



**PROVISION OF MEDICAL INSURANCE COVER FOR EMPLOYEES - TENDER NO.
KPPF/PROC/2-A/04/2020**

JUNE 2020

ONE ENVELOPE SYTEM

Stima PlazaAnnex, Kolobot Road,
P.O. Box 1548 - 00600
Nairobi, Kenya.

TEL NO: 254-20-3201020 / 0711 031 007/3

EMAIL: tenders@kppf.co.ke

**ALL CANDIDATES ARE ADVISED TO READ CAREFULLY THIS TENDER DOCUMENT IN ITS
ENTIRETY BEFORE MAKING ANY BID**

Table of Contents

SECTION I - INVITATION TO TENDER	4
SECTION II - TENDER SUBMISSION CHECKLIST	7
SECTION III - INSTRUCTIONS TO TENDERERS (ITT)	8
3.1 Definitions.....	8
3.2 Eligible Tenderers	9
3.3 Joint Venture	10
3.4 Cost of Tendering	11
3.5 Contents of the Tender Document.....	11
3.6 Clarification of Documents.....	12
3.7 Amendment of Documents.....	12
3.8 Language of Tender.....	13
3.9 Documents Comprising the Tender	13
3.10 Tender Form	14
3.11 Tender Prices	14
3.12 Tender Currencies	14
3.13 Tenderer's Eligibility and Qualifications	15
3.14 Conformity of Services and/ or goods to Tender Documents.....	16
3.15 Demonstration(s), Inspection(s) and Test(s).....	16
3.16 Warranty.....	17
3.17 Tender Security	17
3.18 Validity of Tenders	18
3.19 Alternative Offers	19
3.20 Preparation and Signing of the Tender.....	19
3.21 Number of Sets of and Tender Format.....	19
3.22 Deadline for Submission of Tenders	20
3.23 Modification and Withdrawal of Tenders.....	20
3.24 Opening of Tenders	20
3.25 Process to be Confidential	20
3.26 Clarification of Tenders and Contacting KPPF	21
3.27 Preliminary Evaluation and Responsiveness	21
3.28 Minor Deviations, Errors or Oversights.....	22
3.29 Technical Evaluation and Comparison of Tenders	22
3.30 Financial Evaluation.....	22
3.31 Preferences.....	23
3.32 Debarment of a Tenderer	23
3.33 Confirmation of Qualification for Award	23
3.34 Award of Contract.....	24
3.35 Termination of Procurement Proceedings	24
3.36 Notification of Award	24
3.37 Signing of Contract.....	25
3.38 Performance Security	25
3.39 Corrupt or Fraudulent Practices.....	26

APPENDIX TO INSTRUCTIONS TO TENDERERS	27
SECTION IV – TERMS OF REFERENCE AND SCHEDULE OF REQUIREMENTS FOR PROVISION OF MEDICAL INSURANCE COVER FOR EMPLOYEES – TENDER NO. KPPF/PROC/2-A/04/2020.....	29
SECTION V - PRICE SCHEDULE.....	35
SECTION VI - EVALUATION CRITERIA.....	36
SECTION VII – GENERAL CONDITIONS OF CONTRACT	43
7.1 Definitions.....	43
7.2 Application	43
7.3 Standards	44
7.4 Use of Contract Documents and Information	44
7.5 Patent Rights.....	44
7.6 Performance Security	44
7.7 Inspection and Tests	45
7.8 Packaging and Labelling.....	46
7.9 Delivery and Documents for Materials/ Equipment.....	46
7.10 Insurance.....	47
7.11 Payment.....	47
7.12 Interest.....	47
7.13 Prices	47
7.14 Variation of Contract	48
7.15 Assignment.....	48
7.16 Subcontracts	48
7.17 Termination of Contract.....	48
7.18 Liquidated Damages.....	49
7.19 Warranty.....	49
7.20 Resolution of Disputes	50
7.21 Language and Law.....	50
7.22 Waiver	50
7.23 Force Majeure	50
SECTION VIII – SPECIAL CONDITIONS OF CONTRACT.....	52
SECTION IX - TENDER FORM	53
SECTION X - CONFIDENTIAL BUSINESS QUESTIONNAIRE FORM	55
SECTION XI - DECLARATION FORM	58
SECTION XII– DRAFT LETTER OF NOTIFICATION OF INTENT OF AWARD	59
SECTION XIII – DRAFT LETTER OF NOTIFICATION OF REGRET	60
SECTION XIV - CONTRACT AGREEMENT FORM	61
SECTION XV - PERFORMANCE SECURITY FORM (BANK GUARANTEE).....	65
SECTION XVI – SUPPLIER EVALUATION FORM	68

SECTION I - INVITATION TO TENDER

DATE: JUNE 2020

- 1.1 The Kenya Power Pension Fund (KPPF) invites bids from eligible tenderers for **PROVISION OF MEDICAL INSURANCE COVER FOR EMPLOYEES - TENDER NO. KPPF/PROC/2-A/04/2020**
- 1.2 Tendering will be conducted through the Bidding procedures specified in the Public Procurement and Asset Disposal Act, 2015, the Public Procurement and Disposal Regulations, 2006 and Amendment Regulations (2013) Nos. 106 and 114.
- 1.3 Interested firms may obtain further information on the tender document from;
Procurement Office,
Kenya Power Pension Fund Offices, 3rd Floor, Stima plaza Annex
Kolobot Road,
P.O Box 1548 – 00600
Nairobi, Kenya.
TEL NO: 254-20-3201020 or 071103 1020
EMAIL: tenders@kppf.co.ke
- 1.4 Completed Tenders are to be enclosed in plain sealed envelopes marked with the **tender reference number and name** and be deposited in the Tender Box next to the lift lobby located at Kenya Power Pension Fund Offices Stima Plaza Annex, Ground Floor, Kolobot Road, Nairobi, Kenya so as to be received on or before **Friday 10th JULY 2020 AT 11:30 AM.**
Bulky tenders which do not fit in the tender box shall be delivered to the 4th Floor Procurement department Kenya Power Pension Fund Offices Stima Plaza Annex and **sign a register.**
- 1.5 All tenders will be opened promptly thereafter in their presence or their representatives who choose to attend in Kenya Power Pension Fund at Stima Plaza Annex Ground Floor, Kolobot Road, Parklands, Nairobi.

- 1.6 Prices quoted should be inclusive of all taxes and delivery costs to the required site (where applicable) and must be in Kenya Shillings and shall remain valid for One Hundred and Eighty (**180**) days from the closing date of the tender.

OUR PURPOSE

To deliver value and quality of life in retirement for our members

OUR VISION

To be the best-in-class occupational pension scheme in Sub-Saharan Africa

CORE VALUES

Integrity

Accountability

Courteous

Stewardship

SECTION II - TENDER SUBMISSION CHECKLIST

Tender Submission Format

Bidders are advised to clearly label their documents according to the tender submission checklist.

No.	Item	Tick Where Provided
1.	Duly completed Declaration Form	
2.	Duly completed Tender Form	
3.	Copy of Company or Firm's Registration Certificate	
4.	Copy of Valid Tax Compliance Certificate	
5.	Confidential Business Questionnaire (CBQ)	
6.	Certificate of Confirmation of Directors and Shareholding (C.R. 12)	
7.	Price Schedule	
8.	Terms of reference	
9.	Proposed Approach and Methodology	
10.	Any other document or item required by the Tender Document. (The Tenderer shall specify such other documents or items it has submitted)	

SECTION III - INSTRUCTIONS TO TENDERERS (ITT)

3.1 Definitions

In this tender, unless the context or express provision otherwise requires: -

- a) *Any reference to any Act shall include any statutory extension, amendment, modification, re-amendment or replacement of such Act and any rule, regulation or order made there-under.*
- b) *“ Date of Tender Document” shall be the start date specified on the KPPF tender document*
- c) *“ Day” means calendar day and “ month” means calendar month.*
- d) *“ KEBS” wherever appearing means the Kenya Bureau of Standards or its successor(s) and assign(s) where the context so admits.*
- e) *“ KENAS” wherever appearing means the Kenya National Accreditation Service or its successor(s) and assign(s) where the context so admits*
- f) *“ PPRA” wherever appearing means The Public Procurement Regulatory Authority or its successor(s) and assign(s) where the context so admits.*
- g) *Reference to “ the tender” or the “ Tender Document” includes its appendices and documents mentioned hereunder and any reference to this tender or to any other document includes a reference to the other document as varied supplemented and/or replaced in any manner from time to time.*
- h) *“ The Procuring Entity” means The Kenya Power & Lighting Company Limited Staff Retirement Benefits Scheme or its successor(s) and assign(s) where the context so admits (hereinafter referred to as Kenya Power Pension Fund abbreviated as KPPF).*
- i) *“ The Tenderer” means the person(s) submitting its Tender for the supply, installation and commissioning (where applicable) of the goods in response to the Invitation to Tender.*
- j) *Where there are two or more persons included in the expression the “ Tenderer”, any act or default or omission by the Tenderer shall be deemed to be an act, default or omission by any one or more of such persons.*
- k) *Words importing the masculine gender only, include the feminine gender or (as the case may be) the neutral gender.*
- l) *Words importing the singular number only include the plural number and vice-versa and where there are two or more persons included in the*

expression the “Tenderer” the covenants, agreements and obligations expressed to be made or performed by the Tenderer shall be deemed to be made or performed by such persons jointly and severally.

- m) KPPF’s “authorized person” shall mean its CEO & Trust Secretary who is designated by the PPAD Act 2015 to exercise such power, authority or discretion as is required under the tender and any contract arising therefrom, or such other KPPF staff delegated with such authority.*
- n) Citizen suppliers-means a person/firm wholly owned and controlled by person(s) who are citizens of Kenya.*
- o) Local suppliers- a firm shall be qualified as a local supplier if it is registered in Kenya.*

3.2 Eligible Tenderers

3.2.1 A tenderer is eligible to bid for this contract only if the tenderer satisfies the following criteria—

- a) the tenderer has the legal capacity to enter into a contract for procurement or asset disposal;
- b) the tenderer is not insolvent, in receivership, bankrupt or in the process of being wound up;
- c) the tenderer, if a member of a regulated profession, has satisfied all the professional requirements;
- d) the tenderer and his or her sub-supplier, if any, is not debarred;
- e) the tenderer has fulfilled tax obligations;
- f) the tenderer has not been convicted of corrupt or fraudulent practices; and
- g) is not guilty of any serious violation of fair employment laws and practices.

In addition, this Invitation to Tender is open to all Tenderers eligible as described in the **Appendix to Instructions to Tenderers**.

Successful Tenderers shall supply the goods in accordance with this tender and the ensuing contract. Notwithstanding any other provisions of this tender, the following are not eligible to participate in the tender: -

- a) KPPF’s employees, its Board or any of its committee members.

- b) Any tenderer submitting false, inaccurate or incomplete information about their qualifications.
 - c) where in case of a corporation, private company, partnership or other body, the tenderer, their spouse, child or sub-supplier has substantial or controlling interest and is found to be in contravention of the provisions of section 3.2.1 above.
- 3.2.5 Despite the provisions of section 3.2.1 a tenderer having a substantial or controlling interest shall be eligible to bid where—
- (a) such tenderer has declared any conflict of interest; and
 - (b) performance and price competition for that good, work or service is not available or can only be sourced from that tenderer.
- 3.2.6 For the purposes of this paragraph, any relative i.e. spouse(s) and child(ren) of any person mentioned in sub-paragraph 3.2.1 is also ineligible to participate in the tender. In addition, a Cabinet Secretary shall include the President, Deputy President or the Attorney General of GoK.
- 3.2.7 Tenderers shall provide the qualification information statement that the Tenderer (including sub suppliers) 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 KPPF to provide consulting services and/ or goods for the preparation of the design, specifications, and other documents to be used for the procurement of the goods under this Invitation to Tender.
- 3.2.8 Tenderers shall not be under declarations as prescribed at Section XII.
- 3.2.9 Tenderers who are not under these declarations shall complete the Declaration Form strictly in the form and content as prescribed at Section XII.
- 3.2.10 Those that are under the Declaration as prescribed at Section XII whether currently or in the past shall not complete the Form. They will submit a suitable Form giving details, the nature and present status of their circumstances.

3.3 Joint Venture

- 3.3.1 Tenders submitted by a joint venture of two or more firms, as partners shall comply with the following requirements: -
- a) the Tender Form and in case of a successful tender, the Contract Agreement Form, shall be signed so as to be legally binding on all partners of the joint venture.

- b) one of the partners shall be nominated as being lead supplier, and this authorization shall be evidenced by submitting a Power of Attorney signed by legally authorized signatories of all the partners.
 - c) The Power of Attorney which shall accompany the tender, shall be granted by the authorized signatories of all the partners as follows:-
 - (i.) for local bidders, before a Commissioner of Oaths or a Notary Public or Magistrate of the Kenyan Judiciary.
 - (ii.) for a foreign bidder, before a Notary Public, or the equivalent of a Notary Public, and in this regard the bidder shall provide satisfactory proof of such equivalence.
 - d) the lead supplier shall be authorized to incur liability and receive instructions for and on behalf of any and all the partners of the joint venture and the entire execution of the contract including payment shall be done exclusively with the lead supplier.
- 3.3.2 All partners of the joint venture shall be liable jointly and severally for the execution of the contract in accordance with the contract terms, and a relevant statement to this effect shall be included in the authorization mentioned in paragraph 3.3.1 (b) above as well as in the Form of Tender and the Contract Agreement Form (in case of the accepted tender).
- 3.3.3 A copy of the agreement entered into by the joint venture partners shall be submitted with the tender.

3.4 Cost of Tendering

- 3.4.1 The Tenderer shall bear all costs associated with the preparation and submission of its Tender, and KPPF will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the tendering process.

3.5 Contents of the Tender Document

- 3.5.1 The Tender Document comprises the documents listed below and Addendum (where applicable) issued in accordance with paragraph 3.7 of these Instructions to Tenderers: -
- a. *Invitation to Tender*
 - b. *Instructions to Tenderers*
 - c. *Appendix to Instructions to Tenderers*

- d. *Schedule of Requirements*
- e. *Price Schedule for Services and/ or goods*
- f. *Evaluation Criteria*
- g. *General Conditions of Contract*
- h. *Special Conditions of Contract*
- i. *Tender Form*
- j. *Declaration Form*
- k. *Contract Form*
- l. *Performance Security Form*

3.5.2 The Tenderer is expected to examine all instructions, forms, provisions, terms and specifications in the Tender Document. Failure to furnish all information required by the Tender Document or to submit a tender not substantially responsive to the Tender Document in every respect will be at the Tenderer's risk and may result in the rejection of its Tender.

3.5.3 All recipients of the documents for the proposed Contract for the purpose of submitting a tender (*whether they submit a tender or not*) shall treat the details of the documents as "Private and Confidential".

3.6 Clarification of Documents

A prospective Tenderer requiring any clarification of the Tender Document may notify the Procurement Officer in writing and ensure receipt is acknowledged at KPPF's Physical address indicated on the Tender Document. KPPF 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 Tenders, prescribed by KPPF. Written copies of KPPF's response (*including an explanation of the query but without identifying the source of inquiry*) will be published and accessible to all prospective Tenderers on the KPPF's tendering portal.

3.7 Amendment of Documents

3.7.1 At any time prior to the deadline for submission of Tenders, KPPF, 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 amendment.

3.7.2 All prospective Tenderers that have registered in the portal for the Tender will be notified of the amendment(s) (*hereinafter referred to or otherwise known as addendum*) in writing and will be binding on them.

3.7.3 In order to allow prospective Tenderers reasonable time in which to take the amendment into account in preparing their Tenders, KPPF, at its discretion, may extend the deadline for the submission of Tenders.

3.8 Language of Tender

The Tender prepared by the Tenderer, as well as all correspondence and documents relating to the tender, exchanged between the Tenderer and KPPF, shall be written in English language. Any printed literature furnished by the Tenderer written in any other language shall be accompanied by an accurate English translation of the relevant passages, in which case, for purposes of interpretation of the Tender, the English translation shall govern. The English translation shall be on the Tenderer's letterhead and shall be signed by the duly authorized signatory signing the Tender and stamped with the Tenderer's stamp.

3.9 Documents Comprising the Tender

The Tender prepared and submitted by the Tenderers shall include but not be limited to all the following components: -

- a) *Declaration Form, Tender Form and a Price Schedule completed in compliance with paragraphs 3.2, 3.10, 3.11 and 3.12.*
- b) *Documentary evidence established in accordance with paragraph 3.13 that the Tenderer is eligible to tender and is qualified to perform the contract if its tender is accepted.*
- c) *Documentary evidence established in accordance with paragraph 3.14 that the services and/ or goods and any ancillary thereto to be provided by the Tenderer conform to the tender documents, and,*
- d) *Tender Security furnished in accordance with paragraph 3.17*
- e) *A detailed list of previous customers as prescribed for similar services and/ or goods on tender and their contact addresses shall be submitted with the Tender for the purpose of reference, or for evaluation where the Details of Service so dictate.*
- f) *And all other documents indicated in Section II (Tender Submission Checklist)*

3.10 Tender Form

The Tenderer shall complete and sign the Tender Form and all other documents furnished in the Tender Document, indicating the services and/ or goods to be performed, a brief description of the services and/ or goods, quantity (where applicable), and prices amongst other information required.

3.11 Tender Prices

- 3.11.1 The Tenderer shall indicate on the appropriate Price Schedule, the unit prices (where applicable) and total tender price of the services and/ or goods it proposes to provide under the contract.
- 3.11.2 Prices indicated on the Price Schedule shall be of all costs for the services and/ or goods including insurances, duties, Value Added Tax (V.A.T) and other taxes payable. No other basis shall be accepted for evaluation, award or otherwise.
- 3.11.3 Tender prices to be submitted (quoted) by the Tenderer shall remain fixed for the contract duration.
- 3.11.4 A price that is derived by a disclosed incorporation or usage of an international accepted standard formula shall be acceptable within the meaning of this paragraph.

3.12 Tender Currencies

- 3.12.1 For services and/ or goods that the Tenderer will provide from within or outside Kenya, the prices shall be quoted in Kenya Shillings, or in another freely convertible currency in Kenya. The currency quoted must be indicated clearly on the Price Schedule of Services and/ or goods.
- 3.12.2 The exchange rate to be used for currency conversion shall be the Central Bank of Kenya selling rate prevailing on the Tender closing date. *(Please visit the Central Bank of Kenya website).*

3.13 Tenderer's Eligibility and Qualifications

3.13.1 Tenderer shall furnish, as part of its Tender, documents establishing the Tenderer's eligibility to tender and its qualifications to perform the contract if its Tender is accepted.

3.13.2 The documentary evidence of the Tenderer's qualifications to perform the contract if its Tender is accepted shall be established to KPPF's satisfaction –

- a) *that, in the case of a Tenderer offering to perform the services and/ or goods under the contract which the Tenderer is not the Principal, the Tenderer has been duly authorized by the Manufacturer, Principal or Producer to provide the services and/ or goods. The authorization shall strictly be in the form and content as prescribed in the Manufacturer's or Principal's Authorization Form in the Tender Document*
- b) *that the Tenderer has the financial capability necessary to perform the contract. The Tenderer shall be required to provide the documents as specified in the Appendix to Instructions to Tenderers including a current Tax Compliance Certificate issued by the relevant tax authorities.*
- c) *that the Tenderer has the technical and production capability necessary to perform the contract.*
- d) *that, in the case of a Tenderer not doing business within Kenya, the Tenderer is or will be (if awarded the contract) represented by an agent in Kenya equipped, and able to carry out the Tenderer's maintenance, repair, spare parts and stocking obligations prescribed in the Conditions of Contract and or in the Details of Service.*
- e) *that the Tenderer is duly registered and is a current member of a recognized body or institution accredited and or pertaining to that service.*

3.13.3 The Tenderer will furnish KPPF with a copy of the accreditation or recognition certificate as applicable. KPPF reserves the right to subject the certificate to authentication.

3.13.4 Tenderers with a record of unsatisfactory or default in performance obligations in any contract shall not be considered for evaluation or award. For the avoidance

of doubt, this shall include any Tenderer with unresolved case(s) in its obligations for more than two (2) months in any contract.

3.14 Conformity of Services and/ or goods to Tender Documents

3.14.1 The Tenderer shall furnish, as part of its tender, documents establishing the conformity to the Tender Document of all services and/ or goods that the Tenderer proposes to perform under the contract.

3.14.2 The documentary evidence of conformity of the services and/ or goods to the Tender Document may be in the form of literature, drawings, and data, and shall (where applicable) consist of: -

- a) *a detailed description of the essential technical and performance characteristics of the services and/ or goods whether in catalogues, drawings or otherwise,*
- b) *a list giving full particulars, including available source and current prices of spare parts, special tools and other incidental apparatus necessary for the proper and continuing performance of the services and/ or goods for a minimum period of two (2) years following commencement of the provision of the services and/ or goods to KPPF, and,*
- c) *duly completed Statement of Compliance to KPPF's Details of Service demonstrating substantial responsiveness of the service to those Details or, a statement of deviations and exceptions to the provisions of the Details of Service.*

3.14.3 For purposes of the documentary and other evidence to be furnished pursuant to subparagraphs 3.14.1, 3.14.2 and paragraph 3.15, the Tenderer shall note that standards for workmanship, material, and equipment, designated by KPPF in its Details of Service are intended to be descriptive only and not restrictive. The Tenderer may adopt higher standards in its Tender, provided that it demonstrates to KPPF's satisfaction that the substitutions ensure substantial equivalence to those designated in the Details of Service.

3.15 Demonstration(s), Inspection(s) and Test(s)

3.15.1 Where required in the tender, all Tenderers shall demonstrate ability of performance of the required service in conformity with the Details of Services and/ or goods.

3.15.2 KPPF or its representative(s) shall have the right to inspect/ test the Tenderer's capacity, equipment, premises, and to confirm their conformity to the tender

requirements. This shall include the quality management system. KPPF's representative(s) retained for these purposes shall provide appropriate identification at the time of such inspection/ test.

- 3.15.3 KPPF shall meet its own costs of the inspection/ test. Where conducted on the premises of the Tenderer(s), all reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to KPPF.
- 3.15.4 Demonstration, Inspection/ Test Report(s) shall be completed upon conclusion of the inspection/ tests. This Report will be considered at time of evaluation and or award.

3.16 Warranty

- 3.16.1 Where required in the Tender, all Tenderers must also provide a Warranty that services and/ or goods to be rendered in the Tenderer's bid have no defect arising from manufacture, materials or workmanship or from any act or omission of the Tenderer that may develop under normal use or application of the services and/ or goods under the conditions obtaining in Kenya.
- 3.16.2 This warranty will remain valid for the period indicated in the special conditions of contract after the services and/ or goods, or any portion thereof as the case may be, have been rendered.

3.17 Tender Security

- 3.17.1 The Tenderer shall furnish, as part of its Tender, a tender security for the amount specified in the Appendix to Instructions to Tenderers.
- 3.17.2 The tender security shall be either one of the following:-
 - a) an original Bank Guarantee by a bank licensed by Central Bank of Kenya (CBK).
 - b) An original Guarantee by a deposit taking Microfinance Institution, Sacco Society, Youth Enterprise Development Fund or the Women Enterprise Fund licensed by the relevant bodies in Kenya.
 - c) An original tender security from an insurance company approved by PPRA
- 3.17.3 The tender security is required to protect KPPF against the risk of the Tenderer's conduct which would warrant the security's forfeiture pursuant to paragraph 3.17.10.
- 3.17.4 The Tender Security shall be denominated in Kenya Shillings or in another freely convertible currency in Kenya. A Tender Security in form of a Bank Guarantee should be from a commercial bank licensed by the Central Bank of Kenya.

- 3.17.5 The Tender Security shall be valid for thirty (30) days beyond the validity of the tender.
- 3.17.6 KPPF shall seek authentication of the Tender Security from the issuing bank. It is the responsibility of the Tenderer to sensitize its issuing bank on the need to respond directly and expeditiously to queries from KPPF. The period for response shall not exceed five (5) days from the date of KPPF's query. Should there be no conclusive response by the bank within this period, such Tenderer's Tender Security may be deemed as invalid and the bid rejected.
- 3.17.7 Any Tender not secured in accordance with this paragraph will be rejected by KPPF as non-responsive, pursuant to paragraph 3.27.
- 3.17.8 The unsuccessful Tenderer's Tender Security will be released as promptly as possible, in any of the following circumstances: -
- a) *the procurement proceedings are terminated*
 - b) *KPPF determines that none of the submitted Tenders is responsive*
 - c) *a contract for the procurement is entered into.*
- 3.17.9 The successful Tenderer's Tender Security will be released upon the successful Tenderer's signing the contract, pursuant to paragraph 3.39 and furnishing an authentic Performance Security, pursuant to paragraph 3.38.
- 3.17.10 The Tender Security shall be forfeited –
- a) *if the Tenderer withdraws its Tender after the deadline for submitting Tenders but before the expiry of the period during which the Tenders must remain valid*
 - b) *if the Tenderer fails to enter into a written contract in accordance with paragraph 3.37*
 - c) *if the successful Tenderer fails to furnish the performance security in accordance with paragraph 3.38*
 - d) *if the Tenderer fails to extend the validity of the tender security where KPPF has extended the tender validity period in accordance with paragraph 3.18.*

3.18 Validity of Tenders

- 3.18.1 Tenders shall remain valid for One Hundred and Eighty (180) days after the date of tender opening as specified in the Invitation to Tender or as otherwise may be prescribed by KPPF, pursuant to paragraph 3.22. A Tender that is valid for a shorter period shall be rejected by KPPF as non-responsive.

3.18.2 In exceptional circumstances, KPPF may extend the Tender validity period. The extension shall be made in writing. The tender security provided under paragraph 3.17 shall also be extended. A Tenderer shall not be required nor permitted to modify its tender during the extended period

3.19 Alternative Offers

Only main offers shall be considered, as alternative offers are not acceptable.

3.20 Preparation and Signing of the Tender

3.20.1 The Tender shall be typed or written in indelible ink. Any document that is not legible will be rejected. It shall be signed by the Tenderer or a person or persons duly authorized to bind the Tenderer to the contract.

3.20.2 The authorization shall be indicated by a written Power of Attorney granted by the Tenderer to the authorized person, if the person is not a director/ partner before any of the following persons:-

a) *For local Tenderers, a Commissioner of Oaths or a Notary Public or a Magistrate of the Kenyan Judiciary.*

b) *For foreign Tenderers, a Notary Public in the country of the Tenderer.*

In either case above, the Power of Attorney shall accompany the Tender where if applicable.

3.20.3 All pages of the Tender, including un-amended printed literature, shall be initialled by the person or persons signing the Tender and serially numbered.

3.20.4 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 initialled by the person or persons signing the Tender.

3.20.5 KPPF will assume no responsibility whatsoever for the Tenderer's failure to comply with or observe the entire contents of this paragraph 3.21.

3.20.6 Any Tender not prepared and signed in accordance with this paragraph may be rejected by KPPF as non-responsive, pursuant to paragraph 3.27.

3.21 Number of Sets of and Tender Format

3.21.1 The Tenderer shall prepare and seal two complete sets of its Tender, identifying the Tender Number and Tender name and clearly marking the "ORIGINAL TENDER" and "COPY 1 OF TENDER", as appropriate in envelopes or packages. Each set shall be properly bound together. The copy shall be a replica of the Original. Each copy will be deemed to contain the same information as the Original. If the envelopes or packages are not sealed and

marked as required by this paragraph, KPPF will assume no responsibility whatsoever for the Tender's misplacement or premature opening.

3.22 Deadline for Submission of Tenders

- 3.22.1 Tenders must be received by KPPF by the date and time specified in Invitation to tender.
- 3. 22.2 KPPF may, at its discretion, extend this deadline for submission of Tenders by amending the tender documents in accordance with paragraph 3.7, in which case all rights and obligations of KPPF and the Tenderer previously subject to the initial deadline, will therefore be subject to the deadline as extended.

3.23 Modification and Withdrawal of Tenders

- 3.23.1 The Tenderer may modify or withdraw its Tender after it has submitted, provided that the modification, including substitution or withdrawal of the Tender is received by KPPF prior to the deadline prescribed for submission of tenders.
- 3.23.2 No Tender may be modified after the deadline for submission of Tenders.
- 3.23.3 No Tender may be withdrawn in the interval between the deadline for submission of tenders and the expiration of the period during which the Tender must remain valid except where KPPF extends the initial validity period. Any withdrawal of a Tender during this interval shall result in forfeiture of the Tenderer's Tender Security except where KPPF extends the initial validity period.

3.24 Opening of Tenders

- 3.24.1 KPPF shall open all Tenders promptly at the date and time at the location specified in the Invitation to Tender or as may otherwise be indicated.
- 3. 24.2 The Tenderer's names, tender modifications or withdrawals, the presence or absence of requisite Tender Security and such other details as KPPF, at its discretion, may consider appropriate, will be announced at the opening.
- 3. 24.3 At the Tender opening, tender prices, discounts, and such other details as KPPF, at its discretion, may consider appropriate will be read out.
- 3. 24.4 The Tenderers or their representatives may attend the opening and those present shall sign a register evidencing their attendance.

3.25 Process to be Confidential

- 3.25.1 After the opening of tenders, information relating to the examination,

clarification, evaluation and comparisons of tenders and recommendations arising therefrom shall not be disclosed to a Tenderer or other person(s) not officially concerned with such process until conclusion of that process.

- 3.25.2 Conclusion of that process shall be deemed to have occurred, at the latest, by the date and time KPPF notifies the successful bidder(s). In any event, official disclosure by KPPF of any information upon conclusion of that process may only be to the unsuccessful bidders and may contain only the information permissible by law in summary form.
- 3.25.3 Any effort by a Tenderer to influence KPPF or any of its staff members in the process of examination, evaluation and comparison of tenders and information or decisions concerning the Tender may result in the disqualification of the Tenderer.

3.26 Clarification of Tenders and Contacting KPPF

- 3.26.1 To assist in the examination, evaluation and comparison of Tenders KPPF 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.
- 3.26.2 The Tenderer is required to provide timely clarification or substantiation of the information that is essential for effective evaluation of its qualifications. It is the responsibility of the Tenderer to provide in writing the clarification or substantiation which should reach KPPF within five (5) days from the date of KPPF's query. Such writing may include by electronic mail, facsimile or postal mail. Should there be no conclusive response within this period, it shall result in the Tenderer's disqualification.
- 3.26.3 Save as is provided in this paragraph and paragraph 3.26 above, no Tenderer shall contact KPPF on any matter related to its Tender, from the time of the tender opening to the time the successful Tenderer is announced.
- 3.26.4 Any effort by a Tenderer to influence KPPF in its decisions on tender evaluation, tender comparison, tender recommendation(s) or signing of Agreement may result in the disqualification of the Tenderer.

3.27 Preliminary Evaluation and Responsiveness

- 3.27.1 Prior to the detailed Technical and Financial evaluation, KPPF will determine the substantial responsiveness of each Tender. For purposes of this tender, a substantially responsive Tender is one that conforms to the requirements of Preliminary Evaluation. KPPF's determination of a Tender's responsiveness is to be based on the contents of the Tender itself without recourse to extrinsic evidence.

- 3.27.2 KPPF will examine the Tenders to determine whether they conform to the set Evaluation Criteria .
- 3.27.3 Notwithstanding the contents of the foregoing sub-paragraphs, if a Tender is not substantially responsive, it will be rejected at the earliest stage of evaluation by KPPF and cannot subsequently be made responsive by the Tenderer by correction of any non-conformity.

3.28 Minor Deviations, Errors or Oversights

- 3.28.1 KPPF may waive any minor deviation in a Tender that does not materially depart from the requirements of the goods and or services and/ or goods set out in the Tender Document.
- 3.28.2 Such minor deviation -
- 3.28.2.1 shall be quantified to the extent possible,*
 - 3.28.2.2 shall be taken into account in the evaluation process, and,*
 - 3.28.2.3 shall be applied uniformly and consistently to all qualified Tenders duly received by KPPF.*
- 3.28.3 KPPF may waive errors and oversights that can be corrected without affecting the substance of the Tender.

3.29 Technical Evaluation and Comparison of Tenders

- 3.29.1 KPPF will further evaluate and compare the Tenders that have been determined to be substantially responsive, in compliance to the Details of Services and/ or goods set out in the Tender Document and as per the prescribed Evaluation Criteria.
- 3.29.2 The Operational Plan is a critical aspect of the Tender. KPPF requires that the Services and/ or goods shall be performed at the time specified in the Schedule of Requirements. KPPF's evaluation of a tender will also take into account the Operational Plan proposed in the Tender. Tenderers offering to perform longer than KPPF's required delivery time will be treated as non-responsive and rejected.

3.30 Financial Evaluation

- 3.30.1 The financial evaluation criteria and comparison shall be as set out in the Evaluation Criteria. The comparison shall be
- a) of the price including all costs as well as duties and taxes payable on all the materials to be used in the provision of the Services and/ or goods.

b) deviations in Payment Schedule from that specified in the Special Conditions of Contract

3.30.2 Where other currencies are used, KPPF will convert those currencies to the same currency using the selling exchange rate ruling on the date of tender closing provided by the Central Bank of Kenya- where applicable.

3.31 Preferences

3.31.1 In the evaluation of tenders, exclusive preference shall firstly be given to citizen suppliers where the amount of the tender as evaluated is below Ksh. 500 Million in respect of works, goods and services and/ or goods.

3.31.2 Where a person is entitled to more than one preference scheme, the scheme with the highest advantage to the person shall be applied.

3.31.3 For purposes of this paragraph the Tenderer shall submit with its Tender, a valid copy of certificate of Confirmation of Directorships and Shareholding issued **and signed** by either the Registrar of Companies or Registrar of Business Names. KPPF reserves the right to subject the certificate to authentication.

3.32 Debarment of a Tenderer

A Tenderer who gives false information in the Tender about its qualification or who refuses to enter into a contract after notification of contract award shall be forward to PPRA for consideration of debarment from participating in future public procurement.

3.33 Confirmation of Qualification for Award

3.33.1 KPPF may confirm to its satisfaction whether the Tenderer that is selected as having submitted the lowest evaluated responsive tender is qualified to perform the contract satisfactorily.

3.33.2 The confirmation will take into account the Tenderer's financial, technical, and performance capabilities. It will be based upon an examination of the documentary evidence of the Tenderer's qualifications submitted by the Tenderer, pursuant to paragraph 3.13 as well as confirmation of such other information as KPPF deems necessary and appropriate. This may include factory, office and other facilities inspection and audits.

3.33.3 An affirmative confirmation will be a prerequisite for award of the contract to

the Tenderer. A negative confirmation will result in rejection of the Tenderer's Tender, in which event KPPF will proceed to the next lowest evaluated responsive tender to make a similar confirmation of that Tenderer's capabilities to perform satisfactorily.

3.34 Award of Contract

- 3.34.1 KPPF will award the contract to the successful Tenderer whose Tender has been determined to be substantially responsive, compliant with the evaluation criteria and has been determined to be the lowest evaluated tender, and further, where deemed necessary, that the Tenderer is confirmed to be qualified to perform the contract satisfactorily.
- 3.34.2 Award will be done as indicated in the Appendix to Instructions to Tenderers.
- 3.34.3 Prior to award KPPF may carry out a due diligence exercise to qualify the proposed personnel to ensure they meet the requirements of the terms of reference and evaluation criteria.

3.35 Termination of Procurement Proceedings

- 3.35.1 KPPF may at any time terminate procurement proceedings before contract award and shall not be liable to any person for the termination.
- 3.35.2 KPPF shall give prompt notice of the termination to the Tenderers, and, on request from any Tenderer, give its reasons for termination within fourteen (14) days of such request.

3.36 Notification of Award

- 3.36.1 Prior to the expiration of the period of tender validity, KPPF shall notify the successful Tenderer in writing that its Tender has been accepted.
- 3.36.2 The notification of award shall not constitute the formation of the contract until one is finally signed by both parties.
- 3.36.3 Simultaneously, and without prejudice to the contents of paragraph 3.27, on issuance of Notification of Award to the successful Tenderer, KPPF shall notify each unsuccessful Tenderer.
- 3.36.4 A notification of the tender outcome does not reduce the validity period for any tender security whether the Tenderer is successful or not, except where such tender security is officially released to the Bank and/or the Tenderer and such Bank discharged of all its obligations by KPPF prior to the expiry of its stated validity period.

3.37 Signing of Contract

- 3.37.1 At the same time as KPPF notifies the successful Tenderer that its Tender has been accepted, KPPF will send the Tenderer the Contract Agreement provided in the Tender Document together with any other necessary documents incorporating all agreements between the Parties.
- 3.37.2 Within fourteen (14) days of the date of notification of award, the successful Tenderer shall only sign the Contract Form and all the documents specified in that Form and return them to KPPF within that period of fourteen (14) days.
- 3.37.3 KPPF shall sign and date the Contract not earlier than fourteen (14) days from the date of notification of contract award. Further, KPPF shall not sign the contract until and unless the authentic performance security is received in accordance with paragraph 3.37.
- 3.37.4 Failure of the successful Tenderer to sign the Contract, the award shall be annulled and its tender security forfeited in which event KPPF shall notify the next lowest evaluated Tenderer that its Tender has been accepted.
- 3.37.5 Paragraph 3.34 together with the provisions of this paragraph 3.36 will apply with necessary modifications with respect to the Tenderer notified under sub-paragraph 3.36.4.

3.38 Performance Security

- 3.38.1 After fourteen (14) days of the date of notification of intent of award from KPPF, the successful Tenderer shall furnish KPPF with a Performance Security which shall be an original Bank Guarantee that is strictly in the form and content as prescribed in the Performance Security Form (Bank Guarantee) in the Tender Document.
- 3.38.2 The Performance Security shall be issued by a commercial bank licensed by the Central Bank of Kenya. The bank must be located in Kenya.
- 3.38.3 The Performance Security shall be the sum of ten percent (10%) of the contract value. It shall be in the currency of the contract price.
- 3.38.4 KPPF shall seek authentication of the Performance Security from the issuing bank. It is the responsibility of the successful Tenderer to sensitize its issuing bank on the need to respond directly and expeditiously to queries from KPPF. The period for response shall not exceed three (3) days from the date of KPPF's query. Should there be no conclusive response by the Bank within this period, such successful Tenderer's Performance Security may be deemed as invalid.
- 3.38.5 Failure of the successful Tenderer to furnish an authentic Performance Security, the award shall be annulled and the Tender Security forfeited, in which event KPPF may notify the next lowest evaluated Tenderer that its Tender has been accepted.

3.38.6 Paragraph 3.36, 3.37 together with the provisions of this paragraph 3.38 will apply with necessary modifications, and as far as circumstances permit, with respect to the Tenderer notified under sub-paragraph 3.37.4.

3.39 Corrupt or Fraudulent Practices

3.39.1 KPPF requires that Tenderers observe the highest standard of ethics during the procurement process and execution of contracts. When used in the present Regulations, the following terms are defined as follows: -

- a) *“ Corrupt practice” means the offering, giving, receiving or soliciting of any thing of value to influence the action of public official in the procurement process or in contract execution;*
- b) *“ Fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of KPPF, and includes collusive practice among Tenderers (prior to or after Tender submission) designed to establish tender prices at artificial non-competitive levels and to deprive KPPF of the benefits of free and open competition.*

3.39.2 KPPF will nullify its notification of award if it determines that the Tenderer recommended has engaged in corrupt or fraudulent practices in competing for the contract in question.

3.39.3 Further, a Tenderer who is found to have indulged in corrupt or fraudulent practices risks being debarred from participating in public procurement in Kenya.

APPENDIX TO INSTRUCTIONS TO TENDERERS

The following information regarding the particulars of the tender shall complement and or amend the provisions of the Instructions to Tenderers *hereinafter abbreviated as ITT*. Wherever there is a conflict between the provisions of the ITT and the Appendix, the provisions of the Appendix herein shall prevail over those of the ITT.

No.	ITT Reference Clause	Particulars of Appendix
1.	3.2.1 Eligible Tenderers	<p>This tender is OPEN TO ALL insurance companies licensed by the Insurance Regulatory Authority and eligible to provide medical insurance cover business in Kenya.</p> <p>Tenderers who bid as insurance brokers shall recommend only one (1) underwriter. Where a tenderer provides proposals from more than one underwriter for medical insurance policy, the tenderer's bid shall be considered non-responsive.</p>
2.	3.38 Performance Security	<p>The supplier (s) who will be awarded the contract will be required to provide a 10% performance bond of contract value.</p> <p>It shall be in the currency of the contract price.</p>
3.	3.17.1 Tender Security	Not applicable for this tender
4.	3.36.2 Mode of Award of Contract	Award shall be to the lowest evaluated bidder
5.	3.34.3 Award to contract	<p>Prior to award KPPF may carry out;</p> <ol style="list-style-type: none"> a. due diligence exercise b. request for an oral presentation c. negotiations of the benefits submitted by the bidder
6.	3.11 Tender prices	<p>Tender prices shall be quoted in Kenya shillings.</p> <p>Where the tenderer is an insurance broker- The tenderer's price (rate) quotation for medical insurance policy shall be supported by an original quotation from the recommended underwriter. Where there is a price</p>

		variation between the tenderer's and the recommended underwriter's quotations, this shall be accompanied by a letter from the recommended underwriter on original letterhead that they shall accept cover on the varied quotation. If not the tenderer's bid shall be considered non-responsive.
--	--	--

SECTION IV – TERMS OF REFERENCE AND SCHEDULE OF REQUIREMENTS FOR PROVISION OF MEDICAL INSURANCE COVER FOR EMPLOYEES – TENDER NO. KPPF/PROC/2-A/04/2020

BACKGROUND

The Kenya Power Pension Fund (“KPPF” or “the Fund”) is one of the leading Kenyan occupational pension funds that has 10,874 members and more than Kshs. 30 billion in assets under management (AUM) across its two pension funds – Defined Benefit (DB) and Defined Contribution (DC).

The DB and DC Funds were established with the main purpose of providing pension and cash benefits for members, who are employees of the Kenya Power & Lighting Company Limited, upon their retirement and where applicable, relief for the dependents of deceased members. The DB Fund was established on 3rd May 1971 and was closed to new members and ceased receiving contributions from members with effect from 30th June 2006. The DC Fund was established on 1st July 2006 and receives a percentage of members’ salaries as mandatory contributions and also receives additional voluntary contributions (AVC).

The Funds managed by a Board of Trustees that is responsible for establishing and maintaining policies and objectives for all aspects of the Funds’ operations. To ensure efficiency in the delivery of services to members, Trustees have established a Secretariat to carry out the day-to-day management of the two Funds. The Secretariat has adopted a management structure that comprises different departments that include Pensions Administration, Finance & Investments, Property, Human Resources & Administration, Procurement and ICT.

The Vision of KPPF is to be “the best-in-class occupational pension fund in the whole of Africa.”

In an endeavor to realize its vision and mission, KPPF abides to core values namely:

1. Integrity
2. Accountability
3. Courtesy
4. Efficiency
5. Stewardship

The KPPF seeks to contract a reputable insurance company to provide Medical Insurance cover for its staff and their dependents for a period of one (1) year. KPPF may at its own discretion renew the cover for a further period of one (1) years subject to satisfactory performance

MEDICAL INSURANCE REQUIREMENTS

The medical insurance scheme is a fully enhanced cover intended at providing all employees and their dependents with quality health care services on 24 hours basis taking into cognizance the unpredictable nature of sicknesses and/or accidents.

No.	INSURANCE TYPE	DESCRIPTION	COVER
1.	Employee Medical Cover	To cover all employees of the Fund The medical limits will be per family for one (1) spouse and all children up to age of 25years.	<ul style="list-style-type: none"> • In patient limit Kshs. 1,500,000 • Outpatient limit Kshs.200,000 • Standard Private minimum Kshs. 18,500 per night for 9 management staff. • All other staff normal ward bed. • For all the employees as per the attached terms. • Pandemics/political violence/riot and strike/Terrorism covered

Terms and conditions for the medical scheme cover is as follows;

a. Inpatient cover

The In-patient cover benefit shall cater for illnesses requiring hospitalization and will be fully enhanced to cover the following conditions and procedures: -

1. Accident and illness hospitalization (accommodation, doctor's, fees, operating theatre, ICU charges, physiotherapy, prescribed drugs, dressings surgical appliances, X-rays and scans;
2. Medical services for pre-existing and chronic conditions including cardiac diseases, asthma, diabetes, pre-existing surgical conditions and cancer and related illnesses. Sub-limits for chronic and congenital conditions shall be 50% of the cover limit.
3. Congenital/Neonatal conditions within the limit for chronic conditions;
4. In-patient surgery;
5. In-patient diagnostic tests;
6. Surgical implants, appliances, joint replacements and prostheses;
7. External aids (wheel chair, corsets, crutches and other orthopedic

- appliances);
8. Professional fees for specialist doctors (Surgeons, anesthetists etc.);
 9. Major organ transplant;
 10. Hospital accommodation;
 11. Maternity cover including caesarean cases and ectopic pregnancy;
 12. Hospitalization due to dental and optical accident or disease;
 13. Gynecological illnesses;
 14. Emergency road ambulance services;
 15. Emergency Air Evacuation;
 16. Psychiatry/psychotherapy;
 17. Chemotherapy and radiotherapy;
 18. Non-Accident ophthalmologic and maxillofacial surgery;
 19. Accommodation for accompanying parent/guardian for hospitalized children up to 12 years of age;
 20. Cost for quarantine and isolation where prescribed by the doctor;
 21. Treatment while in hospital;
 22. Discharge from hospital and the cost of treatment thereof;
 23. Post hospitalization benefits; and
 24. Any other service not included above but which may be mutually agreed upon from time to time.

b. Outpatient Cover

The Outpatient scheme shall deal with cases of illness not requiring admission into a hospital and will include examinations, diagnosis and speedy treatment at health clinics and/or hospitals with the aim of preventing any ailment or illness from growing into cases that require hospitalization.

The outpatient cover shall encompass the following benefits:

1. Routine outpatient consultation;
2. Diagnostic Laboratory and Radiology services including X-ray, ultrasounds, ECG, MRI scans, oncology tests etc.;
3. Prescribed Physiotherapy;
4. Prescribed drugs and dressings;
5. Treatment for HIV/AIDS related conditions as well as prescribed ARVs, CD-4 count and viral load test; Attendance to other opportunistic diseases e.g. TB and cancer;
6. Treatment for pre-existing conditions;
7. Treatment for Chronic and recurring conditions;
8. Treatment from any injuries sustained as a result of riots, strikes or terrorism, where

- the member was not part of the rioters;
9. Chemotherapy and radiotherapy;
 10. Routine Immunization (KEPI, Baby friendly and private vaccines) for all family members;
 11. Routine Antenatal checkups;
 12. Postnatal care up to six weeks post-delivery;
 13. Psychiatry/psychotherapy;
 14. Outpatient Emergency Ambulance Services;
 15. Dental services including extractions, fillings, gum surgery, root canal treatment and basic prescribed dentures, braces, crowns and bridges;
 16. Optical and ophthalmologic services;
 17. Counseling services;
 18. Specialist opinion on referral basis;
 19. Medical examination which is a pre-requisite for various training programmes;
 20. Health Education (wellness programmes);
 21. Annual pap smear and breast checks for female members dependents;
 22. Annual prostate checks for male members and dependents; and
 23. General check-ups for principal member and spouse;
 24. Costs of rehabilitation for alcohol and drug abuse (ADA)

Additional benefits and conditions to the medical cover should be as follows;

1. The cover Shall Support rehabilitation programmes and counselling
2. Shall provide Travel Insurance cover for the insured upon request by the client without any extra cost when travelling outside the country
3. The impatient cover should cater for at least one (1) drug and substance rehabilitation confinement in an institution for the principal employee.
4. The chronic and pre-existing condition benefits should not be less than 50% of the overall inpatient cover limit.
5. (At least four (4) different contact persons who are able to make instant decisions on 24 hours call for both emergencies
6. Treatment by chiropractors/acupuncturists within cover limits
7. Treatment of injuries sustained while in a state of temporal insanity/depression etc.
8. Treatment of COVID-19 and its related complications, detail of isolation centers
9. NO any form of Capitation allowed
- 10.NO co-pay
- 11.NO any form of modification of any document other than the format provided
- 12.Medical cards
- 13.dependent children shall be covered from 36 weeks to 18 years old and up to 25 years old subject to proof of fulltime learning.
- 14.No pre-authorization for consultation service for providers on the panel provided members have identification cards. Preauthorization shall only be related to major medical procedures and admissions. The service provider must provide a clear list of preauthorization procedure

- providing timelines for each process.
15. Facilitate training and sensitization of at least 50% of members by the Insurance provider. The training should take cognizance of all the categories of staff members i.e. middle level management and lower level /support staff members (at least 4 trainings i.e. 1 per quarter) Top level management to be trained off-job i.e. outside Nairobi for a minimum of five (5) days to enable them deeply conceptualize the operations of the scheme. Cost of training to be met by the underwriter.
 16. Provide Scheme information booklets on scheme rules and entitlement with full disclosure of all exclusions. Declare all exclusions - all exclusions to be expressly declared but not within the medical benefit. Any exclusions that negates a medical benefit will lead to disqualification of the bid
 17. Funeral cover Kshs.100, 000 for all as a medical cover rider
 18. A joint Committee (Quality Assurance Committee) consisting of three (3) members from KPPF and three (3) members from the Provider to appraise the scheme on Quarterly basis. The same shall evaluate the scheme on quarterly basis under the adequate facilitation by the Provider to sustain its effectiveness through monitoring of its performance.
 19. The Provider to train, provide transport, accommodation and other related costs towards the orientation of the QAC members one month after the commencement of the cover. All activities of the Committee must be funded at the expense of the Provider if they are done outside Kenya Power Pension Fund premises
 20. The provider to establish two (2) rehabilitation facilities to address challenges experienced by the members who are vulnerable and require comprehensive rehabs to restore them in good health.

Benefits - International Travel and Referral Allocations

This is payment that shall be made over and above the inpatient normal cover limits specified for the members and the person accompanying the patient. This will be paid out where authorization has been granted for the member to travel to another country for specialized treatment which is either not available locally or is reasonably cheaper and better quality than is locally, air ticket for patient and aide and their accommodation.

FAMILY CLASSIFICATION

Number of Employees: 30 employees, please note the number of employees may vary and the provider may be asked to give a quote if a new employee joins KPPF.

Family Size	Number of Members
M	10
M+1	5
M+2	4
M+3	7
M+4	6
M+5	3

Benefit	Inpatient	Outpatient	Last Expense	Maternity	Dental	Optical
Scope	Per Family	Per Family	Per Family	Per Family	Per Person	Per Person
Specifics	Stand alone	Stand alone	Within inpatient	Within inpatient	Within outpatient	Within outpatient
Amounts	1,500,000	200,000	100,000	200,000	30,000	25,000

KPPF **SHALL not** accept any award conditions whatsoever from the insurer.

Name of Tenderer

Signature of duly authorised person signing the Tender

Name and Designation of duly authorised person signing the Tender

Stamp or Seal of Tenderer

SECTION V - PRICE SCHEDULE

PRICE SCHEDULE FOR PROVISION OF MEDICAL INSURANCE COVER FOR EMPLOYEES - TENDER NO. KPPF/PROC/2-A/04/2020

No.	Type of Insurance Policy	Gross Premium per annum (Kshs.)
1.	Medical Insurance Cover - Employees	

NOTE

- The currency quoted **must** be in Kenya Shillings.

Name of Tenderer

Signature of duly authorised person signing the Tender

Name and Designation of duly authorised person signing the Tender

Stamp or Seal of Tenderer

SECTION VI - EVALUATION CRITERIA

6.1 Part 1 - Preliminary Evaluation Under Paragraph 3.27 of the ITT. Evaluation of duly submitted tenders will be conducted in accordance with the following mandatory requirements: -

1. The Tender submission shall have a table of contents, Page Numbers and have pages in the whole document numbered in the correct sequence and bound.
2. Current License/certificate from Insurance Regulatory Authority (IRA) and Medical Insurance Providers (MIP) license for the year 2020
3. Current registration certificate with Association of Kenya Insurers (AKI) (Submit copy of membership certificate) for the year 2020
4. Copy of Valid Tax Compliance Certificate from the date of tender opening
5. Copy of Valid NSSF Compliance Certificate
6. Copy of Valid NHIF Compliance Certificate
7. Copy of Current Single Business Permit from Local County Government
8. Submit a Copy Certificate of Incorporation/Registration.
9. Duly signed and stamped Confidential Business Questionnaire (attach CR12)
10. Must fill the price schedule in the format provided.
11. Duly completed and stamped Tender form
12. The validity period of the tender shall be 180 days from the date of tender opening
13. Duly completed and stamped Declaration Form
14. Evidence of an installed IT system that provides accurate and up to date information on the administration of the scheme.
15. Provide policies on Business Continuity Plans, Disaster Recovery Centers
16. Company or firm must have been in existence for more than 10 years
17. Professional indemnity cover of Kshs. 100 million which is valid for at least one hundred and eighty (180) days after the closing date of the tender

Tenders will proceed to the Technical Evaluation Stage Part A only if they qualify in compliance with Part 1 above, Preliminary Evaluation.

6.2 Part II – Technical Evaluation and Comparison of Tenders Under Paragraph 3.29 of the ITT.

This section comprises of two parts;

Part A - Mandatory Technical Criteria Evaluation Stage

Part B - Technical Criteria Evaluation Stage

Part A: Mandatory Technical Evaluation**Tenderers must meet all the requirements below;**

NO.	INSURANCE TYPE	DESCRIPTION	COMPLIED / NOT COMPLIED WITH TORs ATTACHED
1.	Medical Insurance Cover	To cover all employees of the Fund The medical limits will be per family for one (1) spouse and all children up to age of 25 years.	

1. Must attach a list of five (5) largest medical insurance scheme accounts they currently cover and whose total premium must be more than 50 million each for the last one (1) year – attach award letters and contracts.
2. Country wide service provider list with well-established medical facilities in every county in Kenya. Bidders must be ready to introduce additional service providers as may be proposed by KPPF.
3. Tenderers must provide history of any litigation, dispute or arbitration resulting from contracts executed in the last five years (Sworn affidavit).
4. Claim settlement Declaration: Submit Declaration signed by the CEO/ Principal officer that the claims falling under that policy period shall be honored.
5. Premium Turnover: Must have done Annual Gross Premiums of Kshs.3 Billion and above for the last three (3) years 2017,2018 & 2019 (submit evidence of audited financial statements for the period)
6. Must have paid up capital of a minimum of Ksh. 600 Million (submit evidence).
7. Must provide evidence of re-insurance arrangements in place approved by IRA for year 2020
8. Principal Officer must be a university graduate and an Associate of the Chartered Insurance Institute or its equivalent with certified copies of certificates with at least ten years' experience as a senior manager in the Insurance Industry.

Tenders will proceed to Part B - Technical Criteria Evaluation Stage only if they qualify in all the mandatory technical criteria Part A above. Bidders must provide evidence of compliance to all the terms of reference.

Part B: Technical Evaluation Criteria

Provide evidence to score any marks.

No.	CRITERIA	Marks
a)	Give a write up on how to handle the issue of bed categorization especially in low cost hospitals where private wards/charges are always lower than the set limits for general ward bed.	3
b)	Hospital accommodation for accompanying parent and/or guardian for hospitalized children (lodger fee)	2
c)	Ability to demonstrate with evidence that payment of last expense policy amount will be paid within 48 hours after notification of demise of a member above supporting documents	3
d)	Draft Service Level Agreement (SLA) as a guideline, Inception presentation to all staff at KPPF, turnaround periods for claim reimbursements should not exceed 7 days, medical cards should not exceed 14 days, Pre-authorization 2 hours, group utilization reports every 5th day of the month, individual statement quarterly, review meetings, health talks within the cover period at KPPF	4
e)	<p>Methodology</p> <p>Implementation Methodology - how you will provide medical, and last expense covers to the staff and their dependants. Your implementation plan and methodology should include, but not limited to the following: -</p> <ul style="list-style-type: none"> i. Management of additions and exits..... 1 mark ii. Members education and sensitization on Healthcare, and Last expense... .. 1 mark iii. Portability with no restrictions where members should seek services within the agreed panel of providers... 3 marks iv. Scheme implementation timetable... .. 1 mark v. Customer Service methodology..... 1 mark vi. Member communications systems..... 1 mark vii. Scheme management & performance reporting structures... .. 1 mark viii. Fraud control by employees'/containment systems on prevention of Medical fraud 1 mark <p>NOTE: MARKS WILL BE AWARDED BASED ON HOW CONVINCING AND REALISTIC THE PROPOSED METHODOLOGY WILL BE, AND AS SUCH FULL MARKS PER BULLET AS OUTLINED ABOVE ARE NOT GUARANTEED.</p>	10
f)	Signed contracts with medical travel agency/international hospitals in Africa, India, China, Turkey etc. to provide/facilitate credit treatment facilities for advanced/cost effective treatment options; Ten and above max. marks below ten facilities 5mks	10

g)	Evidence of having conducted member training/risky survey/customer service for client's country wide	5
h)	<p>Must provide proposal or methodology of how to</p> <ol style="list-style-type: none"> (1) administer the scheme including Messengerial, (2) Dissemination of information, (3) claim coordination, (4) claim settlement and reports. (5) Must provide proposal or methodology of how to deal with claims from undeclared members and unreported (6) Claims incurred off panel and outside the country during travel (7) late reported claims (8) fraud mitigation on the side of service providers (9) cost saving measures in place to safe guard member benefits (10) ability to provide uninterrupted medical services on credit within east Africa (12) any credit facilities provided outside Kenya (east Africa indicate) (11) how to deal with pre-authorization (12) what measures are in place to avoid delays in authorization, (13) how to handle statement reconciliations, (14) how to deal with over payments or underpayments (15) how to deal members who are admitted/outpatient and there benefits have reached limits yet they are in an emergency situation, (16) evacuation measures in place for members, (17) how deal with beneficiaries of members who have passed on/retired during cover period, (18) KPPF request for additional service providers in arears not provided and yet our staff are located there indicate if this is allowed, (19) Indicate the procedure followed for international treatment, (20) what happens if a member dies abroad during treatment. 	15
i)	Declaration and Undertaking by the Underwriter on material representation, processing of claim, settlement of claim and No Award conditions.	2

j)	<p>List at least four (4) key senior professional staff and their portfolio/tasks in the format attached: - 2 Management, 1 Technical and 1 support staff Technical Capacity 4 Key professional staff each with the following qualifications a. Principal Officer must have a minimum of Bachelor degree plus Managerial postgraduate, and not less than five years' experience as a senior manager in the insurance industry (1 mark) b.3 other staff each with Minimum ACII, equivalent and at least five years' experience in the insurance industry. (1 mark per staff up to a max of 3 Marks) plus two fully qualified Actuary</p> <p>To earn the above marks please attach CVs for the staff showing qualifications and years of experience, copies of academic and professional. CVs must be signed and stamped</p>	7
k)	<p>Must provide evidence of the least period used to settle previous claims upon presentation of all required documents.</p>	2
l)	<p>Branch Coverage- if bidding as a Broker to provide documents from underwriters Provide certified county government single business permits for all branches for the company (to be certified by a commissioner of oaths) provide contacts for the Branch manager and names (KENYA POWER PENSION FUND will confirm) Max 10 marks</p> <p>i)Above 30 branches...10 Marks ii)29 to 20 branches...5 Marks iii)Below 20 branches ...2 Marks</p>	10
m)	<p>Benefit Limit: Highest benefits attract highest Score of 10 and prorated with offered benefit limits. State bed limits for each job group and amount allocated Note: management are entitled to private rooms, the rest of the staff are on normal ward beds Provide detailed clearly outline tabulated benefits table with each sub limits clearly indicated in bold or color indicate all exclusions and any other expected limits Other concessions/Wider Coverage, e.g. better Extensions</p>	10

n)	<p>Capital Adequacy Ratio - if bidding as a Broker to provide documents from underwriters</p> <p>Provide evidence of Capital Adequacy Ratio as per IRA quarterly reports as at DEC 2019 Max 6marks</p> <p>i)Above 169% 6 marks ii)168% to 100% ... 3marks iii)Below 100% ... 1mark</p>	6
o)	<p>Current (for 2020) recommendation letters from the following service providers</p> <p>1. NAIROBI HOSPITAL 2. KAREN HOSPITAL 3. AGH KHAN HOSPITAL – NAIROBI, MOMBASA, KISUMU 4. GETRUDE HOSPITAL 5. NAIROBI WEST HOSPITAL 6. MP SHAH HOSPITAL 7. MATER HOSPITAL (7 providers scores 4 marks) (6 to 4 providers scores 2 marks; below 4 providers – zero marks)</p>	4
p)	<p>Directors liability of at above 500 million – 7marks Below 500 million but above 300 million – 5 marks Below 300 million but above 150 million – 3 marks Below 150 million - 2 marks</p>	7

Tenderers will proceed to the financial evaluation stage if they are fully compliant to the technical criteria stage. The minimum score in Technical evaluation stage Part B required to qualify for Financial Evaluation shall be **80 marks**.

6.3 Part III – Financial Evaluation Criteria Under Paragraph 3.30 of the ITT.

The Successful Tenderer shall be the lowest evaluated bidder.

***NOTES: -**

- **Total tender value means the Tenderer’s total tender price inclusive of Value Added Tax (V.A.T) for the services it offers to provide.**
- Prior to award, KPPF may carry out due diligence exercise, negotiations on benefits and request for an oral presentation
- **If bidding as an insurance broker you must provide authorization letter from the underwriter. However, an underwriter may bid directly.**

SECTION VII – GENERAL CONDITIONS OF CONTRACT

The General Conditions of Contract *hereinafter referred abbreviated as the GCC* shall form part of the Conditions of Contract in accordance with the law and KPPF's guidelines, practices, procedures and working circumstances. The provisions in the GCC will apply unless an alternative solution or amendment is made under other parts of the Contract including the Special Conditions of Contract.

7.1 Definitions

In this contract, the following terms shall be interpreted as follows: -

- a) *“ Day” means calendar day and “ month” means calendar month.*
- b) *“ The Contract” means the agreements entered into between KPPF and the Supplier, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.*
- c) *“ The Contract Price” means the price payable to the Supplier under the contract for the full and proper performance of its contractual obligations.*
- d) *“ The Services and/ or goods” means services and/ or goods or art thereof to be provided by the Supplier and includes all of the materials and incidentals, which the Supplier is required to perform and provide to KPPF under the contract.*
- e) *“ The Procuring Entity” means The Kenya Power Pension or its successor(s) and assign(s) where the context so admits(hereinafter abbreviated as KPPF).*
- f) *“ The Supplier” means the individual or firm providing the services and/ or goods under this contract or his/ her/ its permitted hei(s), personal representative(s), successor(s) or permitted assign(s) where the context so admits. For the avoidance of doubt this shall mean the successful Tenderer(s) pursuant to the tender.*
- g) *Wherever used in the contract, “ performance” shall be complete or be deemed to be complete, unless the circumstances indicate otherwise, when the services and/ or goods have been performed in accordance with the Contract and where KPPF does not signify its approval to the Supplier, but without giving notice of dissatisfaction, on the expiration of thirty (30) days from date of documented completion of performance of the service.*

7.2 Application

These General Conditions shall apply to the extent that provisions of other parts of the contract do not supersede them.

7.3 Standards

The Services and/ or goods supplied under this contract shall conform to the standards mentioned in the Details of Service.

7.4 Use of Contract Documents and Information

- 7.4.1 The Supplier shall not, without KPPF'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 KPPF in connection therewith, to any person other than a person employed by the Supplier in the performance of the contract.
- 7.4.2 The Supplier shall not, without KPPF's prior written consent, make use of any document or information enumerated in clause 7.4.1 above.
- 7.4.3 Any document, other than the contract itself, enumerated in clause 7.4.1 shall remain the property of KPPF and shall be returned (including all copies) to KPPF on completion of the Supplier's performance under the contract if so required by KPPF.

7.5 Patent Rights

The Supplier shall indemnify KPPF against all third party claims of infringement of patent, trademark, or industrial design rights arising from provision of the services and/ or goods or any part thereof.

7.6 Performance Security

- 7.6.1 Within fourteen (14) days of the date of the notification of contract award, the Supplier shall furnish to KPPF the Performance Security which shall be an original Bank Guarantee that is strictly in the form and content as prescribed in the Performance Security Form (Bank Guarantee) in the Tender Document.
- 7.6.2 The Performance Security shall be issued by a commercial bank licensed by the Central Bank of Kenya. The bank must be located in Kenya.
- 7.6.3 The Performance Security shall be the sum of ten percent (10%) of the contract price. It shall be in the currency of the contract price.
- 7.6.4 Failure of the Supplier to furnish the Performance Security, the award shall be annulled and the Tender Security forfeited, in which event KPPF may notify the next lowest evaluated Tenderer that its Tender has been accepted.

- 7.6.5 The proceeds of the Performance Security shall be payable to KPPF as compensation for any loss resulting from the Supplier's failure to comply with its obligations in accordance with the contract without KPPF being required to demonstrate the loss it has suffered.
- 7.6.6 The Performance Security shall be valid for a minimum of sixty (60) days after satisfactory delivery for both Foreign and Local Suppliers.
- 7.6.7 KPPF shall seek authentication of the Performance Security from the issuing bank. It is the responsibility of the Supplier to sensitize its issuing bank on the need to respond directly and expeditiously to queries from KPPF. The period for response shall not exceed three (3) days from the date of KPPF's query. Should there be no conclusive response by the Bank within this period, such Supplier's Performance Security may be deemed as invalid and the Contract nullified, unless information to the contrary is received by KPPF two (2) days before the expiry of the Supplier's Tender Security.
- 7.6.8 Subject to the provisions of this contract, the Performance Security will be discharged by KPPF and returned to the Supplier not earlier than thirty (30) days following the date of completion of the Supplier's obligations under the contract, including any warranty obligations, under the contract.

7.7 Inspection and Tests

- 7.7.1 KPPF or its representative(s) shall have the right to inspect and/or to test the services and/or goods to confirm their conformity to the contract specifications. KPPF shall notify the Supplier in writing in a timely manner, of the identity of any representative(s) retained for these purposes. Such visit and or inspection/ test shall in no way prejudice KPPF's rights and privileges.
- 7.7.2 In appropriate circumstances, Inspection/ Test Report(s) shall be completed upon conclusion of the inspection/ tests.
- 7.7.3 The inspections and tests may be conducted in the premises of the Supplier or its subsupplier(s). If conducted on the premises of the Supplier or its subsupplier(s), all reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to KPPF.
- 7.7.4 Should any inspected or tested services and/ or goods fail to conform to the specifications, KPPF may reject the Service(s), and the Supplier shall either replace or remedy the rejected services and/ or goods or make alterations necessary to meet specification requirements free of cost to KPPF.
- 7.7.5 KPPF's right to inspect, test and where necessary, reject the services and/ or goods after provision shall in no way be limited or waived by reason of the services and/ or goods

having previously been inspected, tested and passed by KPPF or its representative(s) prior to the services and/ or goods performance / delivery.

- 7.7.6 For the avoidance of doubt, any acknowledgement by KPPF on the Supplier's or sub-supplier's document shall not be conclusive proof or evidence of satisfactory performance without duly authorized approval by KPPF.
- 7.7.7 Nothing in this clause 7.7 shall in any way release the Supplier from any warranty or other obligations under this Contract.

7.8 Packaging and Labelling

- 7.8.1 Where applicable, the Supplier shall provide such packaging of the material and equipment as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract.
- 7.8.2 The method of packaging, labeling and marking shall comply strictly with such special requirements as shall be specified and attached to the Contract and particular Order.
- 7.8.3 The labelling, marking and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract.
- 7.8.4 The materials and equipment shall be packed in good condition suitable for sea/air/road/rail dispatch. Hazard in transit to the final destination shall include rough handling and storage in tropical conditions.
- 7.8.5 The Supplier shall enclose a packing list in each package and all documents relating to the Order shall show the Tender reference number and name against the items or package indicating the supplier or supplier's agent as the consignee.

7.9 Delivery and Documents for Materials/ Equipment

- 7.9.1 **Where applicable**, delivery of the materials/ equipment shall be made by the Supplier to the place and in accordance with the terms specified by KPPF in its Schedule of Requirements or as may be otherwise indicated.
- 7.9.2 The Supplier shall notify KPPF of the full details of the delivered materials/ equipment by delivering the materials/ equipment with a full set of the following documents: -
- a) *Supplier's invoice showing the materials/ equipment description, quantity, unit price and total price*
 - b) *Delivery note*
 - c) *Packing list identifying contents of each package*

7.9.3 It is the responsibility of the Supplier to ensure that the delivery documents are received by KPPF at the designated delivery point at the time of delivery.

7.10 Insurance

7.10.1 The Supplier shall be responsible for and keep in force current appropriate insurance covers for its property and persons engaged in the performance and or provision of the Services and/ or goods under the contract.

7.10.2 The Supplier shall (*except in respect to losses, injuries or damage resulting from any act or neglect of KPPF*) indemnify and keep indemnified KPPF against all losses and claims for injuries or damage to any person or property whatsoever which may arise out of or in consequence of the contract and against all claims, demands, proceedings, damages, costs, charges, and expenses whatsoever in respect thereof or in relation thereto.

7.11 Payment

7.11.1 Payments shall be made promptly by KPPF and shall not be less than thirty (30) days from completion of satisfactory performance and submission of invoice together with other required and related documents or as otherwise prescribed in the contract.

7.11.2 Payment shall primarily be through KPPF's cheque or Real Time Gross Settlement (*RTGS*) or telegraphic transfer. Where applicable, a copy of a valid Performance Security, stamped, certified as authentic by KPPF, shall form part of the documents to be presented to KPPF before any payment is made.

7.12 Interest

Interest payment by KPPF is inapplicable in the contract.

7.13 Prices

7.13.1 Subject to clause 7.14 herein below, prices charged by the Supplier for services and/ or goods performed under the contract shall be fixed for the period of the contract with no variations.

7.13.2 A price that is derived by a pre-disclosed incorporation or usage of an internationally accepted standard formula shall not be deemed to be a price variation within the meaning of this clause.

7.14 Variation of Contract

KPPF and the Supplier may vary the contract only in accordance with the following: -

- a) *the quantity variation of services and/ or goods shall not exceed twenty percent (15%) of the original contract quantity.*
- b) *The cumulative value variation shall not exceed twenty five percent (25%) of the original contract value.*
- c) *the quantity variation must be executed within the period of the contract.*

7.15 Assignment

The Supplier shall not assign in whole or in part its obligations to perform under this contract, except with KPPF's prior written consent.

7.16 Subcontracts

7.16.1 The Supplier shall notify KPPF in writing of all subcontracts awards under this contract if not already specified in the tender. Such notification, in the original tender or obligation under the Contract shall not relieve the Supplier from any liability or obligation under the Contract.

7.16.2 In the event that an award is given and the contract is sub-contracted, the responsibility and onus over the contract shall rest on the Supplier who was awarded.

7.17 Termination of Contract

7.17.1 KPPF may, without prejudice to any other remedy for breach of contract, by written notice sent to the Supplier, terminate this contract in whole or in part due to any of the following:

-

- a) *if the Supplier fails to perform any or all of the services and/ or goods within the period(s) specified in the contract, or within any extension thereof granted by KPPF.*
- b) *if the Supplier fails to perform any other obligation(s) under the contract.*
- c) *if the Supplier, in the judgment of KPPF has engaged in corrupt or fraudulent practices in competing for or in executing the contract.*
- d) *by an act of force majeure.*
- e) *if the Supplier becomes insolvent or bankrupt*
- f) *if the Supplier has a receiving order issued against it, compounds with its creditors, or an order is made for its winding up (except for the purposes of its amalgamation or reconstruction), or a receiver is appointed over its or any part of its undertaking*

or assets, or if the Supplier suffers any other analogous action in consequence of debt.

g) if the Supplier abandons or repudiates the Contract.

7.17.2 In the event that KPPF terminates the contract in whole or in part, it may procure, upon such terms and in such manner as it deems appropriate, services and/ or goods similar to those undelivered or not rendered, and the Supplier shall be liable to KPPF for any excess costs for such similar services and/ or goods and or any other loss PROVIDED that the Supplier shall not be so liable where the termination is for convenience of KPPF.

7.17.3 The Parties may terminate the Contract by reason of an act of *force majeure* as provided for in the contract.

7.17.4 The Contract may automatically terminate by reason of an act of *force majeure* as provided for in the Contract.

7.18 Liquidated Damages

Notwithstanding and without prejudice to any other provisions of the contract, if the Supplier fails to perform any or all of the services and/ or goods within the period specified in the contract, KPPF shall, without prejudice to its other remedies under the contract, deduct from the contract prices, liquidated damages sum equivalent to 0.5% of the performance price per day of delay of the delayed due services and/ or goods up to a maximum of ten percent (10%) of the performance price of the delayed due services and/ or goods.

7.19 Warranty

7.19.1 Where applicable, the Supplier warrants that the Services and/ or goods provided under the contract are of the highest quality or current specification and incorporate all recent improvements unless provided otherwise in the contract. The Supplier further warrants that any materials/ equipment provided under this contract shall have no defect arising from manufacture, materials or workmanship or from any act or omission of the Supplier that may develop under normal use of the materials/ equipment provided under the conditions obtaining in Kenya.

7.19.2 This warranty will remain valid for the period indicated in the special conditions of contract after the goods, or any portion thereof as the case may be, have been delivered to the final destination indicated in the contract.

7.19.3 KPPF shall promptly notify the Supplier in writing of any claims arising under this Warranty.

- 7.19.4 Upon receipt of such a notice, the Supplier shall, with all reasonable speed, remedy the defective services and/ or goods without cost to KPPF.
- 7.19.5 If the Supplier having been notified, fails to remedy the defect(s) within a reasonable period, KPPF may proceed to take such remedial action as may be necessary, at the Supplier's risk and expense and without prejudice to any other rights which KPPF may have against the Supplier under the contract.

7.20 Resolution of Disputes

- 7.20.1 KPPF and the Supplier may make every effort to resolve amicably by direct informal negotiation any disagreement or dispute arising between them under or in connection with the contract.
- 7.20.2 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 resort to resolution before a recognized local forum for the resolution of disputes.

7.21 Language and Law

The language of the contract and the law governing the contract shall be the English language and the laws of Kenya respectively unless otherwise stated.

7.22 Waiver

Any omission or failure by KPPF to exercise any of its rights or enforce any of the penalties arising from the obligations imposed on the Supplier shall in no way, manner or otherwise howsoever, alter, amend, prejudice, vary, waive or be deemed to alter, amend, prejudice, vary, waive or otherwise whatsoever any of KPPF's powers and rights as expressly provided in and as regards this contract.

7.23 Force Majeure

- 7.23.1 Force majeure means any circumstances beyond the control of the parties, including but not limited to:
- a) *war and other hostilities (whether war be declared or not), invasion, act of foreign enemies, mobilization, requisition or embargo;*
 - b) *ionizing radiation or contamination by radio-activity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel, radioactive toxic explosives*

or other hazardous properties of any explosive nuclear assembly or nuclear components thereof;

c) rebellion, revolution, insurrection, military or usurped power & civil war;

d) riot, commotion or disorder except where solely restricted to employees servants or agents of the parties;

e) un-navigable storm or tempest at sea.

7.23.2 Notwithstanding the provisions of the contract, neither party shall be considered to be in default or in breach of its obligations under the Contract to the extent that performance of such obligations is prevented by any circumstances of *force majeure* which arise after the contract is entered into by the parties.

7.23.3 If either party considers that any circumstances of *force majeure* are occurring or have occurred which may affect performance of its obligations it shall promptly notify the other party and provide reasonable proof of such circumstances.

7.23.4 Upon the occurrence of any circumstances of *force majeure*, the Supplier shall endeavour to continue to perform its obligations under the contract so far as is reasonably practicable. The Supplier shall notify KPPF of the steps it proposes to take including any reasonable alternative means for performance, which is not prevented by *force majeure*. The Supplier shall not take any such steps unless directed so to do by KPPF.

7.23.5 If the Supplier incurs additional costs in complying with KPPF's directions under sub clause 7.23.4, then notwithstanding the provisions of the contract, the amount thereof shall be agreed upon with KPPF and added to the contract price.

7.23.6 If circumstances of *force majeure* have occurred and shall continue for a period of twenty one (21) days then, notwithstanding that the Supplier may by reason thereof have been granted an extension of time for performance of the contract, either party shall be entitled to serve upon the other seven (7) days' notice to terminate the contract. If at the expiry of the period of twenty-eight (28) days, *force majeure* shall still continue, the contract shall terminate.

SECTION VIII – SPECIAL CONDITIONS OF CONTRACT

The Special Conditions of Contract *hereinafter abbreviated as SCC* shall form part of the Conditions of Contract. They are made in accordance with the law and KPPF's guidelines, practices, procedures and working circumstances. They shall amend, add to and vary the GCC. The clauses in this section need not therefore, be completed but must be completed by KPPF if any changes to the GCC provisions are deemed necessary. Whenever there is a conflict between the GCC and SCC, the provisions of the SCC shall prevail over those in the GCC.

No.	GCC Reference Clause	Particulars of SCC
1.	7.11.1 Terms of Payment	Payment is thirty (30) days from completion of satisfactory performance and submission of invoice together with other required and related documents
	7.9 Delivery of services	<p>1year renewable for a further period of 1 year at sole discretion of KPPF based on performance.</p> <p>The performance of the Insurers and Brokers shall be evaluated annually with reference to the contract and the supplier evaluation criteria to be determined by the KPPF.</p>

SECTION IX - TENDER FORM

Date:

Tender No.

To:

The Kenya Power Pension Fund,
Stima Plaza,
Kolobot Road, Parklands,
P.O Box 1548 – 00600,
Nairobi, Kenya.

Ladies and Gentlemen,

1. Having read, examined and understood the Tender Document including all Addenda, the receipt of which is hereby duly acknowledged, we, the undersigned Tenderer, offer services of (*insert service/works description*) in accordance and conformity with the said tender document for the sum of (*total tender amount inclusive of all taxes in words and figures*) or such sums as may be ascertained in accordance with the Price Schedule attached herewith and made part of this Tender.
2. We undertake, if our Tender is accepted, to provide the services in accordance with the delivery schedule specified in the Description of works schedule.
3. If our Tender is accepted, we will obtain the performance security of a licensed bank in Kenya in a sum equivalent to ten percent (10%) of the contract price for the due performance of the contract, in the form(s) prescribed by KPPF.
- 4.* We agree to abide by this Tender for a **period of.....days (Tenderer please indicate validity of your tender)** from the date fixed for tender opening as per the Tender Document, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

5. This Tender, together with your written acceptance thereof and your notification of award, shall not constitute a contract, between us. The contract shall be formed between us when both parties duly sign the written contract.
6. We understand that you are not bound to accept any Tender you may receive.

Yours sincerely,

Name of Tenderer

Signature of duly authorised person signing the Tender

Name and Designation of duly authorised person signing the Tender

Stamp or Seal of Tenderer

***NOTES:**

1. KPPF requires a validity period of at least **One hundred and eighty (180) days**.
2. This form must be duly signed, stamped and/or sealed.

SECTION X - CONFIDENTIAL BUSINESS QUESTIONNAIRE FORM

All Tenderers are requested to give the particulars 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 Postal Code
Tel No.....
Facsimile.....
Mobile and/ or CDMA No.....
E-mail:.....
Nature of your business
Registration Certificate No.....
Maximum value of business which you can handle at any time KSh.....
Name of your BankersBranch... ..
*Names of Tenderer’s contact person(s)
Designation of the Tenderer’s contact person(s)
Address, Tel, Fax and E-mail of the Tenderer’s contact person(s)

.....
.....

Part 2 (a) Sole Proprietor
Your name in full
Nationality Country of origin
*Citizenship details.....

Part 2 (b) Partnership
Give details of partners as follows: -

Names	Nationality	*Citizenship Details	Shares
1.....			
2.....			
3.....			
4.....			
5.....			

Part 2 (c) Registered Company
Private or Public
State the nominal and issued capital of company-
Nominal KSh.....
Issued KSh.....
Give details of all directors as follows

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

Name of duly authorized person to sign for and on behalf of the Tenderer

.....

Designation of the duly authorized person.....

Signature of the duly authorized person.....

***NOTES TO THE TENDERERS ON THE QUESTIONNAIRE**

1. *The address and contact person of the Tenderer provided above shall at all times be used for purposes of this tender.*
2. *If a Kenyan citizen, please indicate under "Citizenship Details" whether by birth, naturalization or registration.*
3. *The details on this Form are essential and compulsory for all Tenderers. The **CR12 must be attached. Failure to provide all the information requested shall lead to the Tenderer's disqualification.***
4. *For foreign Tenderers please give the details of nominal and issued share capital in the currency of the country of origin of the Tenderer.*

SECTION XI - DECLARATION FORM

Date _____

To:

The Kenya Power Pension Fund,
P.O Box 1548 – 00600,
Stima Plaza, Kolobot Road, Parklands,
Nairobi,
KENYA.

Ladies and Gentlemen,

The Tenderer i.e. (full name and complete physical and postal address) _____

_____ declare the following: -

- a) That I/ We have not been debarred from participating in public procurement by anybody, institution or person.
- b) That I/ We have not been involved in and will not be involved in corrupt and fraudulent practices regarding public procurement anywhere.
- c) That I/We or any director of the firm or company is not a person within the meaning of paragraph 3.2 of ITT (Eligible Tenderers) of the Instruction to Tenderers.
- d) That I/ We are not insolvent, in receivership, bankrupt or in the process of being wound up and is not the subject of legal proceedings relating to the foregoing.
- e) That I/We do hereby confirm that all the information given in this tender is accurate, factual and true to the best of our knowledge.

Yours sincerely,

Name of Tenderer

Signature of duly authorised person signing the Tender

Name and Designation of duly authorised person signing the Tender

Stamp or Seal of Tenderer

SECTION XII– DRAFT LETTER OF NOTIFICATION OF INTENT OF AWARD

To:

(Name and full address of the Successful Tenderer).....

Dear Sirs/ Madams,

RE: NOTIFICATION OF INTENT OF AWARD OF TENDER NO.

Pursuant to the provision under section 87 of the public procurement and asset disposal Act 2015 we refer to your tender dated we are pleased to inform you that following evaluation, we intend to award you a contract for the above mentioned subject to provision herein.

This notification of intent does not constitute a contract. The formal Contract Agreement and notification of award, shall be entered into pursuant to the provisions of the Public Procurement and Asset Disposal Act, 2015 *(or as may be amended from time to time, or replaced)*.

You are required to accept or reject this offer within a period of 14 days.

We take this opportunity to remind you to again note and strictly comply with the provisions as stated in the tender document.

Kenya Power Pension Fund is committed to best practices in quality management systems and supply chain management, attached please read carefully our Suppliers' Charter. We look forward to a cordial and mutually beneficial business relationship.

Yours faithfully,

FOR: THE KENYA POWER PENSION FUND

CEO & TRUST SECRETARY

SECTION XIII – DRAFT LETTER OF NOTIFICATION OF REGRET

To: *(Name and full address of the Unsuccessful Tenderer).....*

Date:

Dear Sirs/ Madams,

RE: NOTIFICATION OF REGRET IN RESPECT OF TENDER NO.

Pursuant to the provision under section 87(3) of the public procurement and asset disposal Act 2015 to notify you that following evaluation, your Tender is unsuccessful. It is therefore not accepted.

The brief reasons are as follows:-

1.
2.
3. etc

The successful bidder was _____.

However, this notification does not reduce the validity period of your Tender Security. In this regard, we request you to relook at the provisions regarding the Tender Security, Signing of Contract and Performance Security as stated in the Instructions to Tenderers.

You may collect the tender security from our offices only after expiry of twenty five (25) days from the date hereof

It is expected that by that time KPPF and the successful bidder will have entered into a contract pursuant to the Public Procurement and Asset Disposal Act, 2015 *(or as may be amended from time to time or replaced)*. When collecting the Security, you will be required to produce the original or certified copy of this letter.

We thank you for the interest shown in participating in this tender and wish you well in all your future endeavours.

Yours faithfully,

FOR: THE KENYA POWER PENSION FUND

CEO & TRUST SECRETARY

SECTION XIV - CONTRACT AGREEMENT FORM

THIS AGREEMENT made this.....day of.....**20.... BETWEEN THE KENYA POWER & LIGHTING COMPANY LIMITED STAFF RETIREMENT BENEFITS SCHEME**, a retirement benefits fund licensed by Retirement Benefits Authority situated at Stima Plaza, Kolobot Road, Parklands, Nairobi in the Republic of Kenya and of Post Office Box Number 1548-00600, Nairobi in the Republic aforesaid (*hereinafter referred to as the "KPPF"*) of the one part,

AND

..... (*Supplier's full name and principal place of business*) a duly registered entity according to the laws of..... (*state country*) and of Post Office Box Number/Physical Address(*full address physical and postal of Supplier*) in the Republic aforesaid, (*hereinafter referred to as the "Supplier"*) of the other part;

WHEREAS KPPF invited tenders for certain services and/ or goods, that is to say for Provision of under Tender Number.....

AND WHEREAS KPPF has accepted the Tender by the Supplier for the services and/ or goods in the sum of **include any payable taxes, duties and insurance where applicable e.g. Value Added Tax** (*hereinafter called "the Contract Price"*).

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS: -

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract and the Tender Document.
2. Unless the context or express provision otherwise requires: -
 - a) reference to "this Agreement" includes its recitals, any schedules and documents mentioned hereunder and any reference to this Agreement or to any other document includes a reference to the other document as varied supplemented and or replaced in any manner from time to time.
 - b) any reference to any Act shall include any statutory extension, amendment, modification, re-amendment or replacement of such Act and any rule, regulation or order made thereunder.
 - c) words importing the masculine gender only, include the feminine gender

- or (as the case may be) the neutral gender.
- d) words importing the singular number only include the plural number and vice-versa and where there are two or more persons included in the expression the “*Supplier*” the covenants, agreements obligations expressed to be made or performed by the Supplier shall be deemed to be made or performed by such persons jointly and severally.
 - e) where there are two or more persons included in the expression the “*Supplier*” any act default or omission by the Supplier shall be deemed to be an act default or omission by any one or more of such persons.
3. In consideration of the payment to be made by KPPF to the Supplier as hereinbefore mentioned, the Supplier hereby covenants with KPPF to perform and provide the services and/ or goods and remedy any defects thereon in conformity in all respects with the provisions of the Contract.
4. KPPF hereby covenants to pay the Supplier in consideration of the proper performance and provision of the services and/ or goods and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.
5. The following documents shall constitute the Contract between KPPF and the Supplier and each shall be read and construed as an integral part of the Contract: -
- a) this Contract Agreement
 - b) the Special Conditions of Contract as per the Tender Document
 - c) the General Conditions of Contract as per the Tender Document
 - d) the Price Schedules submitted by the Supplier and agreed upon with KPPF.
 - e) the Schedule of Requirements
 - f) KPPF’s Notification of intent to Award dated..... and Acceptance Letter dated.....
 - g) the Tender Form signed by the Supplier
 - h) the Declaration Form signed by the Supplier/ successful Tenderer
 - i) the services shall be provided for a **period of** from the Commencement Date (*hereafter referred to as the “term”*)

6. In the event of any ambiguity or conflict between the contract documents listed above, the order of precedence shall be the order in which the contract documents are listed in 5 above except where otherwise mutually agreed in writing.
7. The Commencement Date shall be the working day immediately following the fulfillment of all the following: -
 - a) Execution of this Contract Agreement by KPPF and the Supplier.
 - b) Issuance of the Performance Bond by the Supplier and confirmation of its authenticity by KPPF.
 - c) Issuance of the Official Order by KPPF to the Supplier.
8. The period of contract validity shall begin from the Commencement date and end sixty (60) days after the last date of the agreed performance schedule whichever comes later. Provided that the expiry period of the Warranty shall be as prescribed and further provided that the Warranty shall survive the expiry of the contract.
9. It shall be the responsibility of the Supplier to ensure that its Performance Security is valid at all times during the period of contract validity and further is in the full amount as contracted.
10. Any amendment, change, addition, deletion or variation howsoever to this Contract shall only be valid and effective where expressed in writing and signed by both parties.
11. No failure or delay to exercise any power, right or remedy by KPPF shall operate as a waiver of that right, power or remedy and no single or partial exercise of any other right, power or remedy.
12. Notwithstanding proper completion of performance or parts thereof, all the provisions of this Contract shall continue in full force and effect to the extent that any of them remain to be implemented or performed unless otherwise expressly agreed upon by both parties.
13. Any notice required to be given in writing to any Party herein shall be deemed to have been sufficiently served, if where delivered personally, one day after such delivery; notices by electronic mail and facsimile shall be deemed to be served one day after the date of such transmission and delivery respectively, notices sent by post shall be deemed served seven

(7) days after posting by registered post (*and proof of posting shall be proof of service*), notices sent by courier shall be

deemed served two (2) days after such receipt by the courier service for Local Suppliers and five (5) days for Foreign Suppliers.

14. For the purposes of Notices, the address of KPPF shall be CEO & Trust Secretary, Kenya Power Pension Fund, Ground Floor, Stima Plaza, Kolobot Road, Post Office Box Number 1548–00600, Nairobi, Kenya. The address for the Supplier shall be the Supplier’s address as stated by it in the Confidential Business Questionnaire provided in the Tender Document.

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

SIGNED for and on behalf
of **KPPF**

CEO & TRUST SECRETARY

SEALED with the **COMMON SEAL**
of the **SUPPLIER**
in the presence of:-

DIRECTOR

Affix Supplier’s Seal / Stamp here

DIRECTOR’S FULL NAMES

and in the presence of:-

DIRECTOR/ COMPANY SECRETARY

DIRECTOR/ COMPANY SECRETARY'S FULL NAMES

SECTION XV - PERFORMANCE SECURITY FORM (BANK GUARANTEE)

(To Be Submitted On Bank's Letterhead)

Date:

To:

The Kenya Power Pension Fund,
Stima Plaza,
Kolobot Road, Parklands,
P.O Box 1548 – 00600,
Nairobi, Kenya.

WHEREAS.....(hereinafter called "the Supplier") has undertaken, in pursuance of your Tender Number.....(*reference number of the Tender*) and its Tender dated(*insert Supplier's date of Tender taken from the Tender Form*) to supply(*description of the goods*) (hereinafter called "the Contract);

AND WHEREAS it has been stipulated by you in the said Contract that the Supplier shall furnish you with a bank guarantee by an acceptable bank for the sum specified therein as security for compliance of the Supplier's performance obligations in accordance with the Contract;

AND WHEREAS we have agreed to give the Supplier a guarantee;

THEREFORE WE HEREBY AFFIRM that we are Guarantors and responsible to you, on behalf of the Supplier, up to a total sum of..... (*amount of the guarantee in words and figures*) and we undertake to pay you, upon your first written demand declaring the Supplier to be in default under the Contract and without cavil or argument, any sum or sums within the limits of
(*amount of guarantee*) as aforesaid, without you needing to prove or to show grounds or reasons for your demand or the sum specified therein.

This guarantee is valid until theday of.....20....

EITHER

SEALED with the)
COMMON SEAL)
of the said **BANK**)
)

thisday)
)
of20....)
in the presence of :-)
)
_____)
)
and in the presence of:-)
)
_____)

BANK SEAL

OR

SIGNED by the **DULY AUTHORISED REPRESENTATIVE(S)/ ATTORNEY(S)** of the **BANK**

Name(s) and Designation of duly authorised representative(s)/ attorney(s) of the Bank

Signature(s) of the duly authorised person(s)

NOTES TO SUPPLIERS AND BANKS

- Please note that no material additions, deletions or alterations regarding the contents of this Form shall be made to the Performance Security Bond (the Bond) to be furnished by the successful Tenderer/ Supplier. If any are made, the Bond may not be accepted and shall*

be rejected by KPPF. For the avoidance of doubt, such rejection will be treated as non-submission of the Bond where such Bond is required in the tender and Contract.

2. *KPPF shall seek authentication of the Performance Security from the issuing bank. It is the responsibility of the Supplier to sensitize its issuing bank on the need to respond directly and expeditiously to queries from KPPF. The period for response shall not exceed five (5) days from the date of KPPF's query. Should there be no conclusive response by the Bank within this period, such Supplier's Performance Security may be deemed as invalid and the Contract nullified.*

3. ***The issuing Bank should address its response or communication regarding the bond to KPPF at the following e-mail address –“ cmbuiya@kplc.co.ke”***

SECTION XVI – SUPPLIER EVALUATION FORM

ASPECTS	RATING GUIDELINES			PROCUREMENT SCORE	USER'S SCORE	COMMENTS	TOTALS
1. COST OF SERVICE/PRODUCT	Did the vendor assist in or advice on ways of reducing the costs?	YES:5	PARTIALLY :2.5	NO: 0			
	Did the company vary agreed contract amount?	YES:0	-	NO: 5			10
2.ON TIME DELIVERY OF PRODUCT OR SERVICE	Rate guidelines			Procurement Score	User's Score	Comments	Totals
	Did the vendor perform work in compliance with contract terms and agreements?	YES:8	PARTIALLY :4	NO: 0			
	Was the vendor prompt and effective in correction of situations and conditions?	YES:4	PARTIALLY :2	NO: 0			
	Are you able to track service level agreements and determine duration of incidents from the vendor?	YES:4	PARTIALLY :2	NO: 0			
							16
3. QUALITY	Rating guidelines			Procurement Score	User's Score	Comments	Totals
	When performing their duties, was there - rework or returns caused by non conformance to quality?	NO:10	PARTIALLY :5	YES: 0			
	Was the quality of service /goods delivered equal to KPPF's minimum requirements?	YES:10	PARTIALLY :5	NO:0			
							20
4.RESPONSIVENESS	Rating guidelines			Procurement Score	User's Score	Comments	Totals

	Was the vendor well responsive to information requests, issues, or problems that arose in the course of service?	YES:6	PARTIALLY :3	NO: 0				
	Was the vendor open to feedback on low quality of service levels and willing to act on this?	YES:4	PARTIALLY :2	NO: 0				
	Is it easy to reach staff members of suppliers in case of a request or query? (are communication channels clear?)	YES:4	PARTIALLY :2	NO: 0				14
6. CUSTOMER SUPPORT	Rating guidelines				Procurement Score	User's Score	Comments	Totals
	Did the vendor offer effective customer support?	YES:10	PARTIALLY :5	NO: 0				
	In case of reported problems/issues, were there follow ups by the vendor to ensure the problem is fully resolved during support?	YES:8	PARTIALLY :4	NO: 0				18
7. COMMUNICATION SKILLS	Rating guidelines				Procurement Score	User's Score	Comments	Totals
	Are you satisfied with the attitude, courtesy, and professionalism of this vendor's staff? Written or spoken?	YES:4	PARTIALLY :2	NO: 0				
	Are the vendor's staff well equipped and	YES:8	PARTIALLY :4	NO: 0				

	skilled in handling requests / issues? Are you rotated too much among staff on an issue?							
								12
8. VALUE ADD	Rating guidelines					User's Score	Comments	Totals
	Did the vendor go over and above in optimizing service delivery process for effective services delivery?	YES:10	PARTIALLY:5	NO: 0				
								10
Maximum Score						100.0		100.00%
User to summarize key performance issues for the vendor.								
Evaluation Done by:	Name	Department	Sign			Date		