



TENDER DOCUMENT

FOR

**SUPPLY, DELIVERY, INSTALLATION AND ASSOCIATED WORKS FOR
WATER PURIFICATION DISPENSERS**

TENDER NO.

KRA/HQS/NCB-035/2020-2021

TIMES TOWER BUILDING

P.O. BOX 48240 – 00100

TEL: +254 02 310900

WWW.KRA.GO.KE

Email: eprocurement@kra.go.ke

NAIROBI, KENYA.

REGISTER FOR ON-LINE PRE-BID MEETING HERE

[PRE-BID CONFERENCE](#)

PREBID DATE: 10TH FEBRUARY, 2021

TIME: 10.00 AM

CLOSING DATE: 25th FEBRUARY, 2021

TIME: 11:00 AM

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INVITATION TO TENDERERS



Tender Notice

The Kenya Revenue Authority invites sealed bids from eligible candidates for the following tenders:

NO.	DESCRIPTION	ELIGIBILITY	PRE- BID DATE AND TIME	CLOSING DATE AND TIME
1	KRA/HQS/NCB-035/2020-2021: SUPPLY, DELIVERY, INSTALLATION AND ASSOCIATED WORKS FOR WATER PURIFICATION DISPENSERS	OPEN	10TH February, 2021 10.00 AM VIRTUAL	25TH February, 2021 11.00 AM

1. Tender documents detailing the requirements of the above tenders in English may be obtained from KRA E-Procurement portal available on the KRA website www.kra.go.ke. Prospective bidders should register for E-Procurement to enable them access the KRA portal under “New Supplier Registration” found under the E - Procurement Tab.
2. Existing KRA suppliers (see list on KRA website) who have not updated their records in SRM System **MUST do so Not later than 25th February 2021 to continue receiving RFxs invitations**. For assistance visit any KRA Procurement office countrywide or email: srmsupport@kra.go.ke.
3. Addenda / clarifications will be posted in Kra Website (www.kra.go.ke) and also sent to all prospective tenderes that have registered for the tender in the KRA supplier Portal.
4. **An On-line pre-bid briefing** is scheduled for **10TH January 2021 at 10.00 am**. Bidders are advised to register for pre-bid through this link [PRE-BID CONFERENCE](#).
5. Completed Bids are to be saved as **PDF documents** marked with the relevant tender description and submitted to the appropriate KRA E-procurement Web Portal found on the KRA website so as to be received on or before **25th February, 2021 at 11.00 a.m.** **Note: Submission should strictly be done to KRA E-Procurement Portal.**
6. Bids will be opened electronically promptly after closing time and Bidders or their representatives are welcome to witness the opening at **Times Tower Building**.
7. An original hard copy of the Bid Security (where applicable) of not less than the indicated amount or equivalent amount in a freely convertible currency must be dropped in the **Tender Box** located at **Times Tower Building, Ground Floor** any day before the tender closing date. The Bid Security (where applicable) must be in a sealed envelope bearing the Tender Description and addressed to the address indicated above.

Deputy Commissioner-Supply Chain Management
Times Tower Building, 25th Floor,
P.O Box 48240– 00100 GPO,
Tel. +254 020 310900
Nairobi, Kenya.
website: www.kra.go.ke
Email : eprocurement@kra.go.ke

Any canvassing or giving of false information will lead to automatic disqualification

SECTION II - INSTRUCTION TO TENDERERS

2.1. Eligible Tenderers

- 2.1.1 This Invitation to Tender is open. Successful tenderers shall carry out the supply and installation works for the stipulated duration from the date of commencement (hereinafter referred to as the term) specified in the tender documents.
- 2.1.2 Kenya Revenue Authority (KRA) employees, committee members, board members and their relatives (spouse and children) are not eligible to participate in the tender unless where specially allowed under section 131 of the Public Procurement and Asset Disposal Act, 2015.
- 2.1.3 Tenderers shall provide the qualification information statement that the tenderer (including all members of a joint venture and subcontractors) is not associated, or have been associated in the past, directly or indirectly, with a firm or any of its affiliates which have been engaged by KRA to provide consulting services for the preparation of the design, specifications, and other documents to be used for the procurement of the supply and works in this Invitation to Tender.
- 2.1.4 Tenderers involved in the corrupt or fraudulent practices or debarred from participating in public procurement shall not be eligible.

2.2 Cost of Tendering

- 2.2.1 The Tenderer shall bear all costs associated with the preparation and submission of its tender, and KRA, will in no case be responsible or liable for those costs regardless of the conduct or outcome of the tendering process.
- 2.2.2 The bid document shall be downloaded free of charge from the KRA website.

2.3 Contents of Tender Document

- 2.3.1 The tender documents comprise the documents listed below and addenda issued in accordance with clause 2.5 of these instructions to tenderers.

- (i) Instructions to Tenderers
- (ii) Conditions of Contract
- (iii) Schedule of Requirements
- (iv) Details of Insurance Cover
- (v) Form of Tender
- (vi) Price Schedules

- (vii) Contract Form
- (viii) Confidential Business Questionnaire Form
- (ix) Tender Security Form
- (x) Performance Security Form
- (xi) Insurance Company's Authorization Form
- (xii) Declaration Form
- (xiii) Request for Review Form
- (xiv) Site Visit Form

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

2.4 Clarification of Tender Documents

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

2.4.2 KRA shall reply to any clarifications sought by the tenderer within (seven) 7 days of receiving the request to enable the tenderer to make timely submission of its tender.

2.4.3 The Authority shall not give any preference.

2.5 Amendment of Tender Documents

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

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

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

2.6 Language of Tenders

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

2.7 Documents Comprising the Tender

2.7.1 The tender prepared by the tenderer shall comprise the following components:

- (a) A Tender Form and a Price Schedule completed in accordance with paragraph 2.8, 2.9 and 2.10 below
- (b) Documentary evidence established in accordance with paragraph 2.1.2 that the tenderer is eligible to tender and is qualified to perform the contract if its tender is accepted;
- (c) Tender security furnished in accordance with paragraph 2.12 (if applicable)
- (d) Declaration Form.

2.8 Form of Tender

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

2.9 Tender Prices

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

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

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

2.10. Tender Currencies

2.10.1 Prices shall be quoted in Kenya Shillings.

2.11. Tenderers Eligibility and Qualifications

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

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

2.12. Tender Security

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

2.12.2 The tender security shall not exceed 2 per cent of the tender price and must be valid for 335 days from the date the tender closes.

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

2.12.4 The tender security shall be a Bank guarantee issued by a commercial bank operating in Kenya, a deposit taking micro-finance Institution, Sacco Society, The Youth Enterprise Development Fund, approved Insurance Companies or Women Enterprise Fund.

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

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

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

2.12.8 The tender security may be forfeited:

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

2.13. Validity of Tenders

2.13.1 Tenders shall remain valid for **335 days** after date of tender opening pursuant to paragraph 2.18. A tender valid for a shorter period shall be rejected by KRA as non-responsive.

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

2.14. Format and Signing of Tenders

2.14.1 The tenderer shall prepare a and submit a **Combined technical and financial proposals electronically via the supplier portal in the Notes and attachment Section of the RFX (Tender)**.

2.14.2 The submission shall be strictly through the system supplier portal, notes and attachment folder.

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

2.15 Submission of the documents

The bid documents shall be clearly filled, scanned and submitted via the supplier portal to the Notes and attachment folder.

2.16. Deadline for Submission of Tenders

2.16.1 Tenders must be received by KRA at the address specified under paragraph 2.15.2 not later than **25th February, 2021 at 11.00 a.m.**

2.16.2 KRA may, at its discretion, extend this deadline for the submission of tenders by amending the tender documents in accordance with paragraph 2.5.3 in which

case all rights and obligations of KRA and candidates previously subject to the deadline will thereafter be subject to the deadline as extended.

2.17. Modification and Withdrawal of Tenders

2.17.1 The tenderer may modify or withdraw its tender after the tender's submission, provided that written notice of the modification, including substitution or withdrawal of the tenders, is received by KRA prior to the deadline prescribed for submission of tenders.

2.17.2 No tender may be modified after the deadline for submission of tenders.

2.17.3 No tender may be withdrawn in the interval between the deadline for submission of tenders and the expiration of the period of tender validity. Withdrawal of a tender during this interval may result in the Tenderer's forfeiture of its tender security, pursuant to paragraph 2.12.7.

2.18. Opening of Tenders

2.18.1 KRA will open all tenders in the presence of tenderers' representatives may choose to attend, the opening at **25th February, 2021 at 11.00 a.m.** in the notes and attachment folder . The tenderers' representatives who are present shall sign a register evidencing their attendance.

2.18.2 The tenderers' names, tender modifications or withdrawals, tender prices, discounts, and the presence or absence of requisite tender security and such other details as KRA, at its discretion, may consider appropriate, will be announced at the opening.

2.18.3 KRA will prepare minutes of the tender opening, which will be submitted to tenderers that signed the tender opening register and will have made the request.

2.19. Clarification of Tenders

2.19.1 To assist in the examination, evaluation and comparison of tenders KRA may, at its discretion, ask the tenderer for a clarification of its tender. The request for clarification and the response shall be in writing, and no change in the prices or substance of the tender shall be sought, offered, or permitted.

2.19.2 Any effort by the tenderer to influence KRA in tender evaluation, tender comparison or contract award decisions may result in the rejection of the tenderers' tender.

2.20. Preliminary Examination and Responsiveness

- 2.20.1 KRA will examine the tenders to determine whether they are complete, whether any computational errors have been made, whether required sureties have been furnished, whether the documents have been properly signed, and whether the tenders are generally in order.
- 2.20.2 KRA may waive any minor informality or non-conformity or irregularity in a tender which does not constitute a material deviation provided such waiver does not prejudice or affect the relative ranking of any tenderer.
- 2.20.3 Prior to the detailed evaluation, pursuant to paragraph 2.20, KRA will determine the substantial responsiveness of each tender to the tender documents. For purposes of these paragraphs, a substantially responsive tender is one which conforms to all the terms and conditions of the tender documents without material deviations. KRA's determination of a tender's responsiveness is to be based on the contents of the tender itself without recourse to extrinsic evidence.
- 2.20.4 If a tender is not substantially responsive, it will be rejected by KRA and may not subsequently be made responsive by the tenderer by correction of the nonconformity.

2.21. Conversion to single currency

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

2.22. Evaluation and Comparison of Tenders

- 2.22.1 KRA will evaluate and compare the tenders which have been determined to be substantially responsive, pursuant to paragraph 2.20.
- 2.22.2 KRA's evaluation of a tender will take into account, in addition to the tender price, the following factors, in the manner and to the extent indicated in paragraph 2.22.3.
- (a) Operational plan proposed in the tender;
 - (b) Deviations in payment schedule from that specified in the Special Conditions of Contract.
- 2.22.3 Pursuant to paragraph 2.22.2 the following evaluation methods will be applied.
1. Operational Plan

- (i) KRA requires that the supply and works under the Invitation for Tenders shall be performed at the time specified in the Schedule of Requirements. Tenders offering to perform longer than KRA's required delivery time will be treated as non-responsive and rejected.

2. Deviation in payment schedule

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

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

2.23. Contacting the Procuring entity

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

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

2.24. Post-qualification

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

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

2.24.3 An affirmative determination will be a prerequisite for award of the contract to the tenderer. A negative determination will result in rejection of the Tenderer's tender, in which event KRA will proceed to the next lowest

evaluated tender to make a similar determination of that Tenderer's capabilities to perform satisfactorily.

2.25 Award Criteria

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

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

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

2.26. Procuring Entity's Right to Accept or Reject any or All Tenders

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

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

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

2.27 Notification of Award

2.27.1 Prior to the expiration of the period of tender validity, KRA will notify the successful tenderer in writing that its tender has been accepted.

2.27.2 The notification of award will signify the formation of the contract subject to the signing of the contract between the tenderer and KRA pursuant to clause

2.9. Simultaneously the other tenderers shall be notified that their tenders were not successful.

2.27.3 Upon the successful Tenderer's furnishing of the performance security pursuant to paragraph 2.29 KRA will promptly notify each unsuccessful Tenderer and will discharge its tender security, pursuant to paragraph 2.12.

2.28 Signing of Contract

2.28.1 At the same time as KRA notifies the successful tenderer that its tender has been accepted, KRA will simultaneously inform the other tenderers that their tenders have not been successful.

2.28.2 Within seven (7) days of receipt of the Contract Form, the successful tenderer shall sign and date the contract and return it to KRA.

2.28.3 The contract will be definitive upon its signature by the two (2) parties.

2.28.4 The parties to the contract shall have it signed within thirty (30) days from the date of notification of contract award unless there is an administrative review request.

2.29 Performance Security

2.29.1 The successful tenderer shall furnish the Authority with 10% performance security in accordance with the Conditions of Contract, in a form acceptable to KRA.

2.29.2 Failure by the successful tenderer to comply with the requirement of paragraph 2.29 or paragraph 2.30.1 shall constitute sufficient grounds for the annulment of the award and forfeiture of the tender security, in which event KRA may make the award to the next lowest evaluated tender or call for new tenders.

2.30. Corrupt or Fraudulent Practices

2.30.1 KRA requires that tenderers observe the highest standard of ethics during the procurement process and execution of contracts. A tenderer shall sign a declaration that he has not and will not be involved in corrupt or fraudulent practices.

2.30.2 KRA will reject a proposal for award if it determines that the tenderer recommended for award has engaged in corrupt or fraudulent practices in competing for the contract in question.

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

SECTION III - CONDITIONS OF CONTRACT

1. Definitions

In this contract, except where context otherwise requires, the following terms shall be interpreted as indicated;

“**Bill of Quantities**” means the priced and completed Bill of Quantities forming part of the tender.

“**Compensation Events**” are those defined in Clause 24 hereunder.

“**The Completion Date**” means the date of completion of the works as certified by the Project Manager, in accordance with Clause 31.

“ **The Contract**” means the agreement entered into between the Employer and the Contractor as recorded in the Agreement Form and signed by the parties including all attachments and appendices thereto and all documents incorporated by the reference therein to execute , complete, and maintain the works,

“**The Contractor**” refers to the person or corporate body whose tender to carry out the Works has been accepted by the Employer.

“**The Contractor’s Tender**” is the completed tendering document submitted by the Contractor to the Employer.

“**The Contract Price**” is the price stated in the Letter of Acceptance and thereafter as adjusted in accordance with the provisions of the Contract.

“**Days**” are calendar days; “**Months**” are calendar months.

“**A Defect**” is any part of the Works not completed in accordance with the Contract.

“**The Defects Liability Certificate**” is the certificate issued by the Project Manager upon correction of defects by the Contractor.

“The Defects Liability Period” is the period named in the Contract Data and calculated from the Completion Date.

“Drawings” include calculations and other information provided or approved by the Project Manager for the execution of the Contract.

“Dayworks” are work inputs subject to payment on a time basis for labour and the associated materials and plant.

“Employer” or the **“Procuring entity”** as defined in the Public Procurement Regulations (i.e. Central or Local Government administration, University, Public Institutions and Corporations, etc.) is the party who employs the Contractor to carry out the Works.

“Equipment” is the Contractor’s machinery and vehicles brought temporarily to the site for the execution of the Works.

“The Intended Completion Date” is the date on which it is intended that the Contractor shall complete the Works. The intended Completion Date may be revised only by the Project Manager by issuing an extension of time or an acceleration order.

“Materials” are all supplies, including consumables, used by the Contractor for incorporation in the Works.

“Plant” is any integral part of the Works that shall have a mechanical, electrical, chemical, or biological function.

“Project Manager” is the person named in the Appendix to Conditions of Contract. The Project Manager may delegate some of his powers to others to supervise the Contract on his behalf after notifying the Contractor. The person(s) or firm(s) having the delegated authority must be competent for supervising the execution of the Works and administering the Contract as delegated and shall be an “Architect” or a “Quantity Surveyor” registered under the Architects and Quantity Surveyors Act Cap 525 or an “Engineer” registered under the Engineers Registration Act Cap 530.

“Site” is the area defined as such in the Appendix to Conditions of Contract.

“Site Investigation Reports” are those reports that may be included in the tendering documents which are factual and interpretive about the surface and subsurface conditions at the Site.

“**Specifications**” means the Specifications of the Works included in the Contract and any modification or addition made or approved by the Project Manager.

“**Start Date**” is the latest date when the Contractor shall commence execution of the Works. It does not necessarily coincide with the site possession date(s).

“**A Contractor**” is a person or corporate body who has a Contract with the Contractor to carry out a part of the Work in the Contract, which includes Work on site.

“**Temporary Works**” are works designed, constructed, installed, and removed by the Contractor which are needed for construction or installation of the Works.

“**A Variation**” is an instruction given by the Project Manager which varies the Works.

“**The Works**” are what the Contract requires the Contractor to construct, install, and turnover to the Employer, as defined in the Appendix to Conditions of Contract.

2. Interpretation

In interpreting these Conditions of Contract, singular also means plural, male also means female or neuter, and the other way around. Headings have no significance. Words have their normal meaning in English Language unless specifically defined. The Project Manager shall provide instructions clarifying queries about these Conditions of Contract.

If sectional completion is specified in the Appendix to Conditions of Contract, reference in the Conditions of Contract to the Works, the Completion Date and the intended Completion Date apply to any section of the Works (other than references to the Intended Completion Date for the whole Works).

The following documents shall constitute the Contract documents and shall be interpreted in the following order of priority;

- (1) Agreement,
- (2) Letter of Acceptance,
- (3) Contractor’s Tender,
- (4) Appendix to Conditions of Contract,
- (5) Conditions of Contract,
- (6) Specifications,
- (7) Drawings,
- (8) Bill of Quantities,

- (9) Any other documents listed in the Appendix to Conditions of Contract as forming part of the Contract.

Immediately after the execution of the Contract, the Project Manager shall furnish the Contractor (always with a copy to the Employer) with three (3) copies of such further drawings or details or descriptive schedules as are reasonably necessary either to explain or amplify the Contract drawings or to enable the Contractor to carry out and complete the Works in accordance with these Conditions.

3. Language and Law

- 3.1 Language of the Contract and the Law governing the Contract shall be English Language and the Laws of Kenya respectively unless otherwise stated.

4. Project Manager's Decisions

- 4.1 Except where otherwise specifically stated, the Project Manager will decide contractual matters between the Employer and the Contractor in the role representing the Employer.

5. Delegation

The Project Manager may delegate any of his duties and responsibilities to others after notifying the Contractor.

6. Communications

Communication between parties shall be effective only when in writing. A notice shall be effective only when it is delivered.

7. Subcontracting

The contractor may subcontract with the approval of the Project Manager, but may not assign the Contract without the approval of the Employer in writing. Subcontracting shall not alter the Contractor's obligations.

8. Other Contractors

The Contractor shall cooperate and share the Site with other contractors, public authorities, utilities etc. as listed in the Appendix to Conditions of Contract and also with the Employer, as per the directions of the Project Manager. The Contractor shall also provide facilities and services for them. The Employer may modify the said list of Other Contractors etc., and shall notify the Contractor of any such modification.

9. Personnel

The Contractor shall employ the key personnel named in the Qualification Information, to carry out the functions stated in the said Information or other personnel approved by the Project Manager. The Project Manager will approve any proposed replacement of key personnel only if their relevant qualifications and abilities are substantially equal to or better than those of the personnel listed in the Qualification Information. If the Project Manager asks the Contractor to remove a person who is a member of the Contractor's staff or work force, stating the reasons, the Contractor shall ensure that the person leaves the Site within seven days and has no further connection with the Work in the Contract.

10. Works

The Contractor shall construct and install the Works in accordance with the Specifications and Drawings. The Works may commence on the Start Date and shall be carried out in accordance with the Program submitted by the Contractor, as updated with the approval of the Project Manager, and complete them by the intended Completion Date.

11. Safety and Temporary Works.

The Contractor shall be responsible for the design of temporary works. However before erecting the same, he shall submit his designs including specifications and drawings to the Project Manager and to any other relevant third parties for their approval. No erection of temporary works shall be done until such approvals are obtained.

The Project Manager's approval shall not alter the Contractor's responsibility for design of the Temporary works and all drawings prepared by the contractor for the execution of the temporary or permanent Works, shall be subject to prior approval by the Project Manager before they can be used.

The Contractor shall be responsible for the safety of all activities on the site.

12. Discoveries.

Anything of historical or other interest or of significant value unexpectedly discovered on Site shall be the property of the Employer. The Contractor shall notify the Project Manager of such discoveries and carry out the Project Manager's instructions for dealing with them.

13. Work Program

13.1

Within the time stated in the Appendix to Conditions of Contract, the Contractor shall submit to the Project Manager for approval a program showing the general methods, arrangements, order, and timing for all the activities in the Works. An update of the program shall be a program showing the actual progress achieved on each activity and the effect of the progress achieved on the timing of the remaining Work, including any changes to the sequence of the activities.

The Contractor shall submit to the Project Manager for approval an updated program at intervals no longer than the period stated in the Appendix to Conditions of Contract. If the Contractor does not submit an updated program within this period, the Project Manager may withhold the amount stated in the said Appendix from the next payment certificate and continue to withhold this amount until the next payment after the date on which the overdue program has been submitted. The Project Manager's approval of the program shall not alter the Contractor's obligations. The Contractor may revise the program and submit it to the Project Manager again at any time. A revised program shall show the effect of Variations and Compensation Events.

14. Possession of Site

The Employer shall give possession of all parts of the Site to the Contractor . If possession of a part is not given by the date stated in the Appendix to Conditions of Contract, the Employer will be deemed to have delayed the start of the relevant activities, and this will be a Compensation Event.

15. Access to Site

The Contractor shall allow the Project Manager and any other person authorized by the Project Manager, access to the Site and to any place where work in connection with the Contract is being carried out or is intended to be carried out.

16. Instructions

The Contractor shall carry out all instructions of the Project Manager which are in accordance with the Contract.

17. Extension or Acceleration of Completion Date

The Project Manager shall extend the Intended Completion Date if a Compensation Event occurs or a variation is issued which makes it impossible for completion to be achieved by the Intended Completion Date without the Contractor taking steps to accelerate the remaining Work, which would cause the Contractor to incur additional costs. The Project Manager shall decide whether and by how much to extend the

Intended Completion Date within 21 days of the Contractor asking the Project Manager in writing for a decision upon the effect of a Compensation Event or variation and submitting full supporting information. If the Contractor has failed to give early warning of a delay or has failed to cooperate in dealing with a delay, the delay caused by such failure shall not be considered in assessing the new (extended) Completion Date.

No bonus for early completion of the Works shall be paid to the Contractor by the Employer.

18. Management Meetings

A Contract management meeting shall be held monthly and attended by the Project Manager and the Contractor. Its business shall be to review the plans for the remaining Work and to deal with matters raised in accordance with the early warning procedure. The Project Manager shall record the minutes of the management meetings and provide copies of the same to those attending the meeting and the Employer. The responsibility of the parties for actions to be taken shall be decided by the Project Manager either at the management meeting or after the management meeting and stated in writing to all who attended the meeting.

19. Early Warning

The Contractor shall warn the Project Manager at the earliest opportunity of specific likely future events or circumstances that may adversely affect the quality of the Work, increase the Contract Price or delay the execution of the Works. The Project Manager may require the Contractor to provide an estimate of the expected effect of the future event or circumstance on the Contract Price and Completion Date. The estimate shall be provided by the Contractor as soon as reasonably possible.

The Contractor shall cooperate with the Project Manager in making and considering proposals on how the effect of such an event or circumstance can be avoided or reduced by anyone involved in the Work and in carrying out any resulting instructions of the Project Manager.

20. Defects

The Project Manager shall inspect the Contractor's work and notify the Contractor of any defects that are found. Such inspection shall not affect the Contractor's responsibilities. The Project Manager may instruct the Contractor to search for a defect and to uncover and test any Work that the Project Manager considers may have defect. Should the defect be found, the cost of uncovering and making good shall be borne by the Contractor, However, if there is no defect found, the cost of uncovering and making good shall be treated as a variation and added to the Contract Price.

The Project Manager shall give notice to the Contractor of any defects before the end of the Defects Liability Period, which begins at Completion, and is defined in the Appendix to Conditions of Contract. The Defects Liability Period shall be extended for as long as defects remain to be corrected.

Every time notice of a defect is given, the Contractor shall correct the notified defect within the length of time specified by the Project Manager's notice. If the Contractor has not corrected a defect within the time specified in the Project Manager's notice, the Project Manager will assess the cost of having the defect corrected by other parties and such cost shall be treated as a variation and be deducted from the Contract Price.

21. Bills of Quantities

The Bills of Quantities shall contain items for the construction, installation, testing and commissioning of the Work to be done by the Contractor. The Contractor will be paid for the quantity of the Work done at the rate in the Bills of Quantities for each item.

If the final quantity of the Work done differs from the quantity in the Bills of Quantities for the particular item by more than (twenty-five) 25 percent and provided the change exceeds 1 percent of the initial Contract price, the Project Manager shall adjust the rate to allow for the change.

If requested by the Project Manager, the Contractor shall provide the Project Manager with a detailed cost breakdown of any rate in the Bills of Quantities.

22. Variations

All variations shall be included in updated programs produced by the Contractor.

The Contractor shall provide the Project Manager with a quotation for carrying out the variations when requested to do so. The Project Manager shall assess the quotation, which shall be given within seven days of the request or within any longer period as may be stated by the Project Manager and before the Variation is ordered.

If the work in the variation corresponds with an item description in the Bills of Quantities and if in the opinion of the Project Manager, the quantity of work is not above the limit stated in Clause 21.2 or the timing of its execution does not cause the cost per unit of quantity to change, the rate in the Bills of Quantities shall be used to calculate the value of the variation. If the cost per unit of quantity changes, or if the nature or timing of the work in the variation does not correspond with items in the Bills of Quantities, the quotation by the Contractor shall be in the form of new rates for the relevant items of Work.

If the Contractor's quotation is unreasonable, the Project Manager may order the variation and make a change to the Contract price, which shall be based on the Project Manager's own forecast of the effects of the variation on the Contractor's costs.

If the Project Manager decides that the urgency of varying the Work would prevent a quotation being given and considered without delaying the work, no quotation shall be given and the variation shall be treated as a Compensation Event.

NB: Variations of the contract shall be effective for contracts whose contract duration is 12 months and above.

The Contractor shall not be entitled to additional payment for costs that could have been avoided by giving early warning.

When the Program is updated, the Contractor shall provide the Project Manager with an updated cash flow forecast.

23. Payment Certificates, Currency of payments and Advance Payments

The Contractor shall submit to the Project Manager monthly applications for payment giving sufficient details of the Work done and materials on Site and the amounts which the Contractor considers himself to be entitled to. The Project Manager shall check the monthly application and certify the amount to be paid to the Contractor within 14 days. The value of Work executed and payable shall be determined by the Project Manager.

The value of Work executed shall comprise the value of the quantities of the items in the Bills of Quantities completed, materials delivered on Site, variations and compensation events. Such materials shall become the property of the Employer once the Employer has paid the Contractor for their value. Thereafter, they shall not be removed from Site without the Project Manager's instructions except for use upon the Works.

Payments shall be adjusted for deductions for retention. The Employer shall pay the Contractor the amounts certified by the Project Manager within 45 days of the date of issue of each certificate. If the Employer makes late payment, the Contractor shall be paid simple interest on the late payment in the next payment. Interest shall be calculated on the basis of number of days delayed at a rate three percentage points above the Central Bank of Kenya's average rate for base lending prevailing as of the first day the payment becomes overdue.

If an amount certified is increased in a later certificate or as a result of an award by an Arbitrator, the Contractor shall be paid interest upon the delayed payment as set out in this clause. Interest shall be calculated from the date upon which the increased amount would have been certified in the absence of dispute.

Items of the Work for which no rate or price has been entered in will not be paid for by the Employer and shall be deemed covered by other rates and prices in the Contract.

The Contract Price shall be stated in Kenya Shillings. All payments to the Contractor shall be made in Kenya Shillings and foreign currency in the proportion indicated in the tender, or agreed prior to the execution of the Contract Agreement and indicated therein. The rate of exchange for the calculation of the amount of foreign currency payment shall be the rate of exchange indicated in the Appendix to Conditions of Contract. If the Contractor indicated foreign currencies for payment other than the currencies of the countries of origin of related goods and services the Employer reserves the right to pay the equivalent at the time of payment in the currencies of the countries of origin of such goods and services. The Employer and the Project Manager shall be notified promptly by the Contractor of any changes in the expected foreign currency requirements of the Contractor during the execution of the Works as indicated in the Schedule of Foreign Currency Requirements and the foreign and local currency portions of the balance of the Contract Price shall then be amended by agreement between Employer and the Contractor in order to reflect appropriately such changes.

In the event that an advance payment is granted, the following shall apply:-

- a) On signature of the Contract, the Contractor shall at his request, and without furnishing proof of expenditure, be entitled to an advance of 10% (ten percent) of the original amount of the Contract. The advance shall not be subject to retention money.
- b) No advance payment may be made before the Contractor has submitted proof of the establishment of deposit or a directly liable guarantee satisfactory to the Employer in the amount of the advance payment. The guarantee shall be in the same currency as the advance.
- c) Reimbursement of the lump sum advance shall be made by deductions from the Interim payments and where applicable from the balance owing to the Contractor. Reimbursement shall begin when the amount of the sum due under the Contract reaches 20% of the original amount of the Contract. It shall have been completed by the time 80% of this amount is reached.

The amount to be paid by way of successive deductions shall be calculated by means of the formula:

$$R = \frac{A(X^1 - X^{11})}{80-20}$$

Where:

R = the amount to be reimbursed

A = the amount of the advance which has been granted.

X^1 = the amount of proposed cumulative payments as a percentage of the original amount of the Contract. This figure will exceed 20% but not exceed 80%.

X^{11} = the amount of the previous cumulative payments as a percentage of the original amount of the Contract. This figure will be below 80% but not less than 20%.

- (d) With each reimbursement the counterpart of the directly liable guarantee may be reduced accordingly.

24. Compensation Events

The following issues shall constitute Compensation Events:

- (a) The Employer does not give access to a part of the Site by the Site Possession Date stated in the Appendix to Conditions of Contract.
- (b) The Employer modifies the list of Other Contractors, etc., in a way that affects the Work of the Contractor under the Contract.
- (c) The Project Manager orders a delay or does not issue drawings, specifications or instructions required for execution of the Works on time.
- (d) The Project Manager instructs the Contractor to uncover or to carry out additional tests upon the Work, which is then found to have no defects.
- (e) The Project Manager unreasonably does not approve a subcontract to be let.
- (f) Ground conditions are substantially more adverse than could reasonably have been assumed before issuance of the Letter of Acceptance from the information issued to Tenderers (including the Site investigation reports), from information available publicly and from a visual inspection of the Site.

- (g) The Project Manager gives an instruction for dealing with an unforeseen condition, caused by the Employer or additional work required for safety or other reasons.
- (h) Other Contractors, public authorities, utilities, or the Employer does not work within the dates and other constraints stated in the Contract, and they cause delay or extra cost to the Contractor.
- (i) The effects on the Contractor of any of the Employer's risks.
- (j) The Project Manager unreasonably delays issuing a Certificate of Completion.
- (k) Other compensation events described in the Contract or determined by the Project Manager shall apply.

If a compensation event would cause additional cost or would prevent the Work being completed before the Intended Completion Date, the Contract Price shall be increased and/or the Intended Completion Date shall be extended. The Project Manager shall decide whether and by how much the Contract Price shall be increased and whether and by how much the Intended Completion Date shall be extended.

As soon as information demonstrating the effect of each compensation event upon the Contractor's forecast cost has been provided by the Contractor, it shall be assessed by the Project Manager, and the Contract Price shall be adjusted accordingly. If the Contractor's forecast is deemed unreasonable, the Project Manager shall adjust the Contract Price based on the Project Manager's own forecast. The Project Manager will assume that the Contractor will react competently and promptly to the event.

The Contractor shall not be entitled to compensation to the extent that the Employer's interests are adversely affected by the Contractor not having given early warning or not having co-operated with the Project Manager.

Prices shall be adjusted for fluctuations in the cost of inputs only if provided for in the Appendix to Conditions of Contract.

The Contractor shall give written notice to the Project Manager of his intention to make a claim within thirty days after the event giving rise to the claim has first arisen. The claim shall be submitted within thirty days thereafter. Provided always that should the event giving rise to the claim be of continuing effect, the Contractor shall submit an interim claim within the said thirty days and a final claim within thirty days of the end of the event giving rise to the claim.

25. Price Adjustment

The Project Manager shall adjust the Contract Price if taxes, duties and other levies are changed between the date 30 days before the submission of tenders for the Contract and the date of Completion. The adjustment shall be the change in the amount of tax payable by the Contractor.

The Contract Price shall be deemed to be based on exchange rates current at the date of tender submission in calculating the cost to the Contractor of materials to be specifically imported (by express provisions in the Contract Bills of Quantities or Specifications) for permanent incorporation in the Works. Unless otherwise stated in the Contract, if at any time during the period of the Contract exchange rates shall be varied and this shall affect the cost to the Contractor of such materials, then the Project Manager shall assess the net difference in the cost of such materials. Any amount from time to time so assessed shall be added to or deducted from the Contract Price, as the case may be.

Unless otherwise stated in the Contract, the Contract Price shall be deemed to have been calculated in the manner set out below and in sub-clauses 25.4 and 25.5 and shall be subject to adjustment in the events specified thereunder;

- (i) The prices contained in the Contract Bills of Quantities shall be deemed to be based upon the rates of wages and other emoluments and expenses as determined by the Joint Building Council of Kenya (J.B.C.) and set out in the schedule of basic rates issued 30 days before the date for submission of tenders. A copy of the schedule used by the Contractor in his pricing shall be attached in the Appendix to Conditions of Contract.
- (ii) Upon J.B.C. determining that any of the said rates of wages or other emoluments and expenses are increased or decreased, then the Contract Price shall be increased or decreased by the amount assessed by the Project Manager based upon the difference, expressed as a percentage, between the rates set out in the schedule of basic rates issued 30 days before the date for submission of tenders and the rate published by the J.B.C. and applied to the quantum of labour incorporated within the amount of Work remaining to be executed at the date of publication of such increase or decrease.
- (iii) No adjustment shall be made in respect of changes in the rates of wages and other emoluments and expenses which occur after the date of Completion except during such other period as may be granted as an extension of time under clause 17.0 of these Conditions.

The prices contained in the Contract Bills of Quantities shall be deemed to be based upon the basic prices of materials to be permanently incorporated in the Works as

determined by the J.B.C. and set out in the schedule of basic rates issued 30 days before the date for submission of tenders. A copy of the schedule used by the Contractor in his pricing shall be attached in the Appendix to Conditions of Contract.

Upon the J.B.C. determining that any of the said basic prices are increased or decreased then the Contract Price shall be increased or decreased by the amount to be assessed by the Project Manager based upon the difference between the price set out in the schedule of basic rates issued 30 days before the date for submission of tenders and the rate published by the J.B.C. and applied to the quantum of the relevant materials which have not been taken into account in arriving at the amount of any interim certificate under clause 23 of these Conditions issued before the date of publication of such increase or decrease.

No adjustment shall be made in respect of changes in basic prices of materials which occur after the date for Completion except during such other period as may be granted as an extension of time under clause 17.0 of these Conditions.

The provisions of sub-clause 25.1 to 25.2 herein shall not apply in respect of any materials included in the schedule of basic rates.

26. Retention

The Employer shall retain from each payment due to the Contractor the proportion stated in the Appendix to Conditions of Contract until Completion of the whole Works. On Completion of the whole of the Works, half the total amount retained shall be repaid to the Contractor and the remaining half when the Defects Liability Period has passed and the Project Manager has certified that all defects notified to the Contractor before the end of this period have been corrected.

27. Liquidated Damages

The Contractor shall pay liquidated damages to the Employer at the rate stated in the Appendix to Conditions of Contract for each day that the actual Completion Date is later than the Intended Completion Date. The Employer may deduct liquidated damages from payments due to the Contractor. Payment of liquidated damages shall not alter the Contractor's liabilities.

If the Intended Completion Date is extended after liquidated damages have been paid, the Project Manager shall correct any overpayment of liquidated damages by the Contractor by adjusting the next payment certificate. The Contractor shall be paid interest on the overpayment, calculated from the date of payment to the date of repayment, at the rate specified in clause 23.30

28. Securities

The performance Security shall be provided to the Employer no later than the date specified in the Letter of Acceptance and shall be issued in an amount and form and by a reputable bank acceptable to the Employer, and denominated in Kenya Shillings. The Performance Security shall be valid until a date 30 days beyond the date of issue of the Certificate of Completion.

29. Dayworks

If applicable, the Dayworks rates in the Contractor's tender shall be used for small additional amounts of Work only when the Project Manager has given written instructions in advance for additional work to be paid for in that way.

All work to be paid for as Dayworks shall be recorded by the Contractor on Forms approved by the Project Manager. Each completed form shall be verified and signed by the Project Manager within two days of the work being done.

The Contractor shall be paid for Dayworks subject to obtaining signed Dayworks forms.

30. Liability and Insurance

30.1 From the Start Date until the Defects Correction Certificate has been issued, the following are the Employer's risks:

- (a) The risk of personal injury, death or loss of or damage to property (excluding the Works, Plant, Materials and Equipment), which are due to:
 - (i) Use or occupation of the Site by the Works or for the purpose of the Works, which is the unavoidable result of the works, or
 - (ii) Negligence, breach of statutory duty or interference with any legal right by the Employer or by any person employed by or contracted to him except the Contractor.
- (b) The risk of damage to the Works, Plant, Materials, and Equipment to the extent that it is due to a fault of the Employer or in Employer's design, or due to war or radioactive contamination directly affecting the place where the Works are being executed.

- 30.2 From the Completion Date until the Defects Correction Certificate has been issued, the risk of loss of or damage to the Works, Plant, and Materials is the Employer's risk except loss or damage due to;
- (a) a defect which existed on or before the Completion Date.
 - (b) An event occurring before the Completion Date, which was not itself the Employer's risk
 - (c) The activities of the Contractor on the Site after the Completion Date.
- 30.3 From the Start Date until the Defects Correction Certificate has been issued, the risks of personal injury, death and loss of or damage to property (including, without limitation, the Works, Plant, Materials, and Equipment) which are not Employer's risk are Contractor's risk are Contractor's risks.
- The Contractor shall provide, in the joint names of the Employer and the Contractor, insurance cover from the Start Date to the end of the Defects Liability Period, in the amounts stated in the Appendix to Conditions of Contract for the following events;
- (a) loss or damage to the Works, Plant, and Materials;
 - (b) loss or damage to Equipment;
 - (c) loss of a damage to property (except the Works, Plant, Materials, and Equipment) in connection with the Contract, and personal injury or death.
- 30.4 Policies and certificates for insurance shall be delivered by the Contractor to the Project Manager for the Project Manager's approval before the start date. All such insurance shall provide for compensation required to rectify the loss or damage incurred.
- 30.5 If the Contractor does not provide any of the policies and certificates required, the Employer may effect the insurance which the Contractor should have provided and recover the premiums from payments otherwise due to the contractor or, if no payment is due, the payment of the premiums shall be a debt due.
- 30.6 Alternative to the terms of insurances shall not be made without the approval of the Project Manager. Both parties shall comply with any conditions of insurance policies.

31. Completion and Taking Over

- 31.1 Upon deciding that the works are complete, the Contractor shall issue a written request to the Project Manager to issue a Certificate of Completion of the Works. The Employer shall take over the Site and the Works within seven (7) days of the Project Manager's issuing a Certificate of Completion.

32. Final Account

- 32.1 The Contractor shall issue the Project Manager with a detailed account of the total amount that the Contractor considers payable to him by the Employer under the Contract before the end of the Defects Liability Period. The Project Manager shall issue a Defects Liability Certificate and certify any final payment that is due to the Contractor within 30 days of receiving the Contractor's account if it is correct and complete. If it is not, the Project Manager shall issue within 30 days a schedule that states the scope of the corrections or additions that are necessary. If the final account is still unsatisfactory after it has been resubmitted, the Project Manager shall decide on the amount payable to the Contractor and issue a Payment Certificate. The Employer shall pay the Contractor the amount due in the Final Certificate within 60 days.

33. Termination

- 33.1 The Employer or the Contractor may terminate the Contract if the other party causes a fundamental breach of the Contract. These fundamental breaches of Contract shall include, but not be limited to, the following;
- (a) The Contractor stops work for 30 days when no stoppage of work is shown on the current program and the stoppage has not been authorized by the Project Manager;
 - (b) The Project Manager instructs the Contractor to delay the progress of the Works, and the instruction is not withdrawn within 30 days;
 - (c) The Contractor is declared bankrupt or goes into liquidation other than for reconstruction or amalgamation;
 - (d) A payment certificate by the Project Manager is not paid by the Employer to the Contractor within 30 days (for interim Certificates) or 60 days (for Final Certificates) of issue.
 - (e) The Project Manager gives notice that failure to correct a particular defect is a fundamental breach of Contract and the

Contractor fails to correct it within a reasonable period of time determined by the Project Manager;

(f) The Contractor does not maintain a security, which is required.

33.2 When either party to the Contract gives notice of a breach of Contract to the Project Manager for a cause other than those listed under Clause 33.1 above, the Project Manager shall decide whether the breach is fundamental or not.

33.3 Notwithstanding the above, the Employer may terminate the Contract for convenience.

33.4 If the Contract is terminated, the Contractor shall stop work immediately, make the Site safe and secure, and leave the Site as soon as reasonably possible. The Project Manager shall immediately thereafter arrange for a meeting for the purpose of taking record of the Works executed and materials, goods, equipment and temporary buildings on Site.

34. Payment Upon Termination

34.1 If the Contract is terminated because of a fundamental breach of Contract by the Contractor, the Project Manager shall issue a certificate for the value of the Work done and materials ordered and delivered to Site up to the date of the issue of the certificate. Additional liquidated damages shall not apply. If the total amount due to the Employer exceeds any payments due to the Contractor, the difference shall be a debt payable by the Contractor.

34.2 If the Contract is terminated for the Employer's convenience or because of a fundamental breach of Contract by the Employer, the Project Manager shall issue a certificate for the value of the Work done, materials ordered, the reasonable cost of removal of equipment, repatriation of the Contractor's personnel employed solely on the Works, and the Contractor's costs of protecting and securing the Works.

34.3 The Employer may employ and pay other persons to carry out and complete the Works and to rectify any defects and may enter upon the Works and use all materials on the Site, equipment and temporary works.

34.4 The Contractor shall, during the execution or after the completion of the Works under this clause remove from the Site as and when required, within such reasonable time as the Project Manager may in writing specify, any temporary buildings, plant, machinery, appliances, goods or materials belonging to or hired by him, and in default the Employer may (without being responsible for any loss or damage) remove and sell any

such property of the Contractor, holding the proceeds less all costs incurred to the credit of the Contractor.

Until after completion of the Works under this clause the Employer shall not be bound by any other provision of the Contract to make any payment to the Contractor, but upon such completion as aforesaid and the verification within a reasonable time of the accounts therefore the Project Manager shall certify the amount of expenses properly incurred by the Employer and, if such amount added to the money paid to the Contractor before such determination exceeds the total amount which would have been payable on due completion in accordance with this Contract the difference shall be a debt payable to the Employer by the Contractor; and if the said amount added to the said money be less than the said total amount, the difference shall be a debt payable by the Employer to the Contractor.

35. Release from Performance

- 35.1 If the Contract is frustrated by the outbreak of war or by any other event entirely outside the control of either the Employer or the Contractor, the Project Manager shall certify that the Contract has been frustrated. The Contractor shall make the Site safe and stop Work as quickly as possible after receiving this certificate and shall be paid for all Work carried out before receiving it.

36. Corrupt gifts and payment of commission

The Contractor shall not;

- (a) Offer or give or agree to give to any person in the service of the Employer any gift or consideration of any kind as an inducement or reward for doing or forbearing to do or having done or forborne to do any act in relation to the obtaining or execution of this or any other Contract for the Employer or for showing or forbearing to show favour or disfavour to any person in relation to this or any other contract for the Employer.
- (b) Enter into this or any other contract with the Employer in connection with which commission has been paid or agreed to be paid by him or on his behalf or to his knowledge, unless before the Contract is made particulars of any such commission and of the terms and conditions of any agreement for the payment thereof have been disclosed in writing to the Employer.

Any breach of this Condition by the Contractor or by anyone employed by him or acting on his behalf (whether with or without the knowledge

of the Contractor) shall be an offence under the provisions of the Public Procurement Regulations issued under The Exchequer and Audit Act Cap 412 of the Laws of Kenya.

37. Settlement of Disputes

37.1 In case any dispute or difference shall arise between the Employer or the Project Manager on his behalf and the Contractor, either during the progress or after the completion or termination of the Works, such dispute shall be notified in writing by either party to the other with a request to submit it to arbitration and to concur in the appointment of an Arbitrator within thirty days of the notice. The dispute shall be referred to the arbitration and final decision of a person to be agreed between the parties. Failing agreement to concur in the appointment of an Arbitrator, the Arbitrator shall be appointed by the Chairman or Vice Chairman of any of the following professional institutions; On the request of the applying party. The institution written to first by the aggrieved party shall take precedence over all other institutions.

- (i) Architectural Association of Kenya
- (ii) Institute of Quantity Surveyors of Kenya
- (iii) Association of Consulting Engineers of Kenya
- (iv) Chartered Institute of Arbitrators (Kenya Branch)
- (v) Institution of Engineers of Kenya.

37.2 The arbitration may be on the construction of this Contract or on any matter or thing of whatsoever nature arising thereunder or in connection therewith, including any matter or thing left by this Contract to the discretion of the Project Manager, or the withholding by the Project Manager of any certificate to which the Contractor may claim to be entitled to or the measurement and valuation referred to in clause 23.0 of these conditions, or the rights and liabilities of the parties subsequent to the termination of Contract.

37.3 Provided that no arbitration proceedings shall be commenced on any dispute or difference where notice of a dispute or difference has not been given by the applying party within ninety days of the occurrence or discovery of the matter or issue giving rise to the dispute.

37.4 Notwithstanding the issue of a notice as stated above, the arbitration of such a dispute or difference shall not commence unless an attempt has in the first instance been made by the parties to settle such dispute or

difference amicably with or without the assistance of third parties. Proof of such attempt shall be required.

37.5 Notwithstanding anything stated herein, the following matters may be referred to arbitration before the practical completion of the works or abandonment of the Works or termination of the Contract by either party:

37.5.1 The appointment of a replacement Project Manager upon the said person ceasing to act.

37.5.2 Whether or not the issue of an instruction by the Project Manager is empowered by these Conditions.

37.5.3 Whether or not a certificate has been improperly withheld or is not in accordance with these Conditions.

37.5.4 Any dispute or difference arising in respect of war risks or war damage.

37.6 All other matters shall only be referred to arbitration after the completion or alleged completion of the Works or termination or alleged termination of the Contract, unless the Employer and the Contractor agree otherwise in writing.

37.7 The Arbitrator shall, without prejudice to the generality of his powers, have powers to direct such measurements, computations, tests or valuations as may in his opinion be desirable in order to determine the rights of the parties and assess and award any sums which ought to have been the subject of or included in any certificate.

37.8 The Arbitrator shall, without prejudice to the generality of his powers, have powers to open up, review and revise any certificate, opinion, decision, requirement or notice and to determine all matters in dispute which shall be submitted to him in the same manner as if no such certificate, opinion, decision, requirement or notice had been given.

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

Indemnity

37.10 The Procuring Entity agrees to indemnify and hold harmless Contractor and its affiliates and each of their respective directors, officers, agents, employees and sub-contractors (each an “indemnitee”), and defend them from and against any and all claims (whether during or after the term) that may arise or result from the performance of obligations under the contract by or on behalf of Contractor, except to the extent any such

claims result from a breach of this contract directly attributable to the gross negligence or wilful misconduct of such indemnitee

APPENDIX TO CONDITIONS OF CONTRACT

The EMPLOYER is:-**KENYA REVENUE AUTHORITY**

The name of the authorized representative is: **THE COMMISSIONER GENERAL**

The PROJECT MANAGER IS: -**KENYA REVENUE AUTHORITY**

The name (and identification number) of the Contract: Supply, Delivery, Installation and Associated Works for Water Purification Dispensers.

The Start Date shall be: **AGREED WITH THE PROJECT MANAGER**

The Contractor shall submit a revised program for the Works within ...**14 DAYS**... Of delivery of the Letter of Acceptance.

The Site Possession Date shall be: **SPECIFIED BY THE PROJECT MANAGER**

The Defects Liability period is: **6 MONTHS**

The period between program updates is: **14 DAYS**

The Price Adjustment Clause: **SHALL NOT APPLY. THIS IS A FIXED PRICE CONTRACT**

The rate of exchange for calculation of foreign currency payments is: **CBK RATE AT THE DATE OF OPENING.**

The schedule of basic rates used in pricing by the Contractor is: **JOINT BUILDING COUNCIL OF KENYA (JBC) PRICE LIST ISSUED 30DAYS BEFORE DATE OF TENDER SUBMISSION**

Advance Payment: **NOT APPLICABLE IN THIS CONTRACT**

<i>Particulars of Appendix to instructions to tenderers</i>

The tender document shall be downloaded from the KRA website. www.kra.go.ke at no fee. Bidders who download the tender documents must forward their particulars immediately for records and communication of any further tender clarifications or addenda eprocurement@kra.go.ke
1. A pre-bid briefing will be held on 10th February, 2021 at 10:00 a.m. An On-line pre-bid briefing is scheduled for 10TH February 2021 at 10.00 am . Bidders are advised to register for pre-bid through this link PRE-BID CONFERENCE .
The tender is open. All bidders are Eligible.
Taxes: The Tenderer will pay for all the local taxes, duties, fees, levies and other charges applicable in Kenya. The financial proposal should therefore include any taxes payable in Kenya.
The prices quoted shall be FIXED during the period of the contract.
Bidders are required to provide a Bid Security of <u>Kshs 200,000.00</u> valid for 365 days from the date of tender opening.
An original hard copy of the Bid Security (Kshs 200,000.00) must be dropped in the Bid Security Box located at Times Tower Building, Ground Floor any day before the tender closing date
The tender validity period shall be for 335days
Deadline for submission is 25th February, 2021 at 11.00 a.m.
A site visit (not mandatory) shall be held 11th February, 2021

CONTRACTOR
(Authorised Signatory)

DATE

EMPLOYER

(a) Tender Responsiveness Criteria

The submission of the following items will be required in the determination of the Completeness of the Bid. Bids that do not contain all the information required will be declared non responsive and shall not be evaluated further.

S/NO	ITEM DESCRIPTION	Mandatory
1.	Copy of valid Tax Compliance Certificate	Yes
2.	Certificate of Registration or Incorporation	Yes
3.	Power of Attorney (Sole Proprietors Exempted) from the firm duly signed by director(s) and stamped or Commissioner of Oaths	Yes
4.	Letter from the bank or a CBK approved financial institution indicating that the firm is currently operating an account	Yes
5.	Duly filled, signed and stamped Confidential Business Questionnaire	Yes
6	Manufactures Authorization	Yes
7	National Construction Authority (NCA 6 and above) in Builders Works	Yes
8	Duly filled, signed and stamped form of tender	Yes
9.	Bid Security of Kshs 200,000.00 valid for 365 days from date of tender opening.	Yes

(b) Vendor Evaluation Criteria

The following criteria will be used in the evaluation of all potential suppliers. The documents submitted will be evaluated for suitability and awarded marks. The maximum score is 50 which shall be prorated to 100%. For a bidders to meet the cutoff score, they must score 60% and above.

Description of Criteria	Maximum Score	Cut off Score
<p>Proof of qualified and experienced <i>technical key personnel</i>. Bidders must provide at least a minimum of three key technical staff to be involved in the project with at least two (2) years' experience. The staff should have engineering course (Civil, engineering, Mechanical engineering, building economics or any other related course)</p> <p>Bidder to attach CVs supported by Academic Certificates.</p> <p>CV, Diploma certificate and over 2 years' experience10 mks</p> <p>CV, Certificate and over 2 years' experience7 mks</p> <p>CV or Certificates Only0</p>	30	20
<p>Reference from at least two (2) main clients contracted with within the last 5 years (attach Contact or LPO, Completion certificate and a recommendation letter from the past clients. relevant to the procurement item and include a summary of the services rendered, value of contract, contact person and the email/telephone number for each client provided.</p> <p>Contact or LPO, Completion certificate and a positive recommendation letter10 marks</p> <p>LPO or contact and Completion certificate only8mks</p> <p>Completion certificate and recommendation letter only6mks</p> <p>LPO or contact and recommendation letter only6mks</p> <p>LPO or Completion Certificate or recommendation letter only0mks</p>	20	10
Total Score	50	30

NB: Bidders will be required to meet the cut off score on every criteria under vendor evaluation in order to qualify for further evaluation.

(c) **Overall Tender Evaluation Criteria**

The tender evaluation criteria is weighted as follows; -

Criteria	Maximum Score	Cut Off Scores
Tender Responsiveness	mandatory	Requirement
Vendor Evaluation	100	60
Technical Evaluation	Pass	Pass
Financial Evaluation	Lowest evaluated responsive bidder	
Post-qualification		
KRA will verify and determine to its satisfaction whether the tenderer that is selected as having submitted the lowest evaluated responsive tender is qualified to perform the contract satisfactorily		

SECTION V - SCHEDULE OF REQUIREMENTS

BACKGROUND

Kenya revenue authority would like to procure water purification dispensers so as to provide clean water to their staff in Namanga OSBP, Taveta OSBP, Lunga Lunga OSBP, Busis OSBP, Isebania OSBP, Malaba OSBP, Moyale OSBP, Vanga, Lamu, Suam, Lwakhakha, Loitoktok and Mandera. KRA is looking for a contractot to supply the dispensers, carry out associated works, install and test the dispensers that their working appropriately. Below are the specifications, deawings and the Bill of quantities.

SPECIFICATIONS, DRAWINGS AND BILLS OF QUANTITIES

Water Purification Dispenser Technical Requirements

1. Bidders are required to fill the table below in the format presented.
2. Bidders **MUST** provide a substantive response under the bidders response column for all features irrespective of any Attached technical documents. Use of Yes, No, tick, compliant etc. will be considered Non-responsive.
3. Bidders ***MUST attach Technical data sheets and append official company stamp and/or authorized signature on all Attached technical data sheets or brochures.***
4. Bidders **MUST** fill both the minimum technical specifications document and the price schedule as attached.
5. Bidders must meet the minimum water dispense specifications. The responses will be rated as PASS OR FAIL.

6. Dispenser specification

6.1 Three - tap Dispenser

#	3-tap Equipment Specifications	Bidders Respond
1	Power rating	Maximum rating: Heating 3000W; Cold 200W
2	Voltage rating	Voltage range: AC 220V- 240V/50Hz
3	Inner Tank capacity	Min capacity: Hot- 30L; Cold- 10L
4	Dispensing rate	Min rate: Hot 45L/hr; Warm 65L/hr and Cold 30L/hr
5	No of Faucets (taps)	3 Faucet (labelled; Hot, Warm, Cold)
6	Filtration Method	Five stage RO filtration system or equivalent

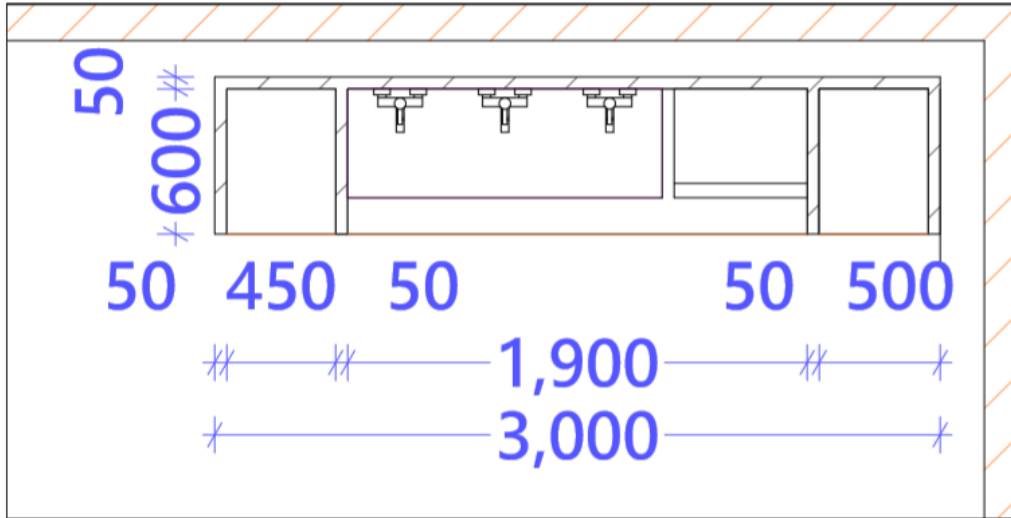
7	Purification Method	UV sterilizer	
8	Dispenser casing	Stainless steel	
9	Equipment physical size	Maximum dimension: 1300*500*1100mm	
10	warranty	I year	

6.2 Six - tap Dispenser Specification

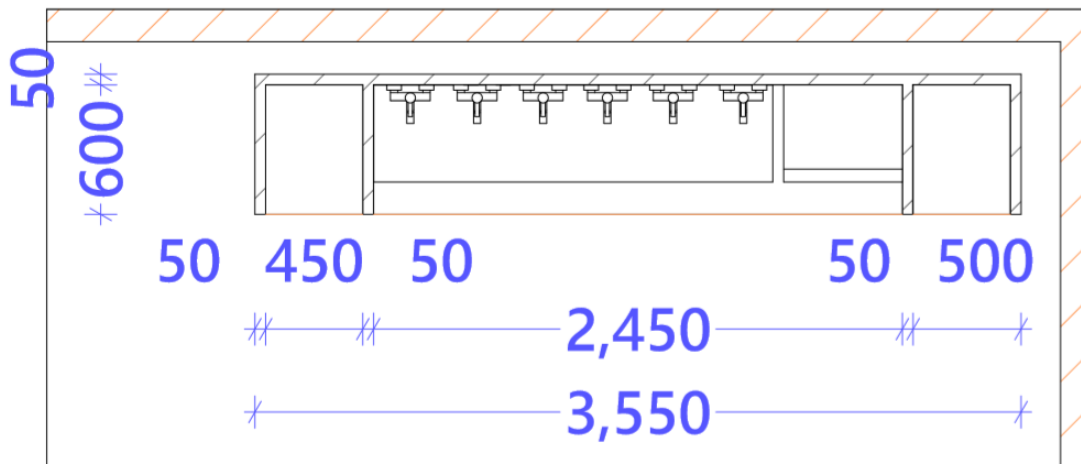
#	6-tap Equipment Specifications	Bidders Respond
1	Power rating	Maximum rating: Heating 3000W; Cold: 200W
2	Voltage rating	Voltage range: AC 220V-240V/50Hz
3	Inner Tank capacity	Hot: 40L; Cold: 10L
4	Dispensing rate	Min rate: Hot 45L/hr; Warm 65L/hr and Cold 30L/hr
5	No of Faucets (taps)	6 Faucet (labelled; 1-Hot, 3-Warm, 2-Cold)
6	Filtration Method	Five stage RO filtration system or equivalent
7	Purification Method	UV sterilizer
8	Dispenser casing	Stainless steel
9	Equipment physical size	Maximum dimension:1800*500*1100mm
10	warranty	I year

7. Dispenser Station Specifications

7.1 Three-Tap Indoor Station



7.2 Six-Tap Indoor Station



BILL OF QUANTITIES

The BQs and the drawing is standard for all the stations. Bidders are required to cost the BQs and give the final quote per station in the price schedule. The grand total in the price schedule shall be carried to the FORM OF TENDER

7.3 Bill of Quantities for Indoor - Three tap station

ITEM	INDOOR WATER PURIFICATION STATION CABINET -3 TAPS STATION	QTY	UNIT	RATE	AMOUNT (KSH)
	Fabricate, supply and fix storage cabinets comprising of 20mm MDF beach laminate boards fixed to Aluminium struds as per the architect's drawings and directions. Work to include top, bottom , horizontal and vertical partitions in:.				
A	Purified water machine display and storage shelving and cabinets size 3700mm x2400mm high and 600mm deep consisting 20mm beach laminate mdf boards, doors laminated both side complete with all necessary paint works	6.00	SM		
B	<u>Drawers</u> 390x450x150mm Drawers comprising 25mm thick Blockboard board fronts 12mm thick plywood back, 25mm Blockboard board sides , 6mm thick plywood bottom and PVC runners- in kitchenette..	2	NO		
C	<u>Iron Mongery.</u>				
	100mm Drawer handles	2	NO		
	Cabinet locks	2	NO		
	Heavy duty Marpha hinges in cabinets	4	PRS		
	Tower bolts in cabinets	2	NO		
D	Mobilization to site	1	ITEM		

	TOTAL				
--	--------------	--	--	--	--

7.4 Bill of Quantities for Indoor - Six tap station

ITEM	INDOOR WATER PURIFICATION STATION CABINET -6 TAPS STATION	QTY	UNIT	RATE	AMOUNT (KSH)
	<p>Fabricate, supply and fix storage cabinets comprising of 20mm MDF beach laminate boards fixed to Aluminium struds as per the architect's drawings and directions. Work to include top, bottom , horizontal and vertical partitions in:.</p>				
A	<p>Purified water machine display and storage shelving and cabinets size 3700mm x2400mm high and 600mm deep consisting 20mm beach laminate mdf boards, doors laminated both side complete with all necessary paint works</p>	10.00	SM		
B	<p><u>Drawers</u> 390x450x150mm Drawers comprising 25mm thick Blockboard board fronts 12mm thick plywood back, 25mm Blockboard board sides, 6mm thick plywood bottom and PVC runners- in kitchenette..</p>	4	NO		
C	<p><u>Iron Mongery.</u></p>				
	100mm Drawer handles	4	NO		
	Cabinet locks	4	NO		
	Heavy duty Marpha hinges in cabinets	8	PRS		
	Tower bolts in cabinets	4	NO		

D	Mobilization to site	1	ITEM		
	TOTAL				

Tender's Signature _____ *Official Stamp* _____

Date _____

PRICE SCHEDULE (SUMMARY OF COSTS PER STATION)

Border Station	Dispenser Requirements	Cost of supply, delivery and installation of dispenser (Kshs) inclusive of 16% VAT (A)	Cost of Associated works (Kshs) inclusive of 16% VAT (B)	Annual Maintenance for 4 years (Year 2 , 3, 4 & 5) inclusive of 16% VAT (C)	Total Cost (Kshs) inclusive of 16% VAT (A+B+ C)
Namanga OSBP	6 tap Dispenser				
Taveta OSBP	6 tap Dispenser				
Lunga Lunga OSBP	6 tap Dispenser				
Busis OSBP	6 tap Dispenser				
Isebania OSBP	6 tap Dispenser				
Malaba OSBP	6 tap Dispenser				
Moyale OSBP	6 tap Dispenser				
Vanga	3 tap Dispenser				
Lamu	3tap Dispenser				
Suam	3tap Dispenser				
Lwakhakha	3 tap Dispenser				
Loitoktok	3tap Dispenser				
Mandera	3tap Dispenser				
Grand Total Cost (To be carried to the form of tender)					

NB: Year 1 the equipment is under warranty.

Tender's Signature _____ *Official Stamp* _____

Date _____

SECTION VIII – STANDARD FORMS

8.1 FORM OF TENDER

Date _____

Tender No. _____

To: KENYA REVENUE AUTHORITY
P. O. BOX 48240 – 00100 NAIROBI.

Gentlemen and/or Ladies:

1. Having examined the tender documents including Addenda Nos. [insert numbers].the receipt of which is hereby duly acknowledged, we, the undersigned, offer to Supply, Delivery, Installation and Associated Works for Water Purification Dispensers in conformity with the said tender documents for the sum of

.....

.....

.....
(total tender amount in words and figures) or such other sums as may be ascertained in accordance with the Schedule of Prices attached herewith and made part of this Tender.

2. We undertake, if our Tender is accepted, to deliver install and commission the equipment in accordance with the delivery schedule specified in the Schedule of Requirements- .

3. If our Tender is accepted, we will obtain the guarantee of a bank in a sum of equivalent to **10%** percent of the Contract Price for the due performance of the Contract , in the form prescribed by(*Procuring entity*).

4. We agree to abide by this Tender for a period of **335 days** from the date fixed for tender opening of the Instructions to tenderers, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

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

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

Dated this _____ day of _____ 20 _____

[signature]

[in the capacity of]

Duly authorized to sign tender for an on behalf of _____

8.2 CONFIDENTIAL BUSINESS QUESTIONNAIRE FORM

You are requested to give the particulars indicated in Part 1; either Part 2(a), 2(b) or 2 (c) whichever applied to your type of business; and Part 3.

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

Part 1 – General	
1.1	Business Name
1.2	Location of Business Premises.
1.3	Plot No..... Street/Road Postal Address Tel No. Fax E mail
1.4	Nature of Business ,.....
1.5	Registration Certificate No.
1.6	Maximum Value of Business which you can handle at any one time – Kshs.
1.7	Name of your Bankers Branch
Part 2 (a) – Sole Proprietor	
2a.1	Your Name in Full Age
2a.2	Nationality Country of Origin Citizenship Details
Part 2 (b) Partnership	

2b.1 Given details of Partners as follows:

2b.2 Name Nationality Citizenship Details Shares

1.....
.....
2.....
.....
3.....
.....
4.....
.....

Part 2 (c) – Registered Company

2c.1 Private or Public
.....
.....

2c.2 State the Nominal and Issued Capital of Company-
Nominal Kshs.
Issued Kshs.

2c.3 Given details of all Directors as follows

Name Nationality Citizenship Details Shares

1.....
.....
2.....
.....
3.....
.....
4.....
.....
5.....
.....
.....

Part 3 – Eligibility Status

3.1 Are you related to an Employee, Committee Member or Board Member of Kenya Revenue Authority? Yes _____ No _____

3.2 If answer in ‘3.1’ is **YES** give the relationship.
.....
.....
.....

3.3 Does an Employee, Committee Member, Board Member of Kenya Revenue Authority sit in the Board of Directors or Management of your Organization, Subsidiaries or Joint Ventures? Yes _____ No _____

3.4 If answer in '3.3' above is **YES** give details.

.....
.....
.....
.....
.....

3.5 Has your Organization, Subsidiary Joint Venture or Sub-contractor been involved in the past directly or indirectly with a firm or any of its affiliates that have been engaged by Kenya Revenue Authority to provide consulting services for preparation of design, specifications and other documents to be used for procurement of the goods under this invitation? Yes _____ No _____

3.6 If answer in '3.5' above is **YES** give details.

.....
.....
.....
.....
.....

3.7 Are you under a declaration of ineligibility for corrupt and fraudulent practices? YES _____ No _____

3.8 If answer in '3.7' above is **YES** give details:

.....
.....
.....
.....
.....

3.9 Have you offered or given anything of value to influence the procurement process? Yes _____ No _____

3.10 If answer in '3.9' above is **YES** give details

.....
.....
.....

I DECLARE that the information given on this form is correct to the best of my knowledge and belief.

Date Signature of Candidate

- If a Kenya Citizen, indicate under "Citizenship Details" whether by Birth, Naturalization or registration.

8.3 CONTRACT FORM

THIS AGREEMENT made the _____ day of _____ 20 _____ between Kenya Revenue Authority of Kenya of the one part and [name of tenderer] of [city and country of tenderer] (hereinafter called “the tenderer”) of the other part;

WHEREAS the Procuring entity invited tenders for certain works/goods] and has accepted a tender by the tenderer for the Supply, Delivery, Installation and Associated Works for Water Purification Dispensers in the sum of [contract price in words and figures] (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 referred to:
2. The following documents shall be deemed to form and be read and construed as part of this Agreement viz:
 - (a) the Tender Form and the Price Schedule submitted by the tenderer
 - (b) the Schedule of Requirements
 - (c) the Technical Specifications
 - (d) the General Conditions of Contract
 - (e) the Special Conditions of contract; and
 - (f) the Procuring entity’s Notification of Award
3. In consideration of the payments to be made by the Procuring entity to the tenderer as hereinafter mentioned, the tender hereby covenants with the Procuring entity to provide the works/ goods and to remedy defects therein in conformity in all respects with the provisions of the Contract
4. The Procuring entity hereby covenants to pay the tenderer in consideration of the Supply, Delivery, Installation and Associated Works for Water Purification Dispensers and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the contract.

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

Signed, sealed, delivered by _____ the _____ (for the Procuring entity

Signed, sealed, delivered by _____ the _____ (for the tenderer in the presence of _____
(Amend accordingly if provided by Insurance Company)

8.4 PERFORMANCE SECURITY FORM

To Kenya Revenue Authority

WHEREAS [*name of tenderer*]
(hereinafter called “the tenderer”) has undertaken, in pursuance of
Contract No. _____ [*KRA/HQS/NCB-035/2020-2021*]
dated ____ 20 _____ to Supply, Delivery, Installation and Associated
Works for Water Purification Dispensers/ (hereinafter called “the Contract”).

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

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

THEREFORE WE hereby affirm that we are Guarantors and responsible
to you, on behalf of the tenderer, up to a total of
[*amount of the guarantee in words and figure*] and we undertake to pay
you, upon your first written demand declaring the tenderer to be in default
under the Contract and without cavil or argument, any sum 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 the _____ day of _____ 20 ____

Signed and seal of the Guarantors

[*name of bank or financial institution*]

[*address*]

[*date*]

8.5 BANK GUARANTEE FOR ADVANCE PAYMENT FORM

To Kenya Revenue Authority

[name of tender]

Gentlemen and/or Ladies:

In accordance with the payment provision included in the Special Conditions of Contract, which amends the General Conditions of Contract to provide for advance payment, *[name and address of tenderer]*(hereinafter called “the tenderer”) shall deposit with the Procuring entity a bank guarantee to guarantee its proper and faithful performance under the said Clause of the Contract in an amount of *[amount of guarantee in figures and words]*.

We, the *[bank or financial institutions]*, as instructed by the tenderer, agree unconditionally and irrevocably to guarantee as primary obligator and not as surety merely, the payment to the Procuring entity on its first demand without whatsoever right of objection on our part and without its first claim to the tenderer, in the amount not exceeding *[amount of guarantee in figures and words]*

We further agree that no change or addition to or other modification of the terms of the Contract to be performed there-under or of any of the Contract documents which may be made between the Procuring entity and the tenderer, shall in any way release us from any liability under this guarantee, and we hereby waive notice of any such change, addition, or modification.

This guarantee shall remain valid in full effect from the date of the advance payment received by the tenderer under the Contract until *[Date]*.

Yours truly,

Signature and seal of the Guarantors

[name of bank or financial institution]

[address]

[date]

8.6 MANUFACTURER’S AUTHORIZATION FORM

To Kenya Revenue Authority

WHEREAS [name of the manufacturer] who are established and reputable manufacturers of [name and/or description of the goods] having factories at [address of factory] do hereby authorize [name and address of Agent] to submit a tender, and subsequently negotiate and sign the Contract with you against tender No. [reference of the Tender] for the above goods manufactured by us.

We hereby extend our full guarantee and warranty as per the General Conditions of Contract for the goods offered for supply by the above firm against this Invitation for Tenders.

[signature for and on behalf of manufacturer]

Note: This letter of authority should be on the letterhead of the Manufacturer and should be signed by a person competent.

8.7 LETTER OF NOTIFICATION OF AWARD

**Kenya Revenue Authority
P.O Box 48240 – 00100,
Nairobi,.**

To: _____

RE: Tender No. _____

Tender Name _____

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

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

Deputy commissioner,
Supply Chain Management
Haile Selassie Avenue, Times Tower, 25th Floor
Telephone: +254-020-2817022
Website www.kra.go.ke

FOR: **Commissioner-General**