in all mandatory (MR) requirements above or non- responsive. The non-responsive submissions will be eliminated from the entire evaluation process and will not be considered further.	

b) Technical evaluation criteria will be as follows: pass mark 70%

CRITERIA FOR EVALUATION	METHOD OF EVALUATION	MAXIMUM POINTS	% SCORE
		BROKER	
Firm experience as shown by number of years in insurance business.	1 point for every year's experience, maximum 7 years	7	
Professional qualifications and experience of the Principal Officer	ACII / AIK	5	
	Relevant degree	3	
	Relevant experience –0.5 point for every year's experience after qualification.	5	
Professional qualifications and experience of five other technical personnel	ACII / AIK	5 (1 each)	
	Relevant degree	5 (1 each)	
	Relevant experience – 0.20 point for every year's experience after qualification.	5 (1 each)	
Gross premium turnover of broker	Average premium turnover for the last two years - 10 points for the last two years - 10 points for every Kshs. 50 million handled.	20	
Professional indemnity cover	Ksh.1 million	5	
	Above Kshs.1 million	+5	
Claims administration	Based on client references- attach five (5)clients recommendations with the value of contract. 2pts each	10	
Responsiveness of KLBs requirement as per the scope of the cover	Based on the benefits, terms and conditions against interest and Sum insured.	10	
Firm's regulatory compliance	Registration certificate from I.R.A.	3	
	Current licence from I.R.A.	3	
	Valid Tax compliance certificate	3	
	Audited accounts for the last 2 years	3	
	Membership of A.I.B.	3	
	TOTAL	100%	

C) Stage Three: Financial Evaluation – 30%

- The formulae for determining the Financial Score (Sf) shall, unless an alternative formulae is indicated in the Appendix "ITC", be as follows:-
 $Sf = 100 \times FM/F$ where Sf is the financial score; Fm is the lowest priced financial proposal and F is the price of the proposal under consideration. Proposals will be ranked according to their combined technical (St) and financial (Sf) scores using the weights (T=the weight given to the Technical Proposal; P = the weight given to the Financial Proposal; T + p = I) indicated in the Appendix. The combined technical and financial score, S, is calculated as follows: - $S = St \times T \% + Sf \times P \%$. **The firm achieving the highest combined technical and financial score will be awarded the tender.**

Step 1 Calculate the weighted technical scores of each bidder as follows:- Scores achieved by a particular bidder multiplied by the technical weighting (0.7)

Step 2 Calculate the weighted financial scores of each bidder as follows:- Lowest quoted price divided by price quoted by particular bidder multiplied by 100 and multiplied by the financial weighting (0.3)

Step 3 Add the weighted technical and financial scores for each bidder and obtain the sum.

Step 4 Rank the bidders and select the bidder with the highest points as the lowest evaluated bidder.

Step 5 Make recommendations in accordance with the findings of step 4

SECTION VI - SCHEDULE OF REQUIREMENTS/ PRICE SCHEDULE

PROVISION OF INSURANCE SERVICES

Item No	Description of Insurance cover	Total Premium	Insurer/ Underwriter	Excess
1	Fire & Allied Perils (HQ & Kijabe Street)			
2	Burglary (HQ & Kijabe Street)			
3	Motor Private Comprehensive			
4	Motor Commercial Comprehensive			
5	All Risks - Computer			
6	Fidelity Guarantee			
7	Money			
8	Public Liability			
9	Employer's Liability			
10	WIBA Plus			
11	Goods in Transit			
12	Trustee Liability			
13	Group Life Insurance			
14	Directors and Officers Liability Cover			
	Total Annual Premium			

1. CLASS OF POLICY: FIRE AND PERILS

PERIOD: 1st July, 2019 to 30th June, 2020

INTEREST:

SUM INSURED

Office Building	-----	Kshs. 125, 000,000/-
Stock in Trade consisting of books	----- (a)	Kshs. 350,000,000/- [HQ]
	----- (b)	Kshs. 50,000,000/-
[Kijabe]		
Trade Fixtures and Fittings	-----	Kshs. 5,000,000/-

Plant and Machinery	-----	Kshs. 500,000,000/-
Work in Progress	-----	Kshs. 10,000,000/-
Raw Material	-----	Kshs. 15,000,000/-

SPECIAL CLAUSES: _____

EXCESS: _____

ANNUAL PREMIUM: _____

2. CLASS OF POLICY: BURGLARY INSURANCE

PERIOD: 1st July, 2019 to 30th June, 2020

INTEREST

SUM INSURED

Stock in Trade consisting of Books	-----	Kshs. 350,000,000/- (HQ)
	-----	Kshs. 50,000,000/- (Kijabe)
Trade Fixtures, and Fittings	-----	Kshs. 5,000,000/-
Plant and Machinery	-----	Kshs. 500,000,000/-
Raw Materials	-----	Kshs. 15,000,000/-

SPECIAL CLAUSES: _____

EXCESS: _____

ANNUAL PREMIUM: _____

3. CLASS OF POLICY: MOTOR VEHICLE INSURANCE

PERIOD: 1st July, 2019 to 30th June, 2020 Scope of cover: Comprehensive

LIST OF KLB VEHICLES AND VALUATION

	REG. & MARK NO.	MAKE	TYPE OF BODY	RATING (CC)	YEAR OF PURCHA SE	VALUE
1	KBU 094T	CHERRY TIGGO	ST. WAGON	1600cc	2013	2,340,000.00
2	KBU 095 T	CHERRY TIGGO	ST. WAGON	1600cc	2013	1,870,000.00
3	KBU 096T	CHERRY TIGGO	ST. WAGON	1600cc	2013	1,980,000.00

4	KAJ 685S	ISUZU	LORRY	3636cc	1999	470,000.00
5	KBQ 512 D	ISUZU	LORRY	4300cc	2010	2,510,000.00
6	KCE 906D	FORD EVEREST	SUV	2200	2016	5,700,000
7	KBG 147C	DAIHATSU	ST. WAGON	1500cc	2009	920,000.00
8	KBG 146C	DAIHATSU	ST. WAGON	1500cc	2009	830,000.00
9	KBZ 051D	DAIHATSU	ST WAGON	1500cc	2014	3,090,000.00
10	KBZ 055D	DAIHATSU	ST WAGON	1500cc	2014	2,640,000.00
11	KBZ 069D	CHERRY TIGGO	ST WAGON	1600cc	2014	2,080,000.00
12	KBZ 891D	NISSAN ALMERA	SALOON	1500cc	2014	1,910,000.00
13	KCD 394G	CHERRY TIGGO	ST WAGON	1600cc	2014	3,020,000.00
14	KCD 486C	NISSAN URVAN	VAN	2400cc	2015	5,540,000.00
15	KCE 330D	CHERRY TIGGO	ST WAGON	1600cc	2015	3,120,000.00
16	KCE329D	CHERRY TIGGO	ST WAGON	1600cc	2015	3,080,000.00
17	KCK 819U	VOLKSWAGEN CADDY	ST WAGON	1600cc	2015	3,300,000.00
18	KCH 790Q	TOYOTA PRADO	ST WAGON	2982cc	2017	13,000,000.00

4. **CLASS OF POLICY: MICROSURE [All risks]**

PERIOD: 1st July, 2019 to 30th June, 2020

INTEREST: Various Computers, Printers and Accessories

SUM ASSURED: Kshs. 15,000,000

SPECIAL CLAUSES: _____

EXCESS: _____

ANNUAL PREMIUM: _____

5. **CLASS OF POLICY: FIDELITY GUARANTEE**

PERIOD: 1st July, 2019 to 30th June, 2020

INTEREST:

SUM ASSURED

Treasury Accountant 1 -----

Kshs. 500,000/-

Treasury Accountant 2 -----

Kshs. 500,000/-

SUM ASSURED: Kshs. 1,000,000/-

SPECIAL CLAUSES: _____

EXCESS: _____

ANNUAL PREMIUM: _____

6. CLASS OF POLICY: MONEY INSURANCE

PERIOD: 1st July, 2019 to 30th June, 2020

INTEREST:		SUM ASSURED
Money in Transit:	-----	Kshs. 1,000,000/-
Money in Safe [out of working hrs]	-----	Kshs. 700,000/-
Money in Premises [working hrs]	-----	Kshs. 700,000/-
ESTIMATED Annual Carry	-----	Kshs 50, 000,000/-

SPECIAL CLAUSES: _____

EXCESS: _____

ANNUAL PREMIUM: _____

7. CLASS OF POLICY: PUBLIC LIABILITY

PERIOD: 1st July, 2019 to 30th June, 2020

INTEREST: Accidental Death, Bodily Injury and Illness

SUM ASSURED: Kshs. 2,000,000/-

SPECIAL CLAUSES: _____

EXCESS: _____

ANNUAL PREMIUM: _____

7. CLASS OF POLICY: EMPLOYERS LIABILITY

PERIOD: 1st July, 2019 to 30th June, 2020

LIMITS TO LIABILITY		KSHS
Any One Person	-----	500,000/-

Any One Accident ----- **2,500,000/-**

Any One Period ----- **5,000,000/-**

SPECIAL CLAUSES: _____

EXCESS: _____

ANNUAL PREMIUM: _____

8. CLASS OF POLICY: WIBA PLUS

PERIOD: 1st July, 2019 to 30th June, 2020

No. of Employees Covered: 221

No. of Board Members: 5

No. of Contract Staff: 70

No. of Casual Staff: 70

Estimated Annual Earnings:----- Kshs. 270,000,000/-

EXCESS: _____

SPECIAL CLAUSES: _____

ANNUAL PREMIUM: _____

10. CLASS OF POLICY: GOODS IN TRANSIT

PERIOD: 1st July, 2019 to 30th June, 2020

Description of Journey: Headquarters to Kijabe Street

INTEREST	SUM ASSURED
Each Carry	Kshs. 8,000,000/=

Estimated Annual Carry	Kshs. 300,000,000/=
------------------------	---------------------

Cover to include courier services. "All risks" cover that includes theft and related perils

SPECIAL CLAUSES:

EXCESS:

ANNUAL PREMIUM:

11. CLASS OF POLICY: Retirement Benefits Trustee Indemnity Policy

PERIOD: 1st July, 2019 to 30th June, 2020

SUM ASSURED: Kshs. 10,000,000/=

SPECIAL CLAUSES: _____

EXCESS: _____

ANNUAL PREMIUM: _____

12. CLASS OF POLICY: FIRE AND PERILS

PERIOD: 1st July, 2019 to 30th June, 2020

INTEREST
KLB building – Kijabe Street

SUM ASSURED
Kshs. 50,000,000/=

SPECIAL CLAUSES: _____

EXCESS: _____

ANNUAL PREMIUM: _____

13. CLASS OF POLICY: GROUP LIFE ASSURANCE

PERIOD: 1st July, 2019 to 30th June, 2020

ANNUAL PREMIUM

As per schedule provided

Annual Basic Salary; Kshs. 270,000,000/=

SECTION VI - STANDARD FORMS

Form Of Tender

To: _____ Date _____
Name and address of Bureau _____
Tender No. _____
Tender Name _____

Gentlemen and/or Ladies:-

1. Having examined the Tender documents including Addenda No. (Insert numbers) the receipt of which is hereby duly acknowledged, we the undersigned, offer to provide Insurance Services under this tender in conformity with the said Tender document for the sum of
.....[Total Tender amount in words and figures]
or such other sums as may be ascertained in accordance with the Schedule of Prices attached herewith and made part of this Tender.

2. We undertake, if our Tender is accepted, to provide the Insurance Cover Services in accordance with the conditions of the tender.

3. We agree to abide by this Tender for a period of[number] days from the date fixed for Tender opening of the Instructions to Tenderers, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

4. This Tender, together with your written acceptance thereof and your notification of award, shall constitute a Contract between us subject to the signing of the contract by both parties.

5. We understand that you are not bound to accept the lowest or any tender you may receive.

Dated this _____ day of _____

[Signature]

[In the capacity of]

Duly authorized to sign tender for and on behalf of _____

Contract Form

THIS AGREEMENT made the _____ day of _____ 20_____ between
[name of Procurement entity] of _____ [country of Procurement entity]
(hereinafter called “the Bureau”) of the one part and
[name of tenderer] of _____ [city and country of tenderer]
(hereinafter called “the tenderer”) of the other part:

WHEREAS the Bureau invited tenders for the GPA cover and has accepted a tender by the tenderer for the supply of the services in the sum of _____
_____ [contract price in words in figures] (hereinafter called “the Contract Price”).

NOW THIS AGREEMENT WITNESSTH AS FOLLOWS:-

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement, viz:
 - (a) the Tender Form and the Price Schedule submitted by the tenderer;
 - (b) the Schedule of Requirements
 - (c) the Details of cover
 - (d) the General Conditions of Contract
 - (e) the Special Conditions of Contract; and
 - (f) the Bureau’s Notification of Award
3. In consideration of the payments to be made by the Bureau to the tenderer as hereinafter mentioned, the tenderer hereby covenants with the Bureau to provide the GPA cover and to remedy defects therein in conformity in all respects with the provisions of the Contract.
4. The Bureau hereby covenants to pay the tenderer in consideration of the provision of the services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the contract at the times and in the manner prescribed by the contract.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with their respective laws the day and year first above written

Signed, sealed, delivered by _____ the _____ (for the Bureau)

Signed, sealed, delivered by _____ the _____ (for the tenderer) in the presence of _____

CONFIDENTIAL BUSINESS QUESTIONNAIRE

You are requested to give the particular indicated in Part 1 and either Part 2(a), 2(b), or 2(c)

Which ever applies to your type of business

You are advised that it is a serious offence to give false information on this Form.

Part _____ General:

Business NameLocation of business premisesPlot No. Street/Road

Posta Address Tel. No.Fax Email

Nature of businessRegistration Certificate No.

Maximum value of business which you can handle at any one time Kshs.Name of your bankers Branch

Part 2(a) – Sole Proprietor:

Your name in full Age

Nationality Country of origin

Citizenship details.....

Party 2(b) – Partnership

Give details of partners as follows

	Name	Nationality	Citizenship Details	Shares
1.
2.
3.

Part 2(c) – Registered Company:

Private or public

State the nominal and issued capital of the company –

Nominal Kshs..

Issued Kshs.....

Give details of all directors as follows

	Name	Nationality	Citizenship Details	Shares
1.
2.
3.
4.
5.

Date..... Signature of Tenderer

If a citizen, indicate under “Citizenship Details” whether by Birth, Naturalization or Registration

TENDER SECURITY FORM

Whereas [*name of Bidder*] (hereinafter called <the tenderer> has submitted its bid dated [*date of submission of bid*] for the provision of insurance services (hereinafter called <the tender>

KNOW ALL PEOPLE by these presents that WE [*name of bank*] of [*name of country*], having our registered office at [*name of Bureau*] (hereinafter called <the Bureau> in the sum of [*state the amount*] for which payment well and truly to be made to the said Bureau, the Bank binds itself, its successors, and assigns by these presents. Sealed with the Common Seal of the said Bank this _____ day of _____ 20 _____

THE CONDITIONS of this obligation are:-

1. If the tenderer withdraws its tender during the period of tender validity specified by the Bureau on the Form; or
2. If the tender, having been notified of the acceptance of its tender by the Bureau during the period of tender validity
 - (a) fails or refuses to execute the Contract Form, if required; or
 - (b) fails or refuses to furnish the performance security, in accordance with the Instructions to tenders.

We undertake to pay to the Bureau up to the above amount upon receipt of its first written demand, without the Bureau having to substantiate its demand, provided that in its demand the Bureau will note that the amount claimed by it is due to it, owing to the occurrence of one or both of the conditions, specifying the occurred condition(s)

This tender guarantee will remain in force up to and including thirty (30) days after the period of tender validity, and any demand in respect thereof should reach the Bank not later than the above stated date.

[Authorized Signatories and official stamp of the Bank]

PERFORMANCE SECURITY FORM

To:

[Name of Bureau]

WHEREAS *[name of tenderer]*

(Hereinafter called "the tenderer") has undertaken, in pursuance of Contract No. _

_____ *[reference number of the contract]* dated _____ 20 _

_____ to supply

[description of insurance services] (Hereinafter called "the Contract")

AND WHEREAS it has been stipulated by you in the said Contract that the tenderer shall furnish you with a bank guarantee by a reputable bank for a sum specified therein as security for compliance with the Tenderer's performance obligations in accordance with the Contract

AND WHEREAS we have agreed to give the tenderer a guarantee:

THEREFORE WE hereby affirm that we are Guarantors and responsible to you, on behalf of the tenderer, up to a total of

[amount of the guarantee in words and figures], and we undertake to pay you, upon your first written demand declaring the tenderer to be in default under the Contract and without cavil or argument, any sum of money within the limits of *[Amount of guarantee]* as aforesaid, without your needing to prove or to show grounds or reasons for your demand or the sum specified therein.

This guarantee is valid until the _____ day of _____ 20

Signature and seal of the Guarantors

[Name of bank of financial institution]

[Address]

[Date]

LETTER OF NOTIFICATION OF AWARD

Address of Bureau

To: _____

RE: Tender No. _____

Tender Name _____

This is to notify that the contract/s stated below under the above mentioned tender have been awarded to you.

1. Please acknowledge receipt of this letter of notification signifying your acceptance.
2. The contract/contracts shall be signed by the parties within 30 days of the date of this letter but not earlier than 14 days from the date of the letter.
3. You may contact the officer(s) whose particulars appear below on the subject matter of this letter of notification of award.

(FULL PARTICULARS) _____

SIGNED FOR ACCOUNTING OFFICER