



## **TENDER DOCUMENT**

### **PROVISION OF DEPOSIT AND LOANS GUARD INSURANCE COVER**

**TENDER REF NO – SHSC/TENDER/SC/011/2022**

**NOVEMBER 2022**

## **TABLE OF CONTENTS**

<b>INVITATION TO TENDER , .....</b>	<b>1</b>
<b>PART 1 - TENDERING PROCEDURES .....</b>	<b>2</b>
A. General .....	3
B. Contents of Tendering Document.....	6
PART 1: Tendering Procedures .....	6
PART 2: Procuring Entity's Requirements .....	6
PART 3: Contract .....	6

C. Preparation of Tenders.....	7
D. Evaluation and Comparison of Tenders.....	9
E. Award of Contract .....	10
Evaluation and contract award Criteria.....	12
<b>EVALUATION CRITERIA.....</b>	<b>13</b>
<b>SECTION IV- TENDERING FORMS .....</b>	<b>16</b>
<b>PART II – SCHEDULE OF INSURANCE REQUIREMENTS .....</b>	<b>21</b>
<b>PART III – CONDITIONS OF CONTRACT AND CONTRACT FORMS.....</b>	<b>24</b>

## **LIST OF ABBREVIATIONS**

(ITT) - Instructions to Tenderers

(GCC) - General Conditions of Contract

(TDS) - Tender Data Sheets

(SCC) - Special Conditions of Contract

(STD) - Standard Tender Document

(PEs) - Procuring Entities

## **INVITATION TO TENDER**

1. Sheria Sacco Society Ltd invites sealed tenders for the **Provision of Deposit and Loans Guard Insurance Covers for Sheria Sacco Society Ltd**
2. Qualified and interested tenderers may obtain further information and inspect the Tender Documents during office hours 8am and 5pm starting from the date of advert at the office of:

**The Chief Executive Officer  
Sheria Sacco Society Limited,  
P.O. Box 34390, 00100  
Nairobi**

3. Tendering will be conducted under open competitive method - National using a standardized tender document. Tendering is open to all qualified and interested Tenderers.
4. A complete set of tender documents may be viewed and downloaded free of charge from the Sheria Sacco's website. Tenderers who download the tender document must forward their particulars immediately facilitate any further clarification or addendum to [tenders@sheriasacco.coop](mailto:tenders@sheriasacco.coop)
5. Completed tender documents MUST be delivered so as to reach the undersigned:

**The Chief Executive Officer  
Sheria Sacco Society Limited,  
P.O. Box 34390, 00100  
Nairobi**

**On or before 15<sup>th</sup> November 2022 at 1000hrs. Late documents will not be accepted**

**Chief Executive Officer,  
Sheria Sacco Society Ltd  
Date 2<sup>nd</sup> November 2022**

---

## **PART 1 - TENDERING PROCEDURES**

---

## SECTION I - INSTRUCTIONS TO TENDERERS

### A. General

#### Scope of Tender

- 1.1 This tendering document is for the Provision of Deposit and Loans Guard Insurance Cover for Sheria Sacco Society Ltd, as specified in Section V, Procuring Entity's Schedule of Requirements. The name of the Procuring Entity, name and identification and number of this tender are specified in the **TDS**.

#### Definitions

- 2.1 Throughout this tendering document:
- a) The term “in writing” means communicated in written form (e.g. by mail, e-mail, including if specified **in the TDS**, distributed or received through the electronic-procurement system used by the Procuring Entity) with proof of receipt;
  - b) If the contexts require, “singular” means “plural” and vice versa; and
  - c) “Day” means calendar day, unless otherwise specified as “Business Day”. A Business Day is any day that is an official working day of the Procuring Entity. It excludes the Procuring Entity's official public holidays.
- 2.2 The successful Tenderer will be expected to commence Provision of Deposit and Loans Guard Insurance Cover for Sheria Sacco Society Ltd by Date provided **in the TDS**. The insurance duration for each item will be one year but can be extended by the period specified in the **TDS**.

#### Fraud and Corruption

- 3.1 The Procuring Entity requires compliance with the provisions of the Public Procurement and Asset Disposal Act, 2015, Section 62 “Declaration not to engage in corruption”. The tender submitted by a person shall include a declaration that the person shall not engage in any corrupt or fraudulent practice and a declaration that the person or his or her sub-contractors are not debarred from participating in public procurement proceedings.
- 3.2 The Procuring Entity requires compliance with the provisions of the Competition Act 2010, regarding collusive practices in contracting. Any tenderer found to have engaged in collusive conduct shall be disqualified and criminal and/or civils actions may be imposed. To this effect, Tenders shall be required to complete and sign the “Certificate of Independent Tender Determination” annexed to the Form of Tender.
- 3.3 Unfair Competitive Advantage - Fairness and transparency in the tender process require that the firms or their Affiliates competing for a specific assignment do not derive a competitive advantage from having provided consulting services related to this tender. To that end, the Procuring Entity shall indicate in the **TDS** and make available to all the firms together with this tender document all information that would in that respect give such firm any unfair competitive advantage over competing firms.
- 3.4 Tenderers shall permit and shall cause their agents (where declared or not), subcontractors, sub-consultants, service providers, suppliers, and their personnel, to permit the Procuring Entity to inspect all accounts, records and other documents relating to any initial selection process, pre-qualification process, tender submission, proposal submission, and contract

performance (in the case of award), and to have them audited by auditors appointed by the Procuring Entity.

### **Eligible Tenderers**

- 4.1 A Tenderer may be a firm that is a private entity, a state-owned enterprise or institution or any combination of such entities in the form of a joint venture (JV) under an existing agreement with the intent to enter into such an agreement supported by a letter of intent. Only Insurance service providers registered by Insurance Regulatory Authority are eligible to tender and sign contracts. In the case of a joint venture, all members shall be jointly and severally liable for the execution of the entire Contract in accordance with the Contract terms. The JV shall nominate a Representative who shall have the authority to conduct all business for and on behalf of any and all the members of the JV during the tendering process and, in the event the JV is awarded the Contract, during contract execution. Members of a joint venture may not also make an individual tender, be a subcontractor in a separate tender or be part of another joint venture for the purposes of the same Tender. The maximum number of JV members shall be specified in the **TDS**.
- 4.2 Public Officers of the Procuring Entity, their spouse, child, parent, brother, sister, child, parent or sister of a spouse, their business associates or agents and firms/organizations in which they have a substantial or controlling interest shall not be eligible to tender or be awarded a contract. Public Officers are also not allowed to participate in any procurement proceedings.
- 4.3 A Tenderer shall not have a conflict of interest. Any Tenderer found to have a conflict of interest shall be disqualified. A Tenderer may be considered to have a conflict of interest for the purpose of this Tendering process, if the Tenderer:
- d) Directly or indirectly controls, is controlled by or is under common control with another Tenderer; or
  - e) Receives or has received any direct or indirect subsidy from another Tenderer; or
  - f) Has the same legal representative as another Tenderer; or
  - g) Has a relationship with another Tenderer, directly or through common third parties, that puts it in a position to influence the Tender of another Tenderer, or influence the decisions of the Procuring Entity regarding this Tendering process; or
  - h) Or any of its affiliates participated as a consultant in the preparation of the Procuring Entity's Requirements (including Schedules of requirements, Performance Specifications, etc.) for the Insurance services that are the subject of this Tender; or
  - i) or any of its affiliates has been hired (or is proposed to be hired) by the Procuring Entity for the Contract implementation; or
  - j) would be providing goods, works, or services resulting from or directly related to the insurance services specified in the TDS ITT 1.1 that it provided or were provided by any affiliate that directly or indirectly controls, is controlled by, or is under common control with that firm; or
  - k) has a close business or family relationship with a professional staff of the Procuring Entity who: (i) are directly or indirectly involved in the preparation of

the tendering document or specifications of the contract, and/or the Tender evaluation process of such contract; or (ii) would be involved in the implementation or supervision of such contract unless the conflict stemming from such relationship has been resolved in a manner acceptable to the Procuring Entity throughout the procurement process and execution of the Contract.

- 4.4 A firm that is a Tenderer shall not participate in more than one Tender, except for permitted alternative Tenders. Such participation shall result in the disqualification of all Tenders in which the firm is involved.
- 4.5 A Tenderer may have the nationality of any country, subject to the restrictions pursuant. A Tenderer shall be deemed to have the nationality of a country if the Tenderer is constituted, incorporated or registered in and operates in conformity with the provisions of the laws of that country, as evidenced by its articles of incorporation (or equivalent documents of constitution or association) and its registration documents, as the case may be. This criterion also shall apply to the determination of the nationality of proposed sub- contractors or sub-consultants for any part of the Contract including related Services.
- 4.6 A Tenderer that has been debarred from participating in public procurement shall be ineligible to tender or be awarded a contract. The list of debarred firms and individuals is available from the website of PPRA. ([www.ppra.go.ke](http://www.ppra.go.ke)).
- 4.7 Tenderers that are state-owned enterprises or institutions in Kenya may be eligible to compete and be awarded a Contract(s) if they can establish that they are registered as insurance businesses.
- 4.8 A tenderer under suspension from tendering as the result of the operation of a Tender-Securing Declaration or Proposal-Securing Declaration shall not be eligible to tender.
- 4.9 Firms and individuals may be ineligible if (a) as a matter of law or official regulations, Kenya prohibits commercial relations with that country, or (b) by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, Kenya prohibits any import of goods or contracting of works or services from that country, or any payments to any country, person, or entity in that country.
- 4.10 The Insurance Act of Kenya (Revised 2017) requires that insurance companies that wish to offer insurance services in Kenya should be registered with the Insurance Regulatory Authority (IRA) of Kenya to allow them undertake insurance business in Kenya. Registration shall not be a condition for tender, but it shall be a condition of contract award and signature. A selected tenderer shall be given opportunity to register before contract award and signature of contract. Details on application for registration with Insurance Regulatory Authority may be accessed from the website [www.ira.go.ke](http://www.ira.go.ke)
- 4.11 The Competition Act of Kenya requires that firms wishing to tender as Joint Venture undertakings which may prevent, distort or lessen competition in provision of services are prohibited unless they are exempt in accordance with the provisions of Section 25 of the Act. JVs will be required to seek for exemption from the Competition Authority. Exemption shall not be a condition for tender, but it shall be a condition of contract award and signature. A JV tenderer shall be given opportunity to seek such exemption as a condition of award and signature of contract. Application for exemption from the Competition Authority of Kenya may be accessed from the website [www.ira.go.ke](http://www.ira.go.ke)

- 4.12 A Kenyan tenderer shall provide evidence of having fulfilled his/her tax obligations by producing a current tax compliance certificate or tax exemption certificate issued by the Kenya Revenue Authority.

## **B. Contents of Tendering Document**

### **Sections of Tendering Document**

- 6.1 The tendering document consists of Parts 1, 2, and 3, which include all the sections indicated below and should be read in conjunction with any Addenda issued

#### **PART 1: Tendering Procedures**

- i) Section I - Instructions to Tenderers (ITT)
- ii) Section II - Tender Data Sheet (TDS)
- iii) Section III - Evaluation and Qualification Criteria
- iv) Section IV – Tendering Forms

#### **PART 2: Procuring Entity's Requirements**

- v) Section V– Schedule of Requirements

#### **PART 3: Contract**

- vi) Section VI - General Conditions of Contract (GCC)

- 6.2 The Invitation to Tender (ITT) or the notice to pre-qualify Tenderers issued by the Procuring Entity is not part of this tendering document.
- 6.3 Unless obtained directly from the Procuring Entity, the Procuring Entity is not responsible for the completeness of the document, responses to requests for clarification, the Minutes of the pre-Tender meeting (if any), or Addenda to the tendering document. In case of any contradiction, documents obtained directly from the Procuring Entity shall prevail.
- 6.4 The Tenderer is expected to examine all instructions, forms, terms of reference, and specifications in the tendering document and to furnish with its Tender all information or documentation as is required by the tendering document.

### **Amendment of Tendering Document**

- 7.1 At any time prior to the deadline for submission of Tenders, the Procuring Entity may amend the Tendering document by issuing addenda.
- 7.2 Any addendum issued shall be part of the tendering document and shall be communicated in writing to all who have obtained the tendering document from the Procuring Entity. The Procuring Entity shall also promptly publish the addendum on the Procuring Entity's web page.
- 7.3 To give prospective Tenderers reasonable time in which to take an addendum into account in preparing their Tenders, the Procuring Entity shall extend, as necessary, the deadline for submission of Tenders.



## **C Preparation of Tenders**

### **Cost of Tendering**

- 7.4 The Tenderer shall bear all costs associated with the preparation and submission of its Tender, and the Procuring Entity shall not be responsible or liable for those costs, regardless of the conduct or outcome of the Tendering process.

### **Language of Tender**

- 7.5. The Tender as well as all correspondence and documents relating to the Tender exchanged by the Tenderer and the Procuring Entity shall be written in the English language. Supporting documents and printed literature that are part of the Tender maybe in another language provided they are accompanied by an accurate translation of the relevant passages in to the English language, in which case, for purposes of interpretation of the Tender, such translation shall govern.

### **Form of Tender and Schedule of Requirements**

- 7.6 The Form of Tender and priced Schedule of Requirements shall be prepared using the relevant forms furnished in Section IV, Tendering Forms. The forms must be completed without any alterations to the text, and no substitutes shall be accepted. All blank spaces shall be filled in with the information requested. The Tenderer shall chronologically serialize pages of all tender documents submitted.

### **Tender Prices and Discounts**

- 7.7 The prices (or premiums) and discounts (including any price reduction) quoted by the Tenderer in the Form of Tender and in the Schedule of Requirements shall conform to the requirements specified below.
- 7.8 The Contract shall be for the provision of Deposit and Loans Guard Insurance Cover of the items described in the Schedule of Requirements submitted by the Tenderer.
- 7.9 The Tenderer shall quote any discounts in the Form of Tender.
- 7.10 All duties, taxes, and other levies pay able by the Insurance Provider under the Contract, or for any other cause, as of the date 28 days prior to the deadline for submission of Tenders, shall be included in the total Tender price submitted by the Tenderer.
- 7.11 If provided for in the TDS, prices quoted by the Tenderer shall be subject to adjustment during the performance of the Contract in accordance with and the provisions of Clause 6.6 of the General Conditions of Contract and/or Special Conditions of Contract. The Tenderer shall submit with the Tender all the information required under the Special Conditions of Contract and of the General Conditions of Contract.

### **Currencies of Tender and Payment**

- 8.1 The currency of the Tender and the currency of payments shall be Kenya Shillings, unless specified otherwise in the TDS.

## **Period of Validity of Tenders**

- 9.1 Tenders shall remain valid for the Tender Validity period specified **in the TDS**. The Tender Validity period starts from the date fixed for the Tender submission deadline date (as prescribed by the Procuring Entity). A tender valid for a shorter period shall be rejected by the Procuring Entity as non-responsive.

## **Format and Signing of Tender**

- 10.1 The Tenderer shall prepare one original of the documents comprising the Tender as described in ITT 12, bound with the volume containing the Form of Tender, and clearly marked "Original." In addition, the Tenderer shall submit copies of the Tender, in the number specified in the TDS, and clearly marked as "Copies." In the event of discrepancy between them, the original shall prevail.
- 10.2 Tenderers shall mark as "CONFIDENTIAL" information in their Tenders which is confidential to their business. This may include proprietary information, trade secrets, or commercial or financially sensitive information.
- 10.3 The original and all copies of the Tender shall be typed or written in indelible ink and shall be signed by a person or persons duly authorized to sign on behalf of the Tenderer. The name and position held by each person signing the authorization must be typed or printed below the signature. All pages of the Tender where entries or amendments have been made shall be signed or initialed by the person signing the Tender.
- 10.4 Any inter-lineation, erasures, or overwriting shall be valid only if they are signed or initialed by the person signing the Tender

## **Submission and Opening of Tenders**

### **Sealing and Marking of Tenders**

- 11.1 In 1 (One) plain sealed envelope clearly labeled **Provision of Deposit and Loans Guard Insurance Cover, 1 technical proposal document and separate sealed envelopes for financial proposals for each cover (Deposit and Loans guard)** to be deposited in the tender box situated at the SHERIA SACCO OFFICES, UPPER HILL MATUMBATO CLOSE and addressed to the address below.

### **Deadline for Submission of Tenders**

- 11.2 Tenders must be received by the Procuring Entity at the address and no later than the date and time specified **in the TDS**. When so specified **in the TDS**, Tenderers shall have the option of submitting their Tenders electronically. Tenderers submitting Tenders electronically shall follow the electronic Tender submission procedures specified **in the TDS**.
- 11.3 The Procuring Entity may, at its discretion, extend the deadline for the submission of Tenders by amending the tendering document in accordance with ITT 9, in which case all rights and obligations of the Procuring Entity and Tenderers previously subject to the deadline shall thereafter be subject to the deadline as extended.

### **Late Tenders**

- 12.1 The Procuring Entity shall not consider any Tender that arrives after the deadline for

submission of Tenders. Any Tender received by the Procuring Entity after the deadline for submission of Tenders shall be declared late, rejected, and returned unopened to the Tenderer.

## **Evaluation and Comparison of Tenders**

### **13.1 Confidentiality**

13.2 Information relating to the evaluation of Tenders and recommendation of contract award, shall not be disclosed to Tenderers or any other persons not officially concerned with the Tendering process until information on the Intention to Award the Contract is transmitted to all Tenderers.

13.3 Any effort by a Tenderer to influence the Procuring Entity in the evaluation or contract award decisions may result in the rejection of its Tender.

13.4 From the time of Tender opening to the time of Contract Award, if any Tenderer wishes to contact the Procuring Entity on any matter related to the Tendering process, it should do so in writing.

### **Clarification of Tenders**

14.1 To assist in the examination, evaluation, and comparison of Tenders, and qualification of the Tenderers, the Procuring Entity may, at the Procuring Entity's discretion, ask any Tenderer for clarification of its Tender including breakdowns of the prices in the Activity Schedule, and other information that the Procuring Entity may require. Any clarification submitted by a Tenderer in respect to its Tender and that is not in response to a request by the Procuring Entity shall not be considered. The Procuring Entity's request for clarification and the response shall be in writing. No change, including any voluntary increase or decrease, in the prices or substance of the Tender shall be sought, offered, or permitted, except to confirm the correction of arithmetic errors discovered by the Procuring Entity in the evaluation of the Tenders.

14.2 If a Tenderer does not provide clarifications of its Tender by the date and time set in the Procuring Entity's request for clarification, its Tender may be rejected.

### **Evaluation of Tenders**

15.1 The Procuring Entity shall use the criteria and methodologies listed in this Section III, Evaluation and Qualification Criteria. No other evaluation criteria or methodologies shall be permitted. By applying the criteria and methodologies, the Procuring Entity shall determine the Lowest Evaluated Tender. This is the Tender of the Tenderer that meets the qualification criteria and whose Tender has been determined to be:

- a) Substantially responsive to the tendering document; and
- b) The lowest evaluated cost.

15.2 The estimated effect of the price adjustment provisions of the Conditions of Contract, applied over the period of execution of the Contract, shall not be taken into account in

### **Procuring Entity's Right to Accept Any Tender, and to Reject Any or All Tenders**

16.1 The Procuring Entity 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 there being incurring any liability to Tenderers. In case of annulment, all Tenderers shall be notified

with reasons and all Tenders submitted and specifically, Tender securities, shall be promptly returned to the Tenderers.

#### **D. Award of Contract**

##### **Award Criteria**

17.1 The Procuring Entity shall award the Contract to the successful tenderer whose tender has been determined to be the Lowest Evaluated Tender.

##### **Notice of Intention to enter into a Contract**

18.1 Upon award of the contract and Prior to the expiry of the Tender Validity Period the Procuring Entity shall issue a Notification of Intention to enter into a Contract/Notification of award to all tenderers which shall contain, at a minimum, the following information:

- a) The name and address of the Tenderer submitting the successful tender;
- b) The Contract price of the successful tender;
- c) a statement of the reason(s) the tender of the unsuccessful tenderer to whom the letter is addressed
- d) was unsuccessful, unless the price information in (c) above already reveals the reason;

##### **Negotiations**

19.1 The negotiations shall be held at the place indicated in the TDS with the Tenderer's representative(s) who must have written power of attorney to negotiate and sign a Contract on behalf of the Tenderer. The Procuring Entity will constitute a team to negotiate a contract and the terms of the Insurance Policy to be provided.

20.1 The negotiations shall start with discussions of the scope of the terms and conditions of the Policy, its conformity to the Procuring Entity's requirements, the conditions and circumstances under which the insured will be financially compensated, and the items that would need to be attended to before the contract is signed and an Insurance Policy issued. These discussions shall not substantially alter the original scope of the Procuring Entity's requirements. The items that would need to be attended to by the Procuring Entity before the contract is signed and an Insurance Policy issued should not be so extended as to render the scope of the required service and its price different from the Procuring Entity's requirements.

20.2 The Procuring Entity shall prepare minutes of negotiations that are signed by the Procuring Entity and the Tenderers' authorized representative.

##### **Letter of Award**

21.1 The Procuring Entity shall transmit the Letter of award to the successful Tenderer.

##### **Signing of Contract**

22.1 The Procuring Entity shall send the successful Tenderer the Contract Agreement.

22.2 Within fourteen (14) days of receipt of the Contract Agreement, the successful Tenderer shall sign, date, and return it to the Procuring Entity.

22.3 The written contract shall be entered into within the period specified in the notification of award and before expiry of the tender validity period.

## SECTION II - TENDER DATA SHEET (TDS)

The following specific data for the provision of Deposit and Loans Guard Insurance Cover to be procured shall complement, supplement, or amend the provisions in the Instructions to Tenderers (ITT). Whenever there is a conflict, the provisions here in shall prevail over those in ITT.

ITT Reference	<b>A. General</b>
<i>ITT 1.0</i>	<b>TENDER NO. SHSC/TENDER/SC/011/2022 SHERIA SACCO SOCIETY LTD GROUP PROVISION OF DEPOSIT AND LOANS GUARD INSURANCE COVER</b>
<i>ITT 2.0</i>	The intended date commencing provision of Deposit and Loans Guard Insurance Cover is <b>1<sup>st</sup> January 2023</b> . The insurance duration will be 12 months but may be extended by 12 months subject of satisfactory performance and agreement by the parties under the same unit rates.
	<b>B. Contents of Tendering Document</b>
<i>ITT 3.0</i>	<b>Any clarification may be sought through email: <a href="mailto:tenders@sheriasacco.coop">tenders@sheriasacco.coop</a></b> To reach the procurement Entity on or no later than: 7 days before tender closing date.
<i>ITT 4.0</i>	The prices quoted by the Tenderer shall not be subject to adjustment during the performance of the contract except where there are additional members and dependants to the scheme
<i>ITT 5.0</i>	The currency of the Tender and the currency of payments shall be <b>Kenya Shillings</b>
<i>ITT 6.0</i>	The Tender validity period shall be 120 days
<i>ITT 7.0</i>	The Tenderer shall deliver the Tender  1. In 1 (One) plain sealed envelope clearly labeled <b>Provision of Deposit and Loans Guard Insurance Cover</b> ,  <b>NB: Submit one (1) technical proposal document and two (2) separate financial proposals, in sealed envelopes for each cover (i.e. Deposit cover and Loans guard) to be deposited in the tender box situated at the SHERIA SACCO OFFICES, UPPER HILL MATUMBATO CLOSE and addressed to the address below.</b>
<i>ITT 8.0</i>	<b>D. Submission and Opening of Tenders</b>
	<b>Attention:</b>  <b>The Chief Executive Officer Sheria Sacco Society Limited, P.O. Box 34390, 00100 Nairobi</b>  <b>On or before 15<sup>th</sup> November 2022 at 1000hrs</b>

## **SECTION III - EVALUATION AND QUALIFICATION CRITERIA**

### **General Provision**

This section contains the criteria that Sheria Sacco shall use to evaluate tender and qualify tenderers. No other factors, methods or criteria shall be used other than specified in this tender document. The Tenderer shall provide all the information requested in the forms included in Section IV, Tendering Forms.

### **Evaluation and contract award Criteria**

The Procuring Entity shall use the criteria and methodologies listed in this Section to evaluate tenders and arrive at the Lowest Evaluated Tender. The tender that

- (i) Meets the qualification criteria,
- (ii) Has been determined to be substantially responsive to the Tender Documents, and
- (iii) Is determined to have the Lowest Evaluated Tender price shall be selected for award of contract.

### **Preliminary examination for Determination of Responsiveness**

The Procuring Entity will start by examining all tenders to ensure they meet in all respects the eligibility criteria and other requirements in the ITT, and that the tender is complete in all aspects in meeting the requirements of *“Part 2–Procuring Entity's Insurance Requirements”*, including checking for tenders with unacceptable errors, abnormally low tenders, abnormally high tenders and tenders that are incomplete. The Standard Tender Evaluation Report for evaluating Tenders provides clear guidelines on how to deal with review of these requirements. Tenders that do not pass the Preliminary Examination will be considered irresponsive and will not be considered further.

### **History of non-performing contracts:**

Tenderer and each member of JV in case the Tenderer is a JV, shall demonstrate that Non-performance of a contract did not occur because of the default of the Tenderer, or the member of a JV in the last 3 years. The required information shall be furnished in the appropriate form.

### **Pending Litigation**

Financial position and prospective long-term profitability of the Single Tenderer, and in the case the Tenderer is a JV, of each member of the JV, shall remain sound according to criteria established with respect to Financial Capability under Paragraph (i) above. If pending litigation will be resolved against the Tenderer. Tenderer shall provide information on pending litigations in the appropriate form.

### **Litigation History**

There shall be no consistent history of court/arbitral award decisions against the Tenderer, in the last 3 years. All parties to the contract shall furnish the information in the appropriate form about any litigation or arbitration resulting from contracts completed or ongoing under its execution over the years specified. A consistent history of awards against the Tenderer or any member of a JV may result in rejection of the tender.

## EVALUATION CRITERIA

The technical proposal will carry a weight of 80% while the financial proposal will carry a weight 20%. Only those who meet the Mandatory requirements and 70% minimum technical requirements will be evaluated further. The bids will be evaluated using the criteria set as below.

### **MANDATORY REQUIREMENTS**

	REQUIREMENT	
1	Certificate of Registration/Letter of Incorporation	Mandatory
2	VAT/PIN Certificate	Mandatory
3	Valid copy of the Current Business permit	Mandatory
4	Copy of a Valid Tax compliance Certificate	Mandatory
5	Audited Financial Account (2019-2021)	Mandatory
6	Signed form of Tender	Mandatory
7	Completed confidential Business Questionnaire	Mandatory
8	Underwriting registration certificate by IRA	Mandatory
9	Professional/Trade membership certificate	Mandatory
10	Litigation history (declaration dated, signed and stamped on company	Must Declare

**N/B – Brokers to provide mandatory documents for both broker and Underwriter**

## TECHNICAL CAPABILITY

<b>B. TECHNICAL EVALUATION</b>		
<b>1</b>	<p><b>Specific experience of the firm</b></p> <p>Evidence of providing Deposit and Loans Guard Insurance Cover to five (5) Financial Institutions/Cooperative societies in the last three (3) years including the value of the Policies underwritten which should not be less than Kenyan Shillings <b>Five Hundred (500) Million</b> per client. (contracts awards / LPO or Letter of award)</p> <p>Cooperative societies (5 points each) Any other financial institutions (3 marks).</p>	<b>25</b>
<b>2.</b>	<p><b>Financial Stability:</b></p> <p>Provide evidence of having Annual Gross Insurance Premiums Turnover of not less than Ksh. 200 Million in the last three (3) years, 2019, 2020 and 2021 (Audited Accounts for the years must be submitted to support) (5 marks each)</p>	<b>15</b>

3.	<p><b>Good Claim Settlement:</b></p> <p>Provide recommendation letters from at least five (5) major clients as evidence of good claim settlement record of Deposit and Loans Guard Insurance Cover. (A Letter from each of the five (5) clients confirming this aspect must be attached) (2 Marks each)</p> <p><b>Note: An excel schedule of payment does not count as evidence</b></p>	10
4.	<p><b>Claim Administration:</b></p> <ul style="list-style-type: none"> <li>• Attach evidence of at least Four (4) claims paid in the last two (2) years in relation to Deposit and Loans Guard Insurance Cover. 3 marks each (12 marks).</li> </ul> <p><b>NB. The bidder is allowed to edit out the individual names/particulars of discharge voucher/ put a confidentiality disclaimer</b></p> <ul style="list-style-type: none"> <li>• A write up clearly indicating Turnaround time as evidenced by the attached claim documents on settlement of these claims. <ul style="list-style-type: none"> <li>✓ for claims settled within 1 Month (8 marks),</li> <li>✓ for claims within 2 Months (4 marks) and</li> <li>✓ for claims done within 3 Months (2 Marks)</li> </ul> </li> </ul> <p><b>Note: An excel schedule of payment does not count as evidence</b></p>	20
5.	<p><b>Qualification of Key Personnel:</b></p> <p>Provide qualifications and experience of at least 5 professional staff in the team. Attach CVs and copies of educational &amp; professional certificates, certified by the bidding Company. Staff must have experience of at least 5 years.</p> <ul style="list-style-type: none"> <li>i) Principle Officer – Minimum master’s degree and relevant degree, CV &amp; certificates, 5 yrs.’ experience (3 marks)</li> <li>ii) Finance Manager – Minimum relevant bachelor’s degree and CPAK or its equivalent, CV &amp; certificates, 5 yrs.’ experience (3 marks)</li> <li>iii) Relationship Manager/Account Manager - Minimum relevant bachelor’s degree CV &amp; certificates, 5 yrs.’ experience (3 marks)</li> <li>iv) Technical personnel (1) – Minimum relevant bachelor’s degree CV &amp; certificates, 5 yrs.’ experience (3 marks)</li> <li>v) Technical personnel (2) – Minimum relevant bachelor’s degree CV &amp; certificates, 5 yrs.’ experience (3 marks)</li> </ul>	15



<b>6.</b>	<b>Adequacy of Additional benefits / Conditions</b> Critical illness - 2.5 Marks Death & Last Expense Cover -2.5 Marks Free cover limit per borrower – 2.5 Marks Permanent Disabilities - 2.5 Marks Retirement on Medical grounds - 2.5 Marks Other benefits - 2.5 Marks	<b>15</b>
	<b>Total Score</b>	<b>100</b>
	<b>Pass mark %</b>	<b>70</b>

**Notes on Technical evaluation criteria:**

When responding to the request for Proposals,

- the value of the policies Underwritten of Ksh 500 million per Client” refers to the Sum assured per Financial institution covered
- the Tenderer should note that only firms attaining over 70% Technical score (**S<sub>t</sub>**) during Technical Evaluation will proceed to Financial Evaluation.

**FINANCIAL EVALUATION**

Only bidders that meet the minimum technical evaluation requirement of 70% shall proceed for financial evaluation. The financial score (**S<sub>f</sub>**), for each bidder will be determined based on the lowest financial bid as follows

$$S_f = 100 \times F_m / F$$

**Where:**

**S<sub>f</sub>** = Financial Score

**F** = Financial Bid of the Bidder under consideration.

**F<sub>m</sub>** = Lowest Financial Bid.

**The Combined Score (S) will be calculated as follows:**

$$S = (S_t \times T\%) + (S_f \times P\%) \quad T = 80\% \text{ and } P = 20\%$$

#### **SECTION IV- TENDERING FORMS**

The Form of Tender shall include the following Forms duly completed and signed by the Tenderer.

- a)* The form of tender
- b)* Tenderer's Eligibility - Confidential Business Questionnaire
- c)* Price Schedule form
- d)* Self-Declaration of the Tenderer

## FORM OF TENDER

**TO:** *name of the procuring entity*

**Tender Name:**

**Tender Ref:**

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 Service under this tender in conformity with the said tender document for the sum indicated on the financial proposal 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 ..... (numbers) 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 \_\_\_\_\_ 2022

.....  
(Signature) (in capacity)

Duly authorized to sign tender for and on behalf of.....

## CONFIDENTIAL BUSINESS QUESTIONNAIRE

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

Business Name.....  
 Location of Business premises.....  
 Plot No.....Street/ Road.....  
 Postal Address.....Tel. No.....Fax.....Email.....  
 Nature of Business .....  
 Registration Certificate No.....  
 Maximum value of business which you can handle at any one time  
 KSh.....  
 Name of your Bankers.....Branch.....

	Part 2 (a) – Sole Proprietor Your name in full ..... Age ..... Nationality ..... Country of origin ..... Citizenship details .....
	Part 2 (b) Partnership Given details of partners as follows: Name Nationality Citizenship Details Shares 1. .... 2. .... 3. .... 4. ....
	Part 2 (c ) – Registered Company Private or Public ..... State the nominal and issued capital of company-Nominal KSh.. ..... Issued KSh.. ..... Given details of all directors as follows Name Nationality Citizenship Details Shares 1..... 2..... 3..... 4..... 5.....
Date .....Seal/Signature of Tenderer .....	

### PRICE SCHEDULE FORM

S/NO	ITEM DESCRIPTION	TOTAL PREMIUM (KSh.)
1.	LOAN GUARD INSURANCE COVER	
2.	DEPOSIT INSURANCE COVER	

**Please Note:** This form should only appear on the financial proposal

### **Self- Declaration Form**

Having studied the tender document information for the above activity, We/I hereby state:

- a. The information furnished in our application is accurate to the best of our Knowledge.
- b. That in case of being short-listed we acknowledge that this grants us the right to participate in due time in the provision of the above required services
- c. We enclose all the required documents and information required for the RFP.

Date .....

Applicant's Name .....

Represented by .....

Signature .....

(Full name and designation of the person signing and stamp or seal.)

---

**PART        II        –        SCHEDULE OF INSURANCE REQUIREMENTS**

---

## SECTION V – SCHEDULE OF REQUIREMENTS

Sheria Sacco Society Limited intends to procure a Deposit and Loans Guard Insurance Cover to cover the members non- withdrawable deposits and loan portfolio. The cover to also include loans to be issued and deposits contributed during the period January–December 2023.

Period of Cover	I year from commencement of the contract																											
Renewal of the Cover	At the discretion of the SACCO subject to satisfactory performance by the service provider																											
Delivery of services	365 days																											
Number of Members and Outstanding loan portfolio Statistics	<table><tr><th>Financial year</th><th>No of members</th><th>Members with loans</th><th>Loan balance</th></tr><tr><td>Sept 2022</td><td>14,470</td><td>7872</td><td>7,247,992,621.29</td></tr><tr><td>Dec-21</td><td>15,689</td><td>7,952</td><td>6,578,469,515.63</td></tr><tr><td>Dec-20</td><td>15,038</td><td>7,770</td><td>5,971,565,621.51</td></tr><tr><td>Dec-19</td><td>15,143</td><td>7,711</td><td>5,560,620,952.00</td></tr><tr><td>Dec-18</td><td>13,463</td><td>7,392</td><td>4,734,253,894.00</td></tr></table>				Financial year	No of members	Members with loans	Loan balance	Sept 2022	14,470	7872	7,247,992,621.29	Dec-21	15,689	7,952	6,578,469,515.63	Dec-20	15,038	7,770	5,971,565,621.51	Dec-19	15,143	7,711	5,560,620,952.00	Dec-18	13,463	7,392	4,734,253,894.00
Financial year	No of members	Members with loans	Loan balance																									
Sept 2022	14,470	7872	7,247,992,621.29																									
Dec-21	15,689	7,952	6,578,469,515.63																									
Dec-20	15,038	7,770	5,971,565,621.51																									
Dec-19	15,143	7,711	5,560,620,952.00																									
Dec-18	13,463	7,392	4,734,253,894.00																									
Scope of Cover	Cover all existing loans and new loans to be issued between the period January 2023 – December 2023																											



Number of Members and Outstanding Deposits Statistics for the past three years																			
	<table><tr><th>Financial year</th><th>No of members</th><th>Non-withdrawable deposit balance</th></tr><tr><td>Sept 2022</td><td>14,470</td><td>5,205,190,162.67</td></tr><tr><td>Dec-21</td><td>15,689</td><td>4,748,288,288.11</td></tr><tr><td>Dec-20</td><td>15,038</td><td>4,188,455,900.21</td></tr><tr><td>Dec-19</td><td>15,143</td><td>3,845,049,597.00</td></tr><tr><td>Dec-18</td><td>13,463</td><td>3,472,188,027.00</td></tr></table>	Financial year	No of members	Non-withdrawable deposit balance	Sept 2022	14,470	5,205,190,162.67	Dec-21	15,689	4,748,288,288.11	Dec-20	15,038	4,188,455,900.21	Dec-19	15,143	3,845,049,597.00	Dec-18	13,463	3,472,188,027.00
	Financial year	No of members	Non-withdrawable deposit balance																
	Sept 2022	14,470	5,205,190,162.67																
	Dec-21	15,689	4,748,288,288.11																
	Dec-20	15,038	4,188,455,900.21																
	Dec-19	15,143	3,845,049,597.00																
Dec-18	13,463	3,472,188,027.00																	
Scope of Cover	Cover Non-withdrawable deposits for all Sacco members as at the end of December 2022 and New Members being recruited within the period January 2023 – December 2023																		

### DETAILS OF INSURANCE COVER

	SPECIFICATIONS FOR THE DEPOSIT INSURANCE COVER	COVER DETAILS
<b>1</b>	Age limit	85 years and above
<b>2</b>	Death	The insurance company shall pay outstanding non withdrawable deposits as at date of death
<b>3</b>	Total Permanent Disability	The insurance company shall pay outstanding non-withdrawable deposits as at date of declaration of TPD
	<b>Additional benefits / Conditions</b>	
<b>a</b>	Critical Illness	
<b>b</b>	Last Expense Cover	Ksh 100,000 for Principal member and Ksh 50,000 for a Spouse and at least 3 Children.
<b>c</b>	Any other benefits	

	SPECIFICATIONS FOR THE CREDIT INSURANCE COVER	COVER DETAILS
<b>1</b>	Age limit	85 years above
<b>2</b>	Death	The insurance company shall pay 100% of the outstanding loan and interest as at date of death
<b>3</b>	Total Permanent Disability	The insurance company shall pay 100% of the principal loan outstanding and interest
<b>4</b>	Retirement on Medical grounds	The insurance company shall pay 100% of the principal loan outstanding and interest
	<b>Additional benefits / Conditions</b>	
<b>a</b>	Critical Illness	The insurance company shall pay at least 50% of outstanding loan and interest.
<b>b</b>	Last Expense Cover	Ksh 100,000 for Principal member and Ksh 50,000 for Spouse and at least 3 Children
<b>c</b>	Individual cover limit per borrower	Free cover limit per borrower
<b>d</b>	Any other benefit	

#### NOTE:

1. The above cover limits are our minimum requirement. You may propose better terms.
2. Include special terms, exclusions and enhancements in your proposal

---

### **PART III – CONDITIONS OF CONTRACT AND CONTRACT FORMS**

---

## SECTION VI - GENERAL CONDITIONS OF CONTRACT

### A. General Provisions

#### 1.1 Definitions

Unless the context otherwise requires, the following terms whenever used in this Contract have the following meanings:

- a) "Schedule of Requirements" is the priced and completed list of items of Services to be performed by the Insurance Provider forming part of his Tender;
- b) "Completion Date" means the date of completion of the Services by the Insurance Provider as certified by the Procuring Entity
- c) "Contract" means the Contract signed by the Parties, to which these General Conditions of Contract (GCC) are attached, together with all the documents listed in Clause 1 of such signed Contract;
- d) "Contract Price" means the price to be paid for the performance of the Services, in accordance with Clause 6;
- e) "Procuring Entity" means the Procuring Entity or party who employs the Insurance Provider
- f) "Foreign Currency" means any currency other than the currency of Kenya;
- g) "GCC" means these General Conditions of Contract;
- h) "Government" means the Government of Kenya;
- i) "Local Currency" means Kenya shilling;
- j) "Party" means the Procuring Entity or the Insurance Provider, as the case may be, and "Parties" means both of them;
- k) "Personnel" means persons hired by the Insurance Provider;
- l) "Insurance Provider" is a person or corporate body whose Tender to provide the Services has been accepted by the Procuring Entity;
- m) "Insurance Provider's Tender" means the completed Tendering Document submitted by the Insurance Provider to the Procuring Entity
- n) "SCC" means the Special Conditions of Contract by which the GCC may be amended or supplemented;
- o) "Services" means the work to be performed by the Insurance Provider pursuant to this Contract, as described in Schedule of Requirements included in the Insurance Provider's Tender.
- p) "Public Procurement Regulatory Authority (PPRA)" shall mean the Government Agency responsible for oversight of public procurement.

#### 1.2 Applicable Law

The Contract shall be interpreted in accordance with the laws of Kenya.

#### 1.3 Language

This Contract has been executed in the English language, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract.

#### 1.4 Notices

Any notice, request, or consent made pursuant to this Contract shall be in writing and shall be deemed to have been made when delivered in person to an authorized representative of the Party to whom the communication is addressed, or when sent by registered mail, hand delivery, or email to such Party at the address **specified in the SCC**.

#### 1.5 Location

The Services shall be performed at such locations as are specified in Appendix A, in the specifications and, where the location of a particular task is not so specified, at such locations, whether in Kenya or elsewhere, as the Procuring Entity may approve.

## **1.6 Authorized Representatives**

Any action required or permitted to be taken, and any document required or permitted to be executed, under this Contract by the Procuring Entity or the Insurance Provider may be taken or executed by the officials **specified in the SCC**.

## **1.7 Inspection and Audit by the PPRA**

Pursuant to paragraph 2.2e. of Attachment1 to the General Conditions, the Insurance Provider shall permit and shall cause its subcontractors and sub-consultants to permit, PPRA and/ or persons appointed by PPRA to inspect the Site and/ or the accounts and records relating to the procurement process, selection and/ or contract execution, and to have such accounts and records audited by auditors appointed by PPRA. The Insurance Provider's and its Subcontractors' and sub-consultants' attention is drawn to Sub-Clause 3.10 which provides, inter alia, that acts intended to materially impede the exercise of PPRA's inspection and audit rights constitute a prohibited practice subject to contract termination (as well as to a determination of ineligibility pursuant to PPRA's prevailing sanctions procedures).

## **1.8 Taxes and Duties, e t c**

The Insurance Provider shall pay such taxes, duties, fees, levies and other impositions as may be levied under the Applicable Law, the amount of which is deemed to have been included in the Contract Price.

## **2 Commencement, Completion, Modification, and Termination of Contract**

### **2.1 Effectiveness of Contract**

This Contract shall come in to effect on the date the Contract is signed by both parties or such other later date as may be **stated in the SCC**.

2.2 Duration and Commencement of Services the Commencement date and duration of the insurance cover shall be **specified in the SCC**.

### **2.3. Modification**

Modification of the terms and conditions of this Contract, including any modification of the scope of the Services or of the Contract Price, may only be made by written agreement between the Parties.

### **2.4 Force Majeure**

#### **2.4.1 Definition**

For the purposes of this Contract, “Force Majeure” means an event which is beyond the reasonable control of a Party and which makes a Party's performance of its obligations under the Contract impossible or so impractical as to be considered impossible under the circumstances.

#### **2.4.2 No Breach of Contract**

The failure of a Party to fulfill any of its obligations under the contract shall not be considered to be a breach of, or default under, this Contract insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event (a) has taken all reasonable precautions, due care and reasonable alternative measures in order to carry out the terms and conditions of this Contract, and (b) has informed the other Party as soon as possible about the occurrence of such an event.

#### **2.4.3 Extension of Time**

Any period within which a Party shall, pursuant to this Contract, complete any action or task, shall

be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure.

#### **2.4.4 Payments**

During the period of their inability to perform the Services as a result of an event of Force Majeure, the Insurance Provider shall be titled to continue to be paid under the terms of this Contract, as well as to be reimbursed for additional costs reasonably and necessarily incurred by them during such period for the purposes of the Services and in reactivating the Service after the end of such period.

### **2.5. Termination**

#### **2.5.1 By the Procuring Entity**

The Procuring Entity may terminate this Contract, by not less than thirty (30) days' written notice of termination to the Insurance Provider, to be given after the occurrence of any of the events specified in paragraphs (a) through of this Sub-Clause 2.5.1:

- a) If the Insurance Provider does not remedy a failure in the performance of its obligations under the Contract, within thirty (30) days after being notified or within any further period as the Procuring Entity may have subsequently approved in writing;
- b) If the Insurance Provider become insolvent or bankrupt;
- c) if, as the result of Force Majeure, the Insurance Provider is unable to perform a material portion of the Services for a period of not less than sixty (60) days; or
- d) if the Insurance Provider, in the judgment of the Procuring Entity has engaged in Fraud and Corruption, as defined in paragraph 2.2a. of Attachment1 to the GCC, in competing for or in executing the Contract

#### **2.5.2 By the Insurance Provider**

The Insurance Provider may terminate this Contract, by not less than thirty (30) days' written notice to the Procuring Entity, such notice to be given after the occurrence of any of the events specified in paragraphs (a) and (b) of this Sub-Clause 2.5.2:

- a) If the Procuring Entity fails to pay any monies due to the Insurance Provider pursuant to this Contract and not subject to dispute pursuant to Clause 7 within forty-five (45) days after receiving written notice from the Insurance Provider that such payment is overdue; or
- b) if, as the result of Force Majeure, the Insurance Provider is unable to perform a material portion of the Services for a period of not less than sixty (60) days.

#### **2.5.3 Payment upon Termination**

Upon termination of this Contract pursuant to Sub-Clauses 2.5.1 or 2.5.2, the Procuring Entity shall make the following payments to the Insurance Provider:

- a) remuneration pursuant to Clause 5 for Services satisfactorily performed prior to the effective date of termination;
- b) except in the case of termination pursuant to paragraphs (a), (b), (d) of Sub-Clause 2.5.1, reimbursement of any reasonable cost incident to the prompt and orderly termination of the Contract.
- c) The Insurance provider shall pay or refund to the Procuring Entity any moneys paid but for which no consume rate services were provided.

### **3. Obligations of the Insurance Provider**

#### **3.1 General**

The Insurance Provider shall perform the Services in accordance with the terms of the signed Insurance Policy and the Schedule of Requirements, and carry out its obligations with all due diligence, efficiency, and economy, in accordance with generally accepted professional techniques and practices, and shall observe sound management practices, and employ appropriate advanced technology and safe methods. The Insurance Provider shall always act, in respect of any matter relating to this Contract or to the Services, as faithful adviser to the Procuring Entity, and shall at all times support and safeguard the Procuring Entity's legitimate interests in any dealings with Subcontractors or third parties.

### **3.2 Conflict of Interests**

#### **3.2.1 Insurance Provider Not to Benefit from Commissions and Discounts.**

The remuneration of the Insurance Provider pursuant to Clause 6 shall constitute the Insurance Provider's sole remuneration in connection with this Contract or the Services, and the Insurance Provider shall not accept for their own benefit any trade commission, discount, or similar payment in connection with activities pursuant to this Contract or to the Services or in the discharge of their obligations under the Contract, and the Insurance Provider shall use their best efforts to ensure that the Personnel, any Subcontractors, and agents of either of them similarly shall not receive any such additional remuneration.

#### **3.2.2 Insurance Provider and Affiliates Not to be Otherwise Interested in Services other than the insurance Services**

The Insurance Provider agree that, during the term of this Contract and after its termination, the Insurance Provider and its affiliates, as well as any Subcontractor and any of its affiliates, shall be disqualified from providing goods, works, or Services (other than the insurance Services and any continuation thereof) for any contingency resulting from or closely related to the Services.

#### **3.2.3 Prohibition of Conflicting Activities**

Neither the Insurance Provider nor its Subcontractors nor the Personnel shall engage, either directly or indirectly, in any of the following activities:

- a) During the term of this Contract, any business or professional activities in Kenya which would conflict with the activities as signed to them under this Contract;
- b) during the term of this Contract, neither the Insurance Provider nor their Subcontractors shall hire public employees in active duty or on any type of leave, to perform any activity under this Contract;
- c) after the termination of this Contract, such other activities as may be **specified in the SCC**.

### **3.3 Confidentiality**

The Insurance Provider, its Subcontractors, and the Personnel of either of them shall not, either during the term or within two (2) years after the expiration of this Contract, disclose any proprietary or confidential information relating to the Project, the Services, this Contract, or the Procuring Entity's business or operations without the prior written consent of the Procuring Entity.

### **3.4 Reporting Obligations**

The Insurance Provider shall submit to the Procuring Entity their reports and documents specified in Appendix B in the form, in the numbers, and within the periods set for in the said Appendix.

### **3.5 Documents Prepared by the Insurance Provider to Be the Property of the Procuring Entity.**

All reports, and other documents and software submitted by the Insurance Provider in accordance with Sub- Clause 3.4 shall become and remain the property of the Procuring Entity, and the Insurance Provider shall, not later than upon termination or expiration of this Contract, deliver all such documents and software to the Procuring Entity, together with a detailed inventory thereof. The Insurance Provider may retain a copy of such documents and software. Restrictions about the future

use of these documents, if any, shall be **specified in the SCC**.

### **3.6 Liquidated Damages**

#### **3.6.1 Payments of Liquidated Damages**

The Insurance Provider shall pay liquidated damages to the Procuring Entity at the rate per day **stated in the SCC** for each day that the Insurance Provider fails to pay the agreed compensation costs beyond or later the agreed date when such compensation should be made. The date by when the compensation costs should be made is specified in **the SCC**. The total amount of liquidated damages shall not exceed the amount **defined in the SCC**. The Procuring Entity may deduct liquidated damages from payments due to the Insurance Provider. Payment of liquidated damages shall not affect the Insurance Provider's liabilities.

#### **3.6.2 Correction for Over-payment**

The Procuring Entity shall correct any overpayment of liquidated damages by the Insurance Provider by adjusting the next payment premium or certificate. The Insurance Provider shall be paid interest on the overpayment, calculated from the date of payment to the date of repayment, at the rates specified in Sub-Clause 6.5.

### **3.7 Performance Security**

The Insurance Provider shall not be required to provide any Performance Security to the Procuring Entity.

### **3.8 Fraud and Corruption**

The Procuring Entity requires compliance with the Government's Anti-Corruption laws and its prevailing sanctions. The Procuring Entity requires the Insurance Provider to disclose any commissions or fees that may have been paid or are to be paid to agents or any other party with respect to the tendering process or execution of the Contract. The information disclosed must include at least the name and address of the agent or other party, the amount and currency, and the purpose of the commission, gratuity or fee.

## **4 Insurance Provider's Personnel**

The Contract shall not obligate the Insurance Provider to provide any specific personnel for carrying out of the Services.

## **5 Obligations of the Procuring Entity**

### **5.1 Change in the Applicable Law**

If, after the date of this Contract, there is any change in the Applicable Law with respect to taxes and duties which increases or decreases the cost of the Services rendered by the Insurance Provider, then the remuneration and reimbursable expenses otherwise payable to the Insurance Provider under this Contract shall be increased or decreased accordingly by agreement between the Parties, and corresponding adjustments shall be made to the amounts referred to in Sub - Clauses 6.2 (a) or (b), as the case may be.

## **6 Payments to the Insurance Provider**

### **6.1 Lump-Sum Remuneration**

The Insurance Provider's remuneration shall not exceed the Contract Price and shall be a fixed lump-sum. Except as provided in Sub-Clause 5.1, the Contract Price may only be increased above the amounts stated in Sub- Clause 6.2 if the Parties have agreed to additional payments in accordance with Sub-Clauses 2.3 and 6.3.



## **6.2 Contract Price**

The price payable is **set forth in the SCC**.

## **6.3 Terms and Conditions of Payment**

Payments will be made to the Insurance Provider according to the payment schedule **stated in the SCC**.

## **6.4 Interest on Delayed Payments**

If the Procuring Entity has delayed payments beyond thirty (30) days after the due date stated in the SCC, interest shall be paid to the Insurance Provider for each day of delay at the rate stated in **the SCC**.

## **7. Quality Control**

The contract shall not have any quality control modalities as this is not envisaged in the industry

## **8 Settlement of Disputes**

### **8.1 Amicable Settlement**

Any party with dispute against the other party shall give notice to the other party, requesting the party to make Good the matters of the dispute. The Parties shall attempt to settle the dispute amicably. If the dispute cannot be settled amicably, the complaining party should move to commence arbitration after thirty days from the day on which a notice was given, even if no attempt at an amicable settlement has been made.

### **8.2 Arbitration if the Insurance Provider is a Kenyan firm**

- 8.2.1 Any claim or dispute between the Parties arising out of or in connection with the Contract not settled amicably in accordance with Sub-Clause 8.1 shall be finally settled by arbitration. Arbitration shall be conducted in accordance with the Arbitration Laws of Kenya.
- 8.2.2 The arbitrators shall have full power to open up, review all matters relevant to the dispute. Nothing shall disqualify representatives of the Parties from being called as a witness and giving evidence before the arbitrators on any matter whatsoever relevant to the dispute.
- 8.2.3 Arbitration may be commenced prior to or after completion of the services. The obligations of the Parties shall not be altered by reason of any arbitration being conducted during the progress of the services.
- 8.2.4 The terms of the remuneration of each or all the members of Arbitration shall be mutually agreed upon by the Parties when agreeing the terms of appointment. Each Party shall be responsible for paying one-half of this remuneration.
- 8.2.5 In case of any claim or dispute, such claim or dispute shall be notified in writing by either party to the other with a request to submit it to arbitration and to concur in the appointment of an Arbitrator within thirty days of the notice. The dispute shall be referred to the arbitration and final decision of a person to be agreed between the parties. Failing agreement to concur in the appointment of an Arbitrator, the Arbitrator shall be appointed, on the request of the applying party, by the Chairman or Vice Chairman of any of the following institutions the:
  - i) Law Society of Kenya, or
  - ii) Chartered Institute of Arbitrators (Kenya Branch), or
  - iii) Insurance Institute of Kenya, or
  - iv) The Actuarial Society of Kenya.



8.2.6 The institution written to first by the aggrieved party shall take precedence over all other institutions.

8.2.7 The award of such Arbitrator shall be final and binding upon the parties.

### **8.3 Failure to Comply with Arbitrator's Decision**

8.3.1 In the event that a Party fails to comply with a final and binding Arbitrator's decision, then the other Party may, without prejudice to any other right it may have, refer the matter to a competent Court of law.

### **8.4 Arbitration if the Insurance Provider is a foreign firm**

8.4.1 Arbitration proceedings shall be conducted in accordance with the rules of procedure specified in the SCC