



**NSSF Building, Block A 10<sup>th</sup> Floor, Eastern Wing,  
P.O. Box 30406-00100 (GPO) Nairobi'  
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**TENDER DOCUMENT**  
**FOR**  
**PROCUREMENT OF GENERAL INSURANCE SERVICES**

**TENDER NO. KDB/S/200/17**

**AUGUST 2017**

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## SECTION I: TENDER NOTICE

**TENDER REF:** TENDER NO. KDB/S/200/17

**TENDER NAME:** PROVISION OF GENERAL INSURANCE SERVICES - 2017/2019

1. Kenya Dairy Board (KDB) invites bids from interested and eligible candidates for provision of General insurance cover for various insurance policies the period 2017/2019. The resulting contracts will run for a period of two (2) years subject to review of the policies on the second year based on the performance of the Insurer and/or broker.

Tender No.	Description	Cost	Closing Date
KDB/S/200/17	General Insurance covers	1,000.00	6/9/2017

2. Interested and eligible candidates may obtain further information from and inspect the tender documents at the KDB Headquarters, **NSSF Building, Block A 10<sup>th</sup> Floor, Eastern Wing, P.O. Box 30406-00100 (GPO) Nairobi**, Tel: 310559/341302, Fax 244064, Mobile: 0733-521438, 0722-573432, Email: [procurement@kdb.co.ke](mailto:procurement@kdb.co.ke) during normal working hours.
3. A complete set of Tender documents containing detailed specifications and conditions of tendering may be obtained by interested bidders upon payment of a non-refundable fee of Kshs.1,000.00 (One thousand Kenya Shillings only) per each set at the cash office - payable in cash, or a bankers cheque addressed to the Kenya Dairy Board.
4. Alternatively, tender documents may be obtained free of charge by downloading from Kenya Dairy Board website: [www.kdb.co.ke](http://www.kdb.co.ke) or [supplier.treasury.go.ke](http://supplier.treasury.go.ke). Downloaded Documents must be registered with the procurement office or via email [procurement@kdb.co.ke](mailto:procurement@kdb.co.ke) for records or any further tender clarification and addenda.
5. Tenders **must** be accompanied with a bid security of 2% of bid price from either cash, bank guarantee, Insurance guarantee approved by the Authority or letter of credit.
6. Completed Tender documents in plain sealed envelopes clearly marked “**TENDER NO. KDB/S/200/17, TENDER FOR PROVISION OF GENERAL INSURANCE COVER,**” should be addressed to:  
**The Managing Director  
Kenya Dairy Board,  
P.O. Box 30406 00100 NAIROBI,**  
and be deposited in the tender box located at KDB Headquarters, **NSSF Building, Block A 10<sup>th</sup> Floor, Eastern Wing**, not later than **10.00a.m on 6<sup>th</sup> September, 2017.**
7. Bids will be opened immediately thereafter the Kenya Dairy Board boardroom NSSF BLD, Block A eastern wing 11<sup>th</sup> floor, in the presence of bidders or their representatives, who choose to attend.

### 8. **REGISTRATION FORM FOR DOWNLOADED TENDERS**

Please provide your details below for purposes of communication in case you download this tender document from KDB website/IFMIS website:

Name of the firm:.....

Postal Address:.....

Telephone Contacts.....

Company email address:.....

Contact Person:.....

Once completed please submit these details to the email: [procurement@kdb.co.ke](mailto:procurement@kdb.co.ke)

**MANAGING DIRECTOR**

## **SECTION II - INSTRUCTIONS TO TENDERERS**

### **2.1. Eligible Tenderers**

This Invitation for Tenders is open to all tenderers eligible in accordance with section as described in the invitation to tender. The tenderer is invited to submit a Technical Proposal and a Financial Proposal for the insurance services required. The proposal will be the basis for Contract negotiations and ultimately for a signed Contract with the selected firm

- 2.1.1 The Kenya Dairy Board's employees, committee members, board members and their relatives (as per the meaning given in the Public Procurement and Asset Disposal Act ,2015) are not eligible to participate in the tender.
- 2.1.2 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 Board 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.
- 2.1.3 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 Board, 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 is **Kshs.1,000/=**
- 2.2.3 The Board shall allow the tenderer to review 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) Invitation to Tender
- (ii) Instructions to Tenderers
- (iii) General Conditions of contract
- (iv) Special Conditions of Contract
- (v) Schedule of Requirements
- (vi) Details of Insurance Cover
- (vii) Form of Tender
- (viii) Price Schedules
- (ix) Contract Form

- (x) Confidential Business Questionnaire Form
- (xi) Tender security Form
- (xii) Performance Security Form
- (xiii) Insurance Company's Authorization Form
- (xiv) 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 Board by post, fax or by email at the Board's address indicated here in. The Board 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.

2.4.2 The Board 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 Board, 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 and 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 Board, at its discretion, may extend the deadline for the submission of tenders.

## **2.6 Language of Tenders**

2.6.1 The tenders, as well as all correspondence and documents relating to the tender exchanged by the tenderer and the Board, shall be written in English language.

## **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 of 2.12.2
- (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 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 it's 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 Board'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 two per cent (2%) of the tender price.

2.12.3 The tender security shall be denominated in Kenya Shillings and shall be in the form:

- a) Cash
- b) A bank guarantee.
- c) Such Insurance guarantee approved by the Authority.

d) Letter of credit.

- 2.12.4 Any tender not secured in accordance with paragraph 2.12.1. and 2.12.3 shall be rejected by the Board as non-responsive, pursuant to paragraph 2.20.4
- 2.12.5 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
- 2.12.6 The successful Tenderer's tender security will be discharged upon the tenderer signing the contract, pursuant to paragraph 2.28, and furnishing the performance security, pursuant to paragraph 2.29
- 2.12.7 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 2.28 or
    - (ii) to furnish performance security in accordance with paragraph 2.29.
  - (c) If the tenderer reject correction of an arithmetic error in the tender.

### **2.13. Validity of Tenders**

- 2.13.1 Tenders shall remain valid for 60 days after date of tender opening pursuant to paragraph 2.17.3 A tender valid for a shorter period shall be rejected by the Board as non-responsive.
- 2.13.2 In exceptional circumstances, the Board 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 tender document shall be prepared 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 each page shall be signed by an authorized representative. Written power-of-attorney accompanying the tender shall indicate the latter's authorization.
- 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 wax sealed in an outer envelope indicating.

### **TENDER NO. KDB/S/200/17 -TENDER FOR PROVISION GENERAL INSURANCE SERVICES**

2.15.2 The outer envelopes shall be sealed and addressed to:

The Managing Director  
Kenya Dairy Board  
NSSF Building Bishop Road  
Block A Eastern Wing 10<sup>th</sup> Floor  
P.O. Box 30406 00100  
NAIROBI

**Marked - “DO NOT OPEN BEFORE WEDNESDAY, 6<sup>TH</sup> SEPTEMBER 2017, AT 10.00AM**

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 Board will assume no responsibility for the tender’s misplacement or premature opening.

## **2.16. Deadline for Submission of Tenders**

The closing time for the tender shall be **10.00AM ON WENESDAY, 6<sup>TH</sup> SEPTEMBER, 2017** and shall be placed in the tender box in at the address specified under paragraph 2.15.2. Any late tender shall be rejected and not be considered.

Bulky tenders that will not fit in the tender box shall be delivered to the Procurement Unit and will be signed for if required.

## **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 Board 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 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 Board will open all tenders in the presence of tenderers' representatives who choose to attend immediately after closing on **WEDNESDAY 6<sup>TH</sup> SEPTEMBER 2017, AT 10.00AM** and in the location specified in the invitation to for tender. The tenderers' representatives who are present shall sign a register evidencing their attendance.
- 2.18.2 The tenders' names, tender modifications or withdrawals, tender prices, discounts, and the presence or absence of requisite tender security and such other details as the Board, at its discretion, may consider appropriate, will be announced at the opening.
- 2.18.3 The Board 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 Board 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 Board or its' 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 Board 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 Prior to the detailed evaluation, pursuant to paragraph 2.20, the Board will determine the substantial responsiveness of each tender to the tender documents. The Board's determination of a tender's responsiveness is to be based on the contents of the tender itself without recourse to extrinsic evidence.
- 2.20.4 If a tender is not substantially responsive, it will be rejected by the Board and may not subsequently be made responsive by the tenderer by correction of the nonconformity.

**2.20.5 Conversion to single currency**

Where other currencies are used, the Kenya Dairy Board 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.

**2.20.6 Preliminary evaluation of open tenders**

The Board 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.

2.20.7 Arithmetic errors will be 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.

2.20.8 The Board 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 tender.

**2.21 Evaluation and Comparison of Tenders**

2.21.1 The Board will evaluate and compare the tenders which have been determined to be substantially responsive, pursuant to paragraph 2.20

2.21.2 The Board'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 Price Schedule.

2.21.3 Pursuant to paragraph 2.21.2. the following evaluation methods will be applied.

(a) Operational Plan

(i) The Board 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 Board's required delivery time will be treated as non-responsive and rejected.

(b) Deviation in payment schedule

(i) Tenderers shall state their tender price for the payment on schedule outlined in the price schedule. 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 Board may consider the alternative payment schedule offered by the selected tenderer.

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

## **2.22 Contacting the Kenya Dairy Board**

2.22.1 No tenderer shall contact the Board on any matter relating to its tender, from the time of the tender opening to the time the contract is awarded.

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

## **2.23 Post-qualification**

2.23.1 The Kenya Dairy Board 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.

2.23.2 The determination will take into account the tenderer's 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 Kenya Dairy Board deems necessary and appropriate.

2.23.3 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 Kenya Dairy Board will proceed to the next lowest evaluated tender to make a similar determination of that Tenderer's capabilities to perform satisfactorily.

## **2.24 Award Criteria**

2.24.1 Subject to paragraph 2.29 the Board 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.

2.24.2 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.

## **2.25. Kenya Dairy Board's Right to accept or Reject any or all Tenders**

- 2.25.1 The Board 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 Board's action.
- 2.25.2 The Board 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.
- 2.25.3 A tenderer who gives false information in the tender document about its 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.

## **2.26 Notification of Award**

- 2.26.1 Prior to the expiration of the period of tender validity, the Board will notify the successful tenderer in writing that its tender has been accepted.
- 2.26.2 Simultaneously the other tenderers shall be notified that their tenders were not successful.

## **2.27 Signing of Contract**

- 2.27.1 At the same time as the Kenya Dairy Board notifies the successful tenderer that its tender has been accepted, the Kenya Dairy Board will simultaneously inform the other tenderers that their tenders have not been successful.
- 2.27.2 Within fourteen (14) days of receipt of the Contract Form, the successful tenderer shall sign and date the contract and return it to the Kenya Dairy Board.
- 2.27.3 The contract will be definitive upon its signature by the two parties.
- 2.27.4 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.

## **2.28 Performance Security**

- 2.28.1 within (28) of the receipt of notification of award, the successful tenderer shall furnish the performance security in accordance with the Conditions of Contract, in a form acceptable to the Board.
- 2.28.2 Failure by the successful tenderer to comply with the requirement of paragraph 2.28 or paragraph 2.29.1 shall constitute sufficient grounds for the annulment of the award and forfeiture of the tender security, in which event the Kenya Dairy Board may make the award to the next lowest evaluated tender or call for new tenders.

## **2.29 Corrupt or Fraudulent Practices**

- 2.29.1 The Kenya Dairy Board 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.

- 2.29.2 The Kenya Dairy Board 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
- 2.29.3 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**

### **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 Kenya Dairy Board 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 Kenya Dairy Board under the Contract.
- (d) “The Kenya Dairy Board” 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 in all Contracts made by the Procuring entity for the procurement of services

### **3.3. Standards**

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

### **3.4. Use of Contract Documents and Information**

3.4.1 The Contractor shall not, without the Kenya Dairy Board’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 Kenya Dairy Board 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 Kenya Dairy Board'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 Kenya Dairy Board and shall be returned (all copies) to the Kenya Dairy Board on completion of the contract's or performance under the Contract if so required by the Kenya Dairy Board.

### **3.5. Patent Rights**

- 3.5.1 The Contractor shall indemnify the Kenya Dairy Board 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 Kenya Dairy Board 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 Kenya Dairy Board 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 Kenya Dairy Board and shall be in the form of:
- a) Cash
  - b) A bank guarantee.
  - c) Such Insurance guarantee approved by the Authority.
  - d) Letter of credit
- 3.6.4 The performance security will be discharged by the Kenya Dairy Board 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 Kenya Dairy Board 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

3.82. Payment shall be made promptly by the Kenya Dairy Board, 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 Kenya Dairy Board'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 Price variation requests shall be processed by the Kenya Dairy Board within 30 days of receiving the request.

### **3.10. Assignment & subcontracts**

3.10.1 *Assignment:* The tenderer shall not assign, in whole or in part, its obligations to perform under this Contract, except with the Kenya Dairy Board's prior written consent.

*Subcontracts:* The tender shall notify the Kenya Dairy Board in writing of all subcontracts awarded under this contract if not already specified in the tender. Such notification in the original tender or letter shall not relieve the tenderer from any liability or obligation under the contract.

### **3.11. Termination for Default**

3.11.1 The Kenya Dairy Board 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 within 30 days:

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

3.11.2 In the event the Kenya Dairy Board 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 Kenya Dairy Board for any excess costs for such similar services. However the contractor shall continue performance of the contract to extent not terminated.



3.11.3 In case, the claims presented to the Brokers are not paid within the stipulated period of 21 days, KDB has the rights to discontinue the contract and get back prorata refund of premium

### **3.12. Termination for Insolvency**

3.12.1 The Kenya Dairy Board 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 Kenya Dairy Board.

### **3.13. Termination for Convenience**

3.13.1 The Kenya Dairy Board 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 Kenya Dairy Boards' 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 Kenya Dairy Board 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 Kenya Dairy Board and the contractor shall make every effort to resolve amicably by direct informal negotiations of 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**

- 3.1.1 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.
- 3.1.2 A notice shall be effective when delivered or on the notices effective date, whichever is later.

## **SECTION IV - SPECIAL CONDITIONS OF CONTRACT**

### **Notes on Special Conditions of Contract**

1. The clauses in this section are intended to assist the Kenya Dairy Board in providing contract-specific information in relation to corresponding clauses in the General Conditions of Contract
  
2. The Provisions of Section IV complement the General Conditions of Contract included in Section III, specifying contractual requirements linked to the special circumstances of the Kenya Dairy Board and the insurance cover required. In preparing Section IV, the following aspects should be taken into consideration.
  - (a) Information that complement provisions of Section III must be incorporated; and
  - (b) Amendments and/or supplements to provisions of Section III, as necessitated by the circumstances of the specific insurance cover required must also be incorporated.
  
3. Where there is a conflict between the provisions of the special conditions of contract and the provisions of the general conditions of contract, the provisions of the special conditions of contract shall prevail over the provisions of the general conditions of contract.
  
4. Any clause to be included in this section must be consistent with the applicable public procurement law and regulations.

## **SECTION IV – SPECIAL CONDITIONS OF CONTRACT**

### **4.2 Special Condition of the contract as relates to the General Conditions of the contract**

#### **SCC 1: (GCC3.8 &3.9) Payment**

- i. Payment shall be made promptly by the Kenya Dairy Board, but in no case later than sixty (60) days after submission of an invoice or claim by the contractor
- ii. The quoted premiums must be in Kenya Shillings inclusive of taxes and levies and the payment to the tenderer will be in Kenya Shillings.
- iii. In case of termination of contract for breach, KDB will be entitled within 30 days, to a prorata refund of the premiums paid.
- iv. Contract price variations shall not be allowed during the contract period.

#### **SCC 2: (GCC3.7) Provision of Services**

- a) The settlement of fully documented claims shall be made within 21 days. If the claim is not settled within the aforementioned period, the amount payable will be the principal plus the accrued interest cost for the days of delay charged at the rate of average lending rate provided by the commercial banks within the period.
- b) Failure of the underwriter to meet KDB's expectations on provision of the services during the term of insurance will seriously affect future participation of the underwriter in all insurance tenders at KDB.
- c) Renewal of contract for the second year will depend on the performance in the first year of contract.

#### **SCC 3: (GCC3.6) 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 Kenya Dairy Board with the performance security of KShs. 500,000.00 in form of Bank guarantee.

### **MANDATORY REQUIREMENTS**

#### **SCC1: CONDITIONS MET BY INSURANCE COMPANY**

*(Note: It should be presented in the order below in the tender document)*

- i. Must submit copies of the following documents;
  - a. PIN Certificate
  - b. Tax Compliance Certificate
  - c. Certificate of Registration/Incorporation
  - d. Trade license from County Government.
  - e. Clearance certificate from Credit Reference Bureau.
- ii. Must Provide a Company Profile
- iii. Must have paid up capital of at least KShs. 300 million
- iv. Must give a list of 5 (five) reputable clients and the total clients premiums for the last two years i.e. 2015 and 2016.

- v. Must submit audited accounts for the 2 previous years(2015,2016)
- vi. Must be a member of the Association of Kenya Insurance (AKI) and copy of membership certificate submitted.
- vii. Must be registered by the Insurance Regulatory Authority for the current year copy of current license submitted.
- viii. Filled Confidential Business Questionnaire Form.
- ix. Filled Anti-Corruption Declaration/Commitment/Pledge Form

**SCC2: CONDITIONS MET BY INSURANCE BROKER**

- i. Must submit copies of the following documents;
  - a. PIN Certificate
  - b. Tax Compliance Certificate
  - c. Certificate of Registration/Incorporation
  - d. Trade license from County Government.
  - e. Clearance certificate from Credit Reference Bureau.
- ii. Must Provide a Company Profile
- iii. Must have a bank guarantee of KShs. 1,000,000 deposited with insurance Regulatory Authority and copy submitted
- iv. Must a professional Indemnity cover of at least KShs. 30,000,000 and copy submitted. .
- v. Must submit audited accounts for the 2 previous years (2015, 2016).
- vi. Must source quotations from only the underwriter who meet the conditions provided in the tender document.
- vii. Must provide a copy of underwriter’s premium quotation.
- viii. Must be registered by the Insurance Regulatory Authority for the current year copy of current license submitted.
- ix. Must be a member of the Association of Insurance Brokers proof of membership submitted. (AIB).
- x. Filled Confidential Business Questionnaire Form.
- xi. Filled Anti-Corruption Declaration/Commitment/Pledge Form

***NOTE: Bids that do not contain all the above mandatory items will be declared non responsive and shall not be evaluated further.***

**BIDDERS TECHNICAL CAPABILITY**

The following criteria will be used in the evaluation of all the potential bidders. The documents submitted shall be evaluated for suitability and awarded marks by the technical evaluation committee and rank all the firms accordingly.

No	Description Of Criteria	Particulars From The Documents Submitted By Bidder	Max.Score
1	<b>Experience</b> : Experience on provision of services of similar nature and magnitude in each of the last Five (5) years (1-yr=1mks, 2=3mks 3ysrs = 5mks, 4yrs=6mks, 5yrs –marks over 5yrs=10mrks)		10

2	<p><b>Reputation:</b> proof of satisfactory service (recommendations from at least five clients in each of following categories:-</p> <p>(1) Civil service or State Corporation 2mks for each client provided to a maximum of five.</p> <p>(2) Other sectors 1 mk for each client provided to a maximum of five.</p>		15
3	<p><b>Competency profile:</b> Qualifications of Chief Executive Officer and three key personnel managing General insurance portfolio:-</p> <p>a. Qualifications A.C.I. I or AIK CEO: 2marks Claim Manager :2marks Underwriting Manager:2marks</p> <p>b. Any other qualification for each of the above: 1mark</p>		12
4	<p>Reports on financial Standing such as profit and loss statement and auditor's report for the past two years signed by Auditor(s) Approved by ICPAK for determining solvency and liquidity of the Company.</p> <ul style="list-style-type: none"> <li>• <b>2-1= 3mrks</b></li> <li>• <b>1-1=1mrk</b></li> <li>• <b>Below= 0</b></li> </ul> <p>Letter from banker regarding credit worthiness of the underwriter or the Insurance broker (3mrks) .</p>		9
5	<p>Annual premiums Trend for past 2 years and (4mrks for each year)</p> <p>2015</p> <p>2016</p>		8
6	<p>Maximum Value of risk Firm is able to handle-</p> <p>Kshs. 350million – 500 million =2mrks, KShs. 500 million 900million=4mrks, over KShs.900million= 6mrks)</p>		6
7	<p>Claim loss ratio for the following products for the three (3) years i.e. 2014,2015,2016 (2.5mrks for information given on each product)</p> <p>Money insurance Fidelity Guarantee Fire and peril Group personal accident Burglary All risks</p>		20

	Goods on Transit Motor vehicles		
8	Proposal of efficient claims administration and claims turn around administration based on client references. (2 mrks for each proposal to maximum of five proposals.)		10
9	Additional benefits. The tenderer may provide any other additional Benefits to add value to KDB (please show how the benefit will add value to the Board). (2mrks for each benefit to a maximum of five benefits.)		10
		Total	100

***Tenderers should note that only tenders that score 70% and above from technical evaluation will qualify to have their tenders evaluated further.***

## **FINANCIAL EVALUATION**

Bidders who shall have passed the technical evaluation stage will have their bids based on the Schedule of Requirements considered in the financial evaluation. The bids will be checked for accuracy and completeness. The bidder(s) who gives the lowest most competitive quote will be considered for the award.

## **SECTION V - SCHEDULE OF REQUIREMENTS**

### **5.1 SCOPE OF SERVICES AND TECHNICAL REQUIREMENTS**

The scope of services will include and not limited to the following: -

- 1) Optimum policy covers in accordance with the tenders submitted should be as in the tender document and should not be restricted, by way of warranties, endorsements or special conditions subject to award. If the entire policy document is found to be satisfactory, such document to be deposited with the Kenya Dairy Board not later than fifteen (15) days from the inception of cover.
- 2) Fully documented claims are settled within twenty-one (21) days.
- 3) Motor certificates are received in KDB offices, within 12 hours upon request.
- 4) Sums insured under the policy will be adjustable accordingly by suitable means at the discretion of KDB from time to time.
- 5) Assign a messenger to collect/deliver insurance mail.
- 6) Such other service as may be related or ancillary to the due performance of the above work.
- 7) All statements, to be signed by an authorized official of the company.

## 5.2 DETAILS OF INSURANCE COVERS ARE AS FOLLOWS

A)

CLASS OF INSURANCE	GROUP PERSONAL ACCIDENT (24 HOURS) – (STAFF)
COVER	Payments of the benefits as defined in the event of accidental death or bodily injury to the insured persons including riot, strike and malicious damage and medical expenses
COVER BENEFITS	Death 1,500,000. Permanent Total Disability 1,000,000 Temporary Total Disability (max 104 wks) Medical expenses 500,000
SCHEDULE	All employees (140) and 15 Board of Directors
CLAUSES	1. Riot & strike, Political violence & terrorism 2. Accumulation clause MUST be waived. 3. 24 hrs duty or pleasure -Worldwide cover

B)

CLASS OF INSURANCE	FIRE AND PERILS
COVER	Loss or damage to insured property by fire, lightning, explosion, earthquake, fire and shock, volcanic eruption and all special perils.
SCHEDULE	Office furniture & fittings and equipment, Office contents store items and any other movable items.
CLAUSES	Removal of Debris clause Reinstatement of loss clause Fire Brigade clause Accidental error or omission
SUM INSURED	KSHS. 15,280,151.00

C)

CLASS OF INSURANCE	BURGLARY
COVER	Loss or damage of property insured resulting from forcible or violent entry/exit from premises. In all Kenya Dairy Board offices around the Country.
SCHEDULE	Telecommunication Equipment Office furniture
CLAUSES	Riot & strike, Political violence & terrorism
SUM INSURED	KShs.11,887,611



**D)**

CLASS OF INSURANCE	ALL RISKS
COVER	Indemnity against loss or damage to the specified property as a result of any cause. In all Kenya Dairy Board offices around the Country
SCHEDULE	Audio visual equipment Laboratory equipment Laptops, Computers, computer accessories, Digital cameras scanners, multimedia projectors, copier, Tablets and Cell phones.
CLAUSES	Policy excess minimum
SUM INSURED	KShs. 21,407,133. 00

**E)**

CLASS OF INSURANCE	MONEY
COVER	Loss of money belonging to the insured or for which they are responsible in the situation specified and loss of or damage to safes from any cause. <b>Money definition:</b> bank and currency notes, cheques, postal stamps, traveler's cheques, securities, gift vouchers, money orders, deposit, treasury bills, all belonging to the insured.
INSURED INTEREST	Cash in transit – KShs - 600,000.00 Cash in locked safes - 300,000.00 Cash in custody of authorized staff - 500,000.00 Contents of franking machines - 20,000.00 Loss/damage to safe - 50,000.00 Estimated annual carry - 3,000,000.00
CLAUSES	Riot & strike, Political violence & terrorism Hold up clause

**F)**

CLASS OF INSURANCE	FIDELITY GUARANTEE
COVER	Indemnity against all pecuniary losses of money and/ or stock and/ or stores as a result of infidelity of any of the employees of various categories. Compensation of loss of stock shall be on their face value. Cover must include cybercrime fraud claims
SUM INSURED	16 Clerks.....KShs. 100,000.00 2 Accountants .....KShs. 100,000.00 Aggregate Limit.....KShs. 1,800,000.00
CLAUSES	1.Reinstatement of loss clause 2.Collusion clause-limit 3.Automatic additions & deletions of staff clause
DISCOVERY PERIOD	After lapse of policy :12months After termination of employment : 12months

**G)**

**MOTOR VEHICLES**

**The successful bidder must value the motor vehicles at their own expense**

**G1)**

CLASS OF INSURANCE	COMMERCIAL VEHICLES
COVER	Comprehensive Cover Provides indemnity to the insured, for loss of or damage to the vehicle and its accessories and spare parts whilst thereon, as well as third party liability occasioned by use of the vehicle.
CLAUSES	Agreed value basis clause No blame no excess Free windscreen & R/Cassette extension-Ksh.40,000/= Damage excess 5% of value min ksh.20,000/= maximum Kshs.100,000/= Repair Authority –Ksh.100,000/= Riot and strike extension Political risk and terrorism extension
SUM INSURED	KShs. 50,939,000.00

**G2)**

CLASS OF INSURANCE	MOTOR PRIVATE
COVER	Comprehensive Cover

	Provides indemnity to the insured for loss or damage to the vehicle and its accessories and spare parts whilst thereon, as well as third party liability occasioned by use of the vehicle.
CLAUSES	1. Agreed value basis clause 2. No Blame no excess 3. Free Windscreen & R/Cassette extension-Ksh.30,000/= 4. Damage excess 2.5% of value min ksh.15,000/= Ksh.70,000/= 5. Repair Authority-Ksh.50,000/= 6. Riot and strike extension 7. Political risk and terrorism extension
SUM INSURED	KShs. 29,215,448.00

G3)

CLASS OF INSURANCE	MOTOR PRIVATE (STAFF)
COVER	Comprehensive Cover Provides indemnity to the insured for loss or damage to the vehicle and its accessories and spare parts whilst thereon, as well as third party liability occasioned by use of the vehicle.
CLAUSES	1. Agreed value basis clause 2. No Blame no excess 3. Free Windscreen & R/Cassette extension-Ksh.30,000/= 4. Damage excess 2.5% of value min ksh.15,000/= Ksh.70,000/= 5. Repair Authority-Ksh.50,000/= 6. Riot and strike extension 7. Political risk and terrorism extension
SUM INSURED	KShs. 44,970,000.00

## **SECTION VI - STANDARD FORMS**

### **Notes on the standard Forms**

1. **Form of TENDER** - The form of Tender must be completed by the tenderer and submitted with the tender documents. It must also be duly signed by duly authorized representatives of the tenderer.
2. **Price Schedule Form**- The price schedule form must similarly be completed and submitted with the tender.
3. **Contract Form** - The contract form shall not be completed by the tenderer at the time of submitting the tender. The contract form shall be completed after contract award and should incorporate the accepted contract price.
4. **Confidential Business Questionnaire Form** - This form must be completed by the tenderer and submitted with the tender documents.
5. **Tender Security Form** - When required by the tender document the tenderer shall provide the tender security either in the form included hereinafter or in another format acceptable to the Kenya Dairy Board.
6. **Performance security Form** - The performance security form should not be completed by the tenderer at the time of tender preparation. Only the successful tenderer will be required to provide performance security in the form provided herein or in another form acceptable to the Kenya Dairy Board.
7. **Anti-corruption declaration/commitment/pledge form .**
8. Letter of Notification of Award: To be given after award

**1. FORM OF TENDER**

To:  
Managing Director  
Kenya Dairy Board  
P.O. Box 30406 00100  
NAIROBI

Date  
Tender No.  
Tender Name

Gentlemen and/or Ladies:-

1. Having examined the Tender documents 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]

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 \_\_\_\_\_ 2015

\_\_\_\_\_  
[Signature]

\_\_\_\_\_  
[In the capacity of]

Duly authorized to sign tender for and on behalf 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)  
Whichever applies to your type of business

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

**Part 1. General:**

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 KShs.....

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**

Give details of partners as follows

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

**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..... [Kenya Dairy Board (hereinafter called <the Kenya Dairy Board> in the sum of [*state the amount*] for which payment well and truly to be made to the said Kenya Dairy Board, 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 Kenya Dairy Board on the Form; or
2. If the tender, having been notified of the acceptance of its tender by the Kenya Dairy Board 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 Kenya Dairy Board up to the above amount upon receipt of its first written demand, without the Kenya Dairy Board having to substantiate its demand, provided that in its demand the Kenya Dairy Board 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



**ANTI-CORRUPTION DECLARATION/COMMITMENT/PLEDGE FORM**

(In the Matter of Public Procurement Sections 66 of the PPADA Act 2015)

I/We/M/s ..... of P.O. Box

.....declare that I/We recognize that Public Procurement is based on a free, fair and competitive tendering process which should not be open to abuse.

I/We.....declare that I/We will not offer or facilitate, directly or indirectly, any inducement or reward to any member of the Board, Management and/or staff of THE POSTAL CORPORATION OF KENYA in connection with tender No. -----

-----TENDER FOR THE -----

-----in the tender, or in the subsequent performance of the contract if I/we am/are successful.

Signed by.....CEO or Authorized Representative.

Name.....

Designation.....

Designation.....

Signature.....Date.....

Declared at .....

Before me.....

Name.....

Signature.....Date .....

COMMISSIONER FOR OATHS

## LETTER OF NOTIFICATION OF AWARD

Address of Procuring Entity

\_\_\_\_\_  
\_\_\_\_\_

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.

(Name of Accounting Officer)  
Accounting Officer/Head of Procuring Entity

PERFORMANCE SECURITY FORM

To: .....  
[Name of Kenya Dairy Board]

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]

(Amend accordingly if provided by Insurance Company)