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**INVITATION TO TENDER No: - IRA/059/2021-2022**

**TENDER NAME: TENDER FOR PROVISION OF INFORMATION  
SECURITY (IS) SOLUTION**

**CLOSING DATE & TIME: 17th November 2021 at 11:00 a.m.**

**NOVEMBER 2021**

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To All eligible tenderers,

**INVITATION TO TENDER (ITT)**

**IRA/059/2021 – 2022 TENDER FOR PROVISION OF INFORMATION SECURITY (IS) SOLUTION**

1. The Insurance Regulatory Authority (IRA) is a statutory government agency established under the Insurance Act (Amendment) 2006, CAP 487 of the Laws of Kenya to regulate, supervise and promote the development of the insurance industry in Kenya.
2. IRA invites sealed tenders from eligible Suppliers for the **Provision of Information Security (IS) Solution** comprising of the following: -
  - a) Security Information and Event Management Solution
  - b) Network Admission Control Solution
  - c) Privileged Access Management Solution
  - d) Database Activity Monitoring Solution
  - e) Vulnerability Management Solution
3. Tendering will be conducted under open National competitive tendering method using a standardized tender document. Tendering is open to all qualified and interested tenderers. Tenderer shall be to offer all the solution as a package. Tenderers may associate to to deliver the solution as Joint Venture.
4. Qualified and interested tenderers may obtain further information and inspect the Tender Documents during office hours **9:00 a.m. to 4:00 p.m.** at the address given below.
5. A complete set of tender documents may be purchased or obtained by interested tenderers upon payment of a non- refundable fees of Kes. 1,000.00 in cash or Banker's Cheque and payable to the address given below. Tender documents may be obtained electronically from IRA's Website [www.ira.go.ke](http://www.ira.go.ke) and Public Procurement Information Portal [www.tenders.go.ke](http://www.tenders.go.ke). Tender documents obtained electronically will be free of charge.
6. Tenderers who download the tender document **SHALL** be required to forward their particulars immediately to the Office of Procurement Manager on [procurement@ira.go.ke](mailto:procurement@ira.go.ke) with a copy to [fc helimo@ira.go.ke](mailto:fc helimo@ira.go.ke) to facilitate effective communication to any clarifications or addenda.
7. All Tenders must be accompanied by a tender Security of **Kes.750,000.00** (Seven Hundred Fifty Thousand) valid 30 days beyond the tender validity period.
8. The Tenderer shall provide a well bound and chronologically serialize all pages of the tender documents submitted from page 1 to the last page.
9. Completed tenders must be delivered to the address below on or before **17th November 2021 at 11:00 a.m.** Electronic tenders will not be permitted. Hand copies of the tender document shall be deposited in the Tender Box situated at Insurance Regulatory Authority, Zep-Re Place, 10<sup>th</sup> Floor, Longonot Road, Upper Hill, Nairobi or be addressed to: -

Chief Executive Officer (CEO),  
Insurance Regulatory Authority,  
10th Floor, Zep-Re Place, Longonot Road, Upper Hill,  
P.O. Box 43505 – 00100,  
**NAIROBI, KENYA**  
[procurement@ira.go.ke](mailto:procurement@ira.go.ke)

Bulky tenders which will not fit in the tender box shall be delivered to the office of the Manager, Procurement situated on 10<sup>th</sup> Floor Zep-Re Place.

10. Tenders will be opened immediately after the deadline date and time specified above or any dead line date and time specified later. Tenders will be publicly opened in the presence of the Tenderers' designated representatives who choose to attend at the address below.
11. Late tenders will be rejected.

**FELIX CHELIMO**  
**MANAGER, PROCUREMENT**  
**FOR: INSURANCE REGULATORY AUTHORITY**



## **PART 1 - TENDERING PROCEDURES**

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### **SECTION I - INSTRUCTIONS TO TENDERERS (ITT)**

#### **A. GENERAL**

##### **1. Scope of Tender**

- 1.1** The Procuring Entity, as indicated **in the TDS**, issues this tendering document for the supply and installation of the Information System as specified in Section V, Procuring Entity's Requirements. The name, identification and number of lots (contracts) of this ITT are specified **in the TDS**.

##### **2. Definitions**

- 2.1 Unless otherwise stated, throughout this tendering document definitions and interpretations shall be as prescribed in the Section VI, General Conditions of Contract.
- 2.2 Throughout this tendering document:
- a) The term "in writing" means communicated in written form (e.g., by mail, e-mail, fax, including if specified in the TDS, distributed or received through the electronic-procurement system used by the Procuring Entity) with proof of receipt;
  - b) If the context so requires, "singular" means "plural" and vice versa; and
  - c) "Day" means calendar day, unless otherwise specified as "Business Day". A Business Day is any day that is an official working day of the Procuring Entity. It excludes the Procuring Entity's official public holidays.
  - d) "Information System" shall carry the same meaning as "Information Technology".

##### **3. Fraud and Corruption**

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

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

#### **4. Eligible Tenderers**

- 4.1 A Tenderer may be a firm that is a private entity, a state-owned enterprise or institution subject to ITT 4.6, or any combination of such entities in the form of a joint venture (JV) under an existing agreement or with the intent to enter in to such an agreement supported by a Form of Intent. Public employees and their close relatives (*spouses, children, brothers, sisters and uncles and aunts*) are not eligible to participate in the tender. In the case of a joint venture, all members shall be jointly and severally liable for the execution of the contract in accordance with the Contract terms. The JV shall nominate a Representative who shall have the authority to conduct all business for and on behalf of any and all the members of the JV during the Tendering process and, in the event the JV is awarded the contract, during contract execution. Members of a joint venture may not also make an individual tender, be a subcontractor in a separate tender or be part of another joint venture for the purposes of the same Tender. The maximum number of JV members shall be specified in the TDS.
- 4.2 Public Officers of the Procuring Entity, their Spouses, Child, Parent, Brothers or Sister. Child, Parent, Brother or Sister of a Spouse, their business associates or agents and firms / organizations in which they have a substantial or controlling interest shall not be eligible to tender or be awarded a contract. Public Officers are also not allowed to participate in any procurement proceedings.
- 4.3 A Tenderer shall not have a conflict of interest. Any Tenderer found to have a conflict of interest shall be disqualified. A Tenderer may be considered to have a conflict of interest for the purpose of this Tendering process, if the Tenderer:
- a) Directly or indirectly controls, is controlled by or is under common control with another Tenderer; or
  - b) Receives or has received any direct or indirect subsidy from another Tenderer; or
  - c) Has the same legal representative as another Tenderer; or
  - d) Has a relationship with another Tenderer, directly or through common third parties, that puts it in a position to influence the Tender of another Tenderer, or influence the decisions of the Procuring Entity regarding this Tendering process; or
  - e) Any of its affiliates participates as a consultant in the preparation of the design or technical specifications of the Information System that are the subject of the Tender; or
  - f) Or any of its affiliates has been hired (or is proposed to be hired) by the Procuring Entity or Procuring Entity as Project Manager for the Contract implementation; or
  - g) Would be providing goods, works, or non-consulting services resulting from or directly related to consulting services for the preparation or implementation of the project specified in the TDSITT2.1 that it provided or were provided by any affiliate that directly or indirectly controls, is controlled by, or is under common control with that firm; or
  - h) Has a close business or family relationship with a professional staff of the Procuring Entity who? -
    - i) Are directly or indirectly involved in the preparation of the tendering document or specifications of the Contract, and/ or the Tender evaluation process of such Contract. or
    - ii) Would be involved in the implementation or supervision of such Contract unless the conflict stemming from such relationship has

been resolved in a manner acceptable to the Procuring Entity throughout the Tendering process and execution of the Contract.

- 4.4 A firm that is a Tenderer (either individually or as a JV member) shall not participate as a Tenderer or as JV member in more than one Tender except for permitted alternative Tenders. Such participation shall result in the disqualification of all Tenders in which the firm is involved. However, this does not limit the participation of a Tenderer as subcontractor in another Tender or of a firm as a subcontractor in more than one Tender.
- 4.5 A Tenderer may have the nationality of any country, subject to the restrictions pursuant to ITT 4.9. A Tenderer shall be deemed to have the nationality of a country if the Tenderer is constituted, incorporated or registered in and operates in conformity with the provisions of the laws of that country, as evidenced by its articles of incorporation (or equivalent documents of constitution or association) and its registration documents, as the case may be. This criterion also shall apply to the determination of the nationality of proposed sub-contractors or sub-consultants for any part of the Contract including related Services.
- 4.6** A Tenderer that has been debarred from participating in public procurement shall be ineligible to tender or be awarded a contract. The list of debarred firms and individuals is available from the website of PPRA [www.ppra.go.ke](http://www.ppra.go.ke).
- 4.7 Tenderers that are state-owned enterprises or institutions in Kenya may be eligible to compete and be awarded a Contract(s) only if they can establish that they (i) are legally and financially autonomous (ii) operate under commercial law, and (iii) are not under supervision of the Procuring Entity.
- 4.8 Firms and individuals may be ineligible if (a) as a matter of law or official regulations, Kenya prohibits commercial relations with that country, or (b) by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, Kenya prohibits any import of goods or contracting of works or services from that country, or any payments to any country, person, or entity in that country.
- 4.9 The Procuring Entity may require tenderers to be registered with certain authorities in Kenya. Such registration shall be defined in the **TDS**, but care must be taken to ensure such registration requirement does not discourage competition, nor exclude competent tenderers. Registration shall not be a condition for tender, but where a selected tenderer is not so registered, the tenderer shall be given opportunity to register before signing of the contract.
- 4.10 Foreign tenderers are required to source at least forty (40%) percent of their contract inputs (in supplies, subcontracts and labor) from national suppliers and contractors. To this end, a foreign tenderer shall provide in its tender documentary evidence that this requirement is met. Foreign tenderers not meeting this criterion will be automatically disqualified. Information required to enable the Procuring Entity determine if this condition is met shall be provided in for this purpose is provided in "SECTION III- EVALUATION AND QUALIFICATION CRITERIA, Item 9".
- 4.11 Pursuant to the eligibility requirements of ITT 4.11, a tenderer is considered a foreign tenderer, if it is registered in Kenya, has less than 51 percent ownership by nationals of Kenya and if it does not subcontract foreign contractors more than 10 percent of the contract price, excluding provisional sums. JVs are considered as foreign tenderers if the individual member firms are registered in Kenya have less than 51 percent ownership by nationals of Kenya. The JV shall not subcontract to foreign firms more than 10 percent of the contract price, excluding provisional sums.
- 4.12 The Competition Act of Kenya requires that firms wishing to tender as Joint Venture undertakings which may prevent, distort or lessen competition in provision of services are prohibited unless they are exempt in accordance with the provisions of Section 25 of the Competition Act, 2010. JVs will be required to seek for exemption from the Competition Authority. Exemption shall not be a condition

for tender, but it shall be a condition of contract award and signature. A JV tenderer shall be given opportunity to seek such exemption as a condition of award and signature of contract. Application for exemption from the Competition Authority of Kenya may be accessed from the website [www.cak.go.ke](http://www.cak.go.ke)

- 4.13 Tenderers shall be considered ineligible for procurement if they offer goods, works and production processes with characteristics that have been declared by the relevant national environmental protection agency or by other competent authority as harmful to human beings and to the environment.
- 4.14 A Kenyan tenderer shall be eligible to tender if it provides evidence of having fulfilled his/her tax obligations by producing a valid tax compliance certificate or tax exemption certificate issued by the Kenya Revenue Authority.

## **5. Eligible Goods and Services**

- 5.1 The Information Systems to be supplied under the Contract may have their origin in any eligible country.
- 5.2 For the purposes of this tendering document, the term “Information System” means all:
  - i) the required information technologies, including all information processing and communications-related hardware, software, supplies, and consumable items that the Supplier is required to supply and install under the Contract, plus all associated documentation, and all other materials and goods to be supplied, installed, integrated, and made operational; and
  - ii) the related software development, transportation, insurance, installation, customization, integration, commissioning, training, technical support, maintenance, repair, and other services necessary for proper operation of the Information System to be provided by the selected Tenderer and as specified in the Contract.
- 5.3 For purposes of ITT 5.1 above, “origin” means the place where the goods and services making the Information System are produced in or supplied from. An Information System is deemed to be produced in a certain country when, in the territory of that country, through software development, manufacturing, or substantial and major assembly or integration of components, a commercially recognized product results that is substantially different in basic characteristics or in purpose or utility from its components.
- 5.4 Any goods, works and production processes with characteristics that have been declared by the relevant national environmental protection agency or by other competent authority as harmful to human beings and to the environment shall not be eligible for procurement under this Act.

## **B. CONTENTS OF TENDERING DOCUMENT**

### **6 Sections of Tendering Document**

#### **PART 1 - Tendering Procedures**

Section I - Instructions to Tenderers (ITT)

Section II - Tender Data Sheet (TDS)

Section III - Evaluation and Qualification Criteria

Section IV - Tendering Forms

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

Section V - Requirements of the Information Systems

Section VI - Technical Requirements

Section VII - Implementation Schedule

Section VIII - System Inventory Tables

Section IX - Background and Informational Materials

#### **PART 3 - Contract**

Section X - General Conditions of Contract

Section XII - Special Conditions of Contract

Section XIII - Contract Forms

- 6.1 The Invitation to Tender Notice issued by the Procuring Entity is not part of this tendering document.
- 6.2 Unless obtained directly from the Procuring Entity, the Procuring Entity is not responsible for the completeness of the document, responses to requests for clarification, the Minutes of the pre-Tender meeting (if any), or Addenda to the tendering document in accordance with ITT 10. In case of any contradiction, documents obtained directly from the Procuring Entity shall prevail.
- 6.3 The Tenderer is expected to examine all instructions, forms, terms, and specifications in the tendering document and to furnish with its Tender all information or documentation as is required by the tendering document.

### **7 Site Visit**

- 7.1 The Tenderer, at the Tenderer's own responsibility and risk, is encouraged to visit and examine the Site of the Required Services and its surroundings and obtain all information that may be necessary for preparing the Tender and entering in to a contract for the Services. The costs of visiting the Site shall be the Tenderer's own expense.



## **8 Pre-Tender Meeting and a pre- arranged pretender visit of the site of the works**

- 8.1 The Procuring Entity shall specify in the **TDS** if a pre-tender conference will be held, when and where. The Procuring Entity shall also specify in the **TDS** if a pre- arranged pretender visit of the site of the works will be held and when. The Tenderer's designated representative is invited to attend a pre-arranged pretender visit of the site of the works. The purpose of the meeting will be to clarify issues and to answer questions on any matter that may be raised at that stage.
- 8.2 The Tenderer is requested to submit any questions in writing, to reach the Procuring Entity not later than the period specified in the **TDS** before the meeting.
- 8.3 Minutes of the pre-Tender meeting and the pre-arranged pre-tender visit of the site of the works, if applicable, including the text of the questions asked by Tenderers and the responses given, together with any responses prepared after the meeting, will be transmitted promptly to all Tenderers who have acquired the Tender Documents in accordance with ITT 6.3. Minutes shall not identify the source of the questions asked.
- 8.4 The Procuring Entity shall also promptly publish anonymized (*no names*) Minutes of the pre-Tender meeting and the pre-arranged pre-tender visit of the site of the works at the web page identified **in the TDS**. Any modification to the Tender Documents that may become necessary as a result of the pre-Tender meeting shall be made by the Procuring Entity exclusively through the issue of an Addendum pursuant to ITT 10 and not through the minutes of the pre-Tender meeting. Nonattendance at the pre-Tender meeting will not be a cause for disqualification of a Tenderer.

## **9 Clarification of Tender Documents**

- 9.1 A Tenderer requiring any clarification of the Tender Document shall contact the Procuring Entity in writing at the Procuring Entity's address specified in the TDS or raise its enquiries during the pre-Tender meeting and the pre- arranged pretender visit of the site of the works if provided for in accordance with ITT 8.4. The Procuring Entity will respond in writing to any request for clarification, provided that such request is received no later than the period specified in the TDS prior to the deadline for submission of tenders. The Procuring Entity shall forward copies of its response to all tenderers who have acquired the Tender Documents in accordance with ITT 6.3, including a description of the inquiry but without identifying its source. If so specified in the **TDS**, the Procuring Entity shall also promptly publish its response at the web page identified in the **TDS**. Should the clarification resulting changes to the essential elements of the Tender Documents, the Procuring Entity shall amend the Tender Documents appropriately following the procedure under ITT 10.

## **10 Amendment of Tendering Document**

- 10.1 At any time prior to the deadline for submission of Tenders, the Procuring Entity may amend the Tendering document by issuing addenda.
- 10.2 Any addendum issued shall be part of the tendering document and shall be communicated in writing to all who have obtained the tendering document from the Procuring Entity in accordance with ITT 6.3. The Procuring Entity shall also promptly publish the addendum on the Procuring Entity's webpage in accordance with ITT 8.1.
- 10.3 To give prospective Tenderers reasonable time in which to take an addendum into account in preparing their Tenders, the Procuring Entity shall extend, as necessary, the deadline for submission of Tenders, in accordance with ITT 24.2 below.

## C. PREPARATION OF TENDERS

### 11 Cost of Tendering

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

### 12 Language of Tender

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

### 13 Documents Comprising the Tender

- 13.1 The Tender submitted by the Tenderer shall comprise the following:
- a) **Form of Tender** prepared in accordance with ITT 14;
  - b) **Price Schedules** completed in accordance with ITT 14 and ITT 16;
  - c) **Tender Security or Tender-Securing Declaration** in accordance with ITT 22;
  - d) **Alternative Tender:** if permissible, in accordance with ITT 15;
  - e) **Authorization:** written confirmation authorizing the signatory of the Tender to commit the Tenderer, in accordance with ITT 23.3;
  - f) **Eligibility of Information System:** documentary evidence established in accordance with ITT 16.1 that the Information System offered by the Tenderer in its Tender or in any alternative Tender, if permitted, are eligible;
  - g) **Tenderer's Eligibility:** documentary evidence in accordance with ITT 17 establishing the Tenderer's eligibility and qualifications to perform the contract if its Tender is accepted;
  - h) **Conformity:** documentary evidence established in accordance with ITT 18 that the Information System offered by the Tenderer conform to the tendering document;
  - i) **Subcontractors:** list of subcontractors, in accordance with ITT 18.4;
  - j) **Intellectual Property:** a list of: Intellectual Property as defined in GCC Clause 15;
    - i) All Software included in the Tender, assigning each item to one of the software categories defined in GCC Clause 1.1(C):
      - a. System, General Purpose, and Application Software; or
      - b. Standard and Custom Software;
    - ii) All Custom Materials, as defined in GCC Clause 1.1(c), included in the Tender;

*All Materials not identified as Custom Materials shall be deemed Standard Materials, as defined in GCC Clause 1.1 (c); Re-assignments among the Software and Materials categories, if necessary, will be made during the implementation of the Contract according to GCC Clause 39 (Changes to the Information System); and*
  - k) Any other document required **in the TDS.**

- 13.2 In addition to the requirements under ITT 13.1, Tenders submitted by a JV shall include a copy of the Joint Venture Agreement entered into by all members indicating at least the parts of the Information System to be executed by the respective members. Alternatively, a Form of intent to execute a Joint Venture Agreement in the information System to be executed by the respective members.
- 13.3 The Tenderer shall furnish in the Form of Tender information on commissions and gratuities, if any, paid or to be paid to agents or any other party relating to this Tender. The Tenderer shall serialize page so fall tender documents submitted.

#### **14 Form of Tender and Price Schedules**

- 14.1 The Tenderer shall complete the Form of Tender, including the appropriate Price Schedules, using the relevant forms furnished in Section IV, Tendering Forms. The forms must be completed without any alterations to the text, and no substitutes shall be accepted except as provided under ITT 21.3. All blank spaces shall be filled in with the information requested. The Tenderer shall chronologically serialize all pages of the tender documents submitted.

#### **15 Alternative Tenders**

- 15.1 The TDS indicates whether alternative Tenders are allowed. If they are allowed, the **TDS** will also indicate whether they are permitted in accordance with ITT 13.3, or invited in accordance with ITT 13.2 and/or ITT 13.4.
- 15.2 When alternatives to the Time Schedule are explicitly invited, a statement to that effect will be included **in the TDS**, and the method of evaluating different time schedules will be described in Section III, Evaluation and Qualification Criteria.
- 15.3 Except as provided under ITT 15.4 below, Tenderers wishing to offer technical alternatives to the Procuring Entity's requirements as described in the tendering document must also provide: (i) a price at which they are prepared to offer an Information System meeting the Procuring Entity's requirements; and (ii) all information necessary for a complete evaluation of the alternatives by the Procuring Entity, including drawings, design calculations, technical specifications, breakdown of prices, and proposed installation methodology and other relevant details. Only the technical alternatives, if any, of the Tenderer with the Best Evaluated Tender conforming to the basic technical requirements shall be considered by the Procuring Entity.
- 15.4 When Tenderers are invited **in the TDS** to submit alternative technical solutions for specified parts of the system, such parts shall be described in Section V, Procuring Entity's Requirements. Technical alternatives that comply with the performance and technical criteria specified for the Information System shall be considered by the Procuring Entity on their own merits, pursuant to ITT 35.

#### **16 Documents Establishing the Eligibility of the Information System**

- 16.1 To establish the eligibility of the Information System in accordance with ITT 5, Tenderers shall complete the country-of-origin declarations in the Price Schedule Forms, included in Section IV, Tendering Forms.

#### **17 Documents Establishing the Eligibility and Qualifications of the Tenderer**

- 17.1 To establish its eligibility and qualifications to perform the Contracting accordance with Section III, Evaluation and Qualification Criteria, the Tenderer shall provide the information requested in the corresponding information sheets included in Section IV, Tendering Forms.
- 17.2 In the event that pre-qualification of potential Tenderers has been undertaken as stated **in the TDS**, only Tenders from pre-qualified Tenderers shall be considered for award of Contract. These qualified Tenderers should submit with their Tenders any information updating their original pre-qualification applications or, alternatively, confirm in their Tenders that the originally submitted pre-



qualification information remains essentially correct as of the date of Tender submission.

- 17.3 Tenderers shall be asked to provide, as part of the data for qualification, such information, including details of ownership, as shall be required to determine whether, according to the classification established by the Procuring Entity, a particular contractor or group of contractors qualifies for a margin of preference. Further the information will enable the Procuring Entity identify any actual or potential conflict of interest in relation to the procurement and/or contract management processes, or a possibility of collusion between tenderers, and thereby help to prevent any corrupt influence in relation to the procurement process or contract management.
- 17.4 The purpose of the information described in ITT 15.1 above overrides any claims to confidentiality which a tenderer may have. There can be no circumstances in which it would be justified for a tenderer to keep information relating to its ownership and control confidential where it is tendering to undertake public sector work and receive public sector funds. Thus, confidentiality will not be accepted by the Procuring Entity as a justification for a Tenderer's failure to disclose, or failure to provide required information on its ownership and control.
- 17.5 The Tenderer shall provide further documentary proof, information or authorizations that the Procuring Entity may request in relation to ownership and control, any changes to the information which was provided by the tenderer under ITT 6.3. The obligations to require this information shall continue for the duration of the procurement process and contract performance and after completion of the contract, if any change to the information previously provided may reveal a conflict of interest in relation to the award or management of the contract.
- 17.6 All information provided by the tenderer pursuant to these requirements must be complete, current and accurate as at the date of provision to the Procuring Entity. In submitting the information required pursuant to these requirements, the Tenderer shall warrant that the information submitted is complete, current and accurate as at the date of submission to the Procuring Entity.
- 17.7 If a tenderer fails to submit the information required by these requirements, its tenderer will be rejected. Similarly, if the Procuring Entity is unable, after taking reasonable steps, to verify to a reasonable degree the information submitted by a tenderer pursuant to these requirements, then the tender will be rejected.
- 17.8 If information submitted by a tenderer pursuant to these requirements, or obtained by the Procuring Entity (whether through its own enquiries, through notification by the public or otherwise), shows any conflict of interest which could materially and improperly benefit the tenderer in relation to the procurement or contract management process, then:
- a) If the procurement process is still ongoing, the tenderer will be disqualified from the procurement process,
  - b) If the contract has been awarded to that tenderer, the contract award will be set aside,
  - c) the tenderer will be referred to the relevant law enforcement authorities for investigation of whether the tenderer or any other persons have committed any criminal offence.
- 17.9 If a tenderer submits information pursuant to these requirements that is incomplete, inaccurate or out-of-date, or attempts to obstruct the verification process, then the consequences ITT 6.7 will ensue unless the tenderer can show to the reasonable satisfaction of the Procuring Entity that any such act was not material, or

was due to genuine error which was not attributable to the intentional act, negligence or recklessness of the tenderer.

## **18 Documents Establishing Conformity of the Information System**

18.1 Pursuant to ITT 11.1(h), the Tenderer shall furnish, as part of its Tender documents establishing the conformity to the tendering documents of the Information System that the Tenderer proposes to design, supply and install under the Contract.

18.2 The documentary evidence of conformity of the Information System to the tendering documents including:

- a) Preliminary Project Plan describing, among other things, the methods by which the Tenderer will carry out its overall management and coordination responsibilities if awarded the Contract, and the human and other resources the Tenderer proposes to use. The Preliminary Project Plan must also address any other topics **specified in the TDS**. In addition, the Preliminary Project Plan should state the Tenderer's assessment of what it expects the Procuring Entity and any other party involved in the implementation of the Information System to provide during implementation and how the Tenderer proposes to coordinate the activities of all involved parties;
- b) Written confirmation that the Tenderer accepts responsibility for the successful integration and inter- operability of all components of the Information System as required by the tendering documents;
- c) An item-by-item commentary on the Procuring Entity's Technical Requirements, demonstrating the substantial responsiveness of the Information System offered to those requirements. In demonstrating responsiveness, the Tenderer is encouraged to use the Technical Responsiveness Checklist (or Checklist Format) in the Sample Tendering Forms (Section IV). The commentary shall include explicit cross- references to the relevant pages in the supporting materials included in the tender. Whenever a discrepancy arises between the item-by-item commentary and any catalogs, technical specifications, or other preprinted materials submitted with the tender, the item-by-item commentary shall prevail;
- d) Support material (e.g., product literature, white papers, narrative descriptions of technologies and/or technical approaches), as required and appropriate; and
- e) Any separate and enforceable contract(s) for Recurrent Cost items which the TDS ITT 17.2 required Tenderers to tender.

18.3 References to brand names or model numbers or national or proprietary standards designated by the Procuring Entity in the tendering documents are intended to be descriptive and not restrictive. Except where explicitly prohibited in the **TDS** for specific items or standards, the Tenderer may substitute alternative brand /model names or standards in its tender, provided that it demonstrates to the Procuring Entity's satisfaction that the use of the substitute(s) will result in the Information System being able to perform substantially equivalent to or better than that specified in the Technical Requirements.

18.4 For major items of the Information System as listed by the Procuring Entity in Section III, Evaluation and Qualification Criteria, which the Tenderer intends to purchase or subcontract, the Tenderer shall give details of the name and nationality of the proposed subcontractors, including manufacturers, for each of those items. In addition, the Tenderer shall include in its Tender information establishing compliance with the requirements specified by the Procuring Entity for these items. Quoted rates and prices will be deemed to apply to whichever subcontractor is appointed, and no adjustment of the rates and prices will be permitted.

- 18.5 The Tenderer shall be responsible for ensuring that any subcontractor proposed complies with the requirements of ITT 4, and that any goods or services to be provided by the subcontractor comply with the requirements of ITT 5 and ITT 16.1.

## **19 Tender Prices**

- 19.1 All Goods and Services identified in the Supply and Installation Cost Sub-Tables in System Inventory Tables in Section VII, and all other Goods and Services proposed by the Tenderer to fulfill the requirements of the Information System, must be priced separately and summarized in the corresponding cost tables in the Sample Tendering Forms (Section IV), in accordance with the instructions provided in the tables and in the manner specified below.
- 19.2 **Unless otherwise specified in the TDS**, the Tenderer must also tender Recurrent Cost Items specified in the Technical Requirements, Recurrent Cost Sub-Table of the System Inventory Tables in Section VII (if any). These must be priced separately and summarized in the corresponding cost table in the Sample Tendering Forms (Section IV), in accordance with the instructions provided in the tables and in the manner specified below:
- a) **If specified in the TDS**, the Tenderer must also tender separate enforceable contracts for the Recurrent Cost Items not included in the main Contract;
  - b) prices for Recurrent Costs are all-inclusive of the costs of necessary Goods such as spare parts, software license renewals, labor, etc., needed for the continued and proper operation of the Information System and, if appropriate, of the Tenderer's own allowance for price increases;
  - c) prices for Recurrent Costs beyond the scope of warranty services to be incurred during the Warranty Period, defined in GCC Clause 29.4 and prices for Recurrent Costs to be incurred during the Post-Warranty Period, defined in SCC Clause 1.1. (e) (xiii), shall be quoted as Service prices on the Recurrent Cost Sub-Table in detail, and on the Recurrent Cost Summary Table in currency totals.
- 19.3 Unit prices must be quoted at a level of detail appropriate for calculation of any partial deliveries or partial payments under the contract, in accordance with the Implementation Schedule in Section VII), and with GCC and SCC Clause 12 – Terms of Payment. Tenderers may be required to provide a breakdown of any composite or lump-sum items included in the Cost Tables
- 19.4 The price of items that the Tenderer has left blank in the cost tables provided in the Sample Tender Forms (Section IV) shall be assumed to be included in the price of other items. Items omitted altogether from the cost tables shall be assumed to be omitted from the tender and, provided that the tender is substantially responsive, an adjustment to the tender price will be made during tender evaluation in accordance with ITT 31.3.
- 19.5 The prices for Goods components of the Information System are to be expressed and shall be defined and governed in accordance with the rules prescribed in the edition of incoterms **specified in the TDS**, as follows:
- a) Goods supplied from outside Kenya: **Unless otherwise specified in the TDS**, the prices shall be quoted on a CIF (named place of destination) basis, exclusive of all taxes, stamps, duties, levies, and fees imposed in Kenya. The named place of destination and special instructions for the contract of carriage are as specified in the SCC for GCC 1.1(e) (iii). In quoting the price, the Tenderer shall be free to use transportation through carriers registered in any eligible countries. Similarly, the Tenderer may obtain insurance services from any eligible source country;
  - b) Locally supplied Goods: Unit prices of Goods offered from within Kenya, shall be quoted on an EXW (ex- factory, ex works, ex ware house or off- the-shelf, as applicable) basis, including all customs duties, levies, fees, sales and other taxes incurred until delivery of the Goods, but excluding all VAT or sales and

other taxes and duties/fees incurred for the Goods at the time of invoicing or sales transaction, if the Contract is awarded; and

c) Inland transportation.

- 19.6 Unless otherwise stated in the **TDS**, inland transportation, insurance and related local costs incidental to the delivery of the Goods to the designated Project Sites must be quoted separately as a Service item in accordance with ITT 17.5, whether the Goods are to be supplied locally or from outside Kenya, except when these costs are already included in the price of the Goods, as is, e.g., the case, when ITT 17.5 (a) specifies CIP, and the named places of destination are the Project Sites.
- 19.7 The price of Services shall be separated into their local and foreign currency components and where appropriate, broken down into unit prices. Prices must include all taxes, duties, levies and fees whatsoever, except only VAT or other indirect taxes, or stamp duties, that may be assessed and/ or apply in Kenya /to the price of the Services invoiced to the Procuring Entity, if the Contract is awarded.
- 19.8 Unless otherwise specified in the **TDS**, the prices must include all costs incidental to the performance of the Services, as incurred by the Supplier, such as travel, subsistence, office support, communications, translation, printing of materials, etc. Costs incidental to the delivery of the Services but incurred by the Procuring Entity or its staff, or by third parties, must be included in the price only to the extent such obligations are made explicit in these tendering documents (as, e.g., a requirement for the Tenderer to include the travel and subsistence costs of trainees).
- 19.9 Unless otherwise specified in the **TDS**, prices quoted by the Tenderer shall be fixed during the Tenderer's performance of the Contract and not subject to increases on any account. Tenders submitted that are subject to price adjustment will be rejected.

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

- 20.1 The currency(ies) of the Tender and currencies of payment shall be the same. The Tenderer shall quote in Kenya shillings the portion of the Tender price that corresponds to expenditures incurred in Kenya currency, unless otherwise specified **in the TDS**.
- 20.2 The Tenderer may express the Tender price in any currency. If the Tenderer wishes to be paid in a combination of amounts in different currencies, it may quote its price accordingly but shall use no more than **two foreign currencies** in addition to Kenyan currency.

## **21 Period of Validity of Tenders**

- 21.1 Tenders shall remain valid for the period specified **in the TDS** after the Tender submission deadline date prescribed by the Procuring Entity in accordance with ITT 23.1. A Tender valid for a shorter period shall be rejected by the Procuring Entity as non-responsive.
- 21.2 exceptional circumstances, prior to the expiration of the Tender validity period, the Procuring Entity may request Tenderers to extend the period of validity of their Tenders. The request and the responses shall be made in writing. If a Tender Security is requested in accordance with ITT 20.1, it shall also be extended for thirty days (30) beyond the deadline of the extended validity period. A Tenderer may refuse the request without forfeiting its Tender Security. A Tenderer granting the request shall not be required or permitted to modify its Tender, except as provided in ITT 19.3.

## **22 Tender Security**

- 22.1 The Tenderer shall furnish as part of its Tender, either a Tender-Securing Declaration or a Tender Security as specified **in the TDS**, in original form and, in the case of a Tender Security, in the amount and currency specified **in the TDS**.

22.2 A Tender-Securing Declaration shall use the form included in Section IV, Tendering Forms.

22.3 If a Tender Security is specified pursuant to ITT 20.1, the tender security shall be a demand guarantee in any of the following forms at the Tenderer's option:

- a) cash;
- b) a bank guarantee;
- c) a guarantee by an insurance company registered and licensed by the Insurance Regulatory Authority listed by the Authority; or
- d) a guarantee issued by a financial institution approved and licensed by the Central Bank of Kenya,
- e) any other form specified in the TDS.**

If an unconditional guarantee is issued by a non-bank financial institution located outside Kenya, the issuing non-bank financial institution shall have a correspondent financial institution located in Kenya to make it enforceable unless the Procuring Entity has agreed in writing, prior to Tender submission, that a correspondent financial institution is not required.

22.4 In the case of a bank guarantee, the Tender Security shall be submitted either using the Tender Security Form included in Section IV, Tendering Forms or in another substantially similar format approved by the Procuring Entity prior to Tender submission. In neither case, the form must include the complete name of the Tenderer. The Tender Security shall be valid for thirty days (30) beyond the original validity period of the Tender, or beyond any period of extension if requested under ITT 19.2.

22.5 If a Tender Security or a Tender-Securing Declaration is specified pursuant to ITT 20.1, any Tender not accompanied by a substantially responsive Tender Security or Tender-Securing Declaration shall be rejected by the Procuring Entity as non-responsive.

22.6 The Tender Security shall be returned/release as promptly as possible.

- a) The procurement proceedings are terminated;
- b) The procuring entity determines that none of the submitted tenders is responsive;
- c) A bidder declines to extend the tender validity;
- d) Once the successful Tenderer has signed the Contract and furnished the required Performance Security.

22.7 The Tender Security may be forfeited or the Tender-Securing Declaration executed:

- a) if a Tenderer withdraws its Tender during the period of Tender validity specified by the Tenderer on the Form of Tender; or
- b) if the successful Tenderer fails to:**
  - i) sign the Contract in accordance with ITT 47; or
  - ii) furnish a performance security in accordance with ITT 48.

22.8 Where the Tender-Securing Declaration is executed the Procuring Entity will recommend to the PPRA to debar the Tenderer from participating in public procurement as provided in the law.

22.9 The Tender Security or the Tender-Securing Declaration of a JV shall be in the name of the JV that submits the tender. If the JV has not been legally constituted in to a legally enforceable JV at the time of Tendering, the Tender Security or the Tender-Securing Declaration shall be in the names of all future members as named in the Form of intent referred to in ITT 4.1 and ITT 11.2.

22.10 A tenderer shall not issue a tender security to guarantee itself.



## **23 Format and Signing of Tender**

- 23.1 The Tenderer shall prepare one original of the documents comprising the Tender as described in ITT 11 and clearly mark it "ORIGINAL." Alternative Tenders, if permitted in accordance with ITT 13, shall be clearly marked "ALTERNATIVE". In addition, the Tenderer shall submit copies of the Tender, in the number specified **in the TDS** and clearly mark them "COPY." In the event of any discrepancy between the original and the copies, the original shall prevail.
- 23.2 Tenderers shall mark as "CONFIDENTIAL" information in their Tenders which is confidential to their business. This may include proprietary information, trade secrets, or commercial or financially sensitive information.
- 23.3 The original and all copies of the Tender shall be typed or written in indelible ink and shall be signed by a person duly authorized to sign on behalf of the Tenderer. This authorization shall consist of a written confirmation as specified **in the TDS** and shall be attached to the Tender. The name and position held by each person signing the authorization must be typed or printed below the signature. All pages of the Tender where entries or amendments have been made shall be signed or initialed by the person signing the Tender.
- 23.4 In case the Tenderer is a JV, the Tender shall be signed by an authorized representative of the JV on behalf of the JV, and so as to be legally binding on all the members as evidenced by a power of attorney signed by their legally authorized representatives.
- 23.5 Any interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the person signing the Tender.

## **D. SUBMISSION AND OPENING OF TENDERS**

### **24 Submission, Sealing and Marking of Tenders**

- 24.1 The Tenderer shall deliver the Tender in a single, sealed envelope (one (1) envelope process). Within the single envelope the Tenderer shall place the following separate, sealed envelopes:
  - a) In an envelope marked "ORIGINAL", all documents comprising the Tender, as described in ITT 11; and
  - b) In an envelope marked "COPIES", all required copies of the Tender; and,
  - c) If alternative Tenders are permitted in accordance with ITT 13, and if relevant:
    - i) In an envelope marked "ORIGINAL-ALTERNATIVE TENDER", the alternative Tender; and
    - ii) in the envelope marked "COPIES – ALTERNATIVE TENDER" all required copies of the alternative Tender.
- 24.2 The inner envelopes shall:
  - a) Bear the name and address of the Tenderer;
  - b) Be addressed to the Procuring Entity/ Employer in accordance with ITT 23.1;
  - c) Bear the specific identification of this Tendering process specified in accordance with ITT 1.1; and
  - d) Bear a warning not to open before the time and date for Tender opening.

The outer envelopes shall:

- e) Be addressed to the Procuring Entity/ Employer in accordance with ITT 23.1;
- f) Bear the specific identification of this Tendering process specified in accordance with ITT 1.1; and bear a warning not to open before the time and date for Tender opening.

- 24.3 If all envelopes are not sealed and marked as required, the Procuring Entity will assume no responsibility for the misplacement or premature opening of the Tender. Tenders that are misplaced or opened prematurely will not be accepted.

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

- 25.1 Tenders must be received by the Procuring Entity at the address and no later than the date and time indicated **in the TDS**. When so specified **in the TDS**, Tenderers shall have the option of submitting their Tenders electronically. Tenderers submitting Tenders electronically shall follow the electronic Tender submission procedures specified **in the TDS**.
- 25.2 The Procuring Entity may, at its discretion, extend this deadline for submission of Tenders by amending the tendering documents in accordance with ITT 8, in which case all rights and obligations of the Procuring Entity and Tenderers will thereafter be subject to the deadline as extended.

## **26 Late Tenders**

- 26.1 The Procuring Entity shall not consider any Tender that arrives after the deadline for submission of Tenders, in accordance with ITT 23. Any Tender received by the Procuring Entity after the deadline for submission of Tenders shall be declared late, rejected, and returned unopened to the Tenderer.

## **27 Withdrawal, Substitution, and Modification of Tenders**

- 27.1 A Tenderer may withdraw, substitute, or modify its Tender after it has been submitted by sending a written notice, duly signed by an authorized representative, and shall include a copy of the authorization in accordance with ITT 21.3, (except that withdrawal notices do not require copies). The corresponding substitution or modification of the Tender must accompany the respective written notice. All notices must be:
- a) prepared and submitted in accordance with ITT 21 and ITT 22 (except that withdrawal notices do not require copies), and in addition, the respective envelopes shall be clearly marked "WITHDRAWAL," "SUBSTITUTION," "MODIFICATION;" and
  - b) received by the Procuring Entity prior to the deadline prescribed for submission of Tenders, in accordance with ITT 23.
- 27.2 Tenders requested to be withdrawn in accordance with ITT 25.1 shall be returned unopened to the Tenderers.
- 27.3 No Tender may be withdrawn, substituted, or modified in the interval between the deadline for submission of Tender and the expiration of the period of Tender validity specified by the Tenderer on the Form of Tender or any extension thereof.

## **28 Tender Opening**

- 28.1 Except as in the cases specified in ITT 24 and ITT 25.2, the Procuring Entity shall conduct the Tender opening in public, in the presence of Tenderers' designated representatives who chooses to attend, and at the address, date and time specified **in the TDS**. Any specific electronic Tender opening procedures required if electronic tendering is permitted in accordance with ITT 23.1, shall be as specified **in the TDS**.
- 28.2 First, envelopes marked "WITHDRAWAL" shall be opened and read out and the envelopes with the corresponding Tender shall not be opened but returned to the Tenderer. No Tender withdrawal shall be permitted unless the corresponding withdrawal notice contains a valid authorization to request the withdrawal and is read out at Tender opening.
- 28.3 Next, envelopes marked "SUBSTITUTION" shall be opened and read out and exchanged with the corresponding Tender being substituted, and the substituted Tender shall not be opened, but returned to the Tenderer. No Tender substitution

- shall be permitted unless the corresponding substitution notice contains a valid authorization to request the substitution and is read out at Tender opening.
- 28.4 Envelopes marked “Modification” shall be opened and read out with the corresponding Tender. No Tender modification shall be permitted unless the corresponding modification notice contains a valid authorization to request the modification and is read out at Tender opening. Only Tenders that are opened and read out at Tender opening shall be considered further.
- 28.5 Next, all remaining envelopes shall be opened one at a time, reading out: the name of the Tenderer and the Tender Price(s), including any discounts and alternative Tenders, and indicating whether there is a modification; the presence or absence of a Tender Security or Tender-Securing Declaration; and any other details as the Procuring Entity may consider appropriate.
- 28.6 Only Tenders, alternative Tenders and discounts that are opened and read out at Tender opening shall be considered further in the evaluation. The Form of Tender and the Price Schedules are to be initialed by representatives of the Procuring Entity attending Tender opening in the manner specified **in the TDS**.
- 28.7 The Procuring Entity shall neither discuss the merits of any Tender nor reject any Tender (except for late Tenders, in accordance with ITT 24.1).
- 28.8 The Procuring Entity shall prepare a record of the Tender opening that shall include, as a minimum:
- a) The name of the Tenderer and whether there is a withdrawal, substitution, or modification;
  - b) The Tender Price, per lot if applicable, including any discounts;
  - c) Any alternative Tenders; and
- 28.9 The presence or absence of a Tender Security or a Tender-Securing Declaration. The Tenderers' representatives who are present shall be requested to sign the minutes. The omission of a Tenderer's signature on the minutes shall not invalidate the contents and effect of the minutes. A copy of the tender opening register shall be distributed to all Tenderers upon request.

## **E. Evaluation and Comparison of Tenders**

### **29 Confidentiality**

- 29.1 Information relating to the evaluation of Tenders and recommendation of contract award, shall not be disclosed to Tenderers or any other persons not officially concerned with the Tendering process until the Notification of Intention to Award the Contract is transmitted to all Tenderers in accordance with ITT 42.
- 29.2 Any effort by a Tenderer to influence the Procuring Entity in the evaluation of the Tenders or Contract award decisions may result in the rejection of its Tender.
- 29.3 Not with standing ITT 27.2, from the time of Tender opening to the time of Contract award, if any Tenderer wishes to contact the Procuring Entity on any matter related to the Tendering process, it should do so in writing.

### **30 Clarification of Tenders**

- 30.1 To assist in the examination, evaluation, and comparison of the Tenders, and qualification of the Tenderers, the Procuring Entity may, at its discretion, ask any Tenderer for a clarification of its Tender. Any clarification submitted by a Tenderer that is not in response to a request by the Procuring Entity shall not be considered. The Procuring Entity's request for clarification and the response shall be in writing. No change in the prices or substance of the Tender shall be sought, offered, or permitted, except to confirm the correction of arithmetic errors discovered by the Procuring Entity in the evaluation of the Tenders, in accordance with ITT32.
- 30.2 If a Tenderer does not provide clarifications of its Tender by the date and time set in the Procuring Entity's request for clarification, its Tender may be rejected.



### **31 Deviations, Reservations, and Omissions**

31.1 During the evaluation of Tenders, the following definitions apply:

- a) "Deviation" is a departure from the requirements specified in the tendering document;
- b) "Reservation" is the setting of limiting conditions or withholding from complete acceptance of the requirements specified in the tendering document; and
- c) "Omission" is the failure to submit part or all of the information or documentation required in the tendering document.

### **32 Determination of Responsiveness**

32.1 The Procuring Entity's determination of a Tender's responsiveness is to be based on the contents of the Tender itself, as defined in ITT 11.

32.2 A substantially responsive Tender is one that meets the requirements of the tendering document without material deviation, reservation, or omission. A material deviation, reservation, or omission is one that;

- a) If accepted, would:
  - i) Affect in any substantial way the scope, quality, or performance of the Information System specified in the Contract; or
  - ii) Limit in any substantial way, in consistent with the tendering document, the Procuring Entity's rights or the Tenderer's obligations under the proposed Contract; or
- b) if rectified, would unfairly affect the competitive position of other Tenderers presenting substantially responsive Tenders.

32.3 The Procuring Entity shall examine the technical aspects of the Tender in particular, to confirm that all requirements of Section V, Procuring Entity's Requirements have been met without any material deviation, reservation, or omission.

32.4 To be considered for Contract award, Tenderers must have submitted Tenders:

- a) for which detailed Tender evaluation using the same standards for compliance determination as listed in ITT 29 and ITT 30.3 confirms that the Tenders are commercially and technically responsive, and include the hardware, Software, related equipment, products, Materials, and other Goods and Services components of the Information System in substantially the full required quantities for the entire Information System or, if allowed in the TDS ITT 35.8, the individual Subsystem, lot or slice Tender on; and are deemed by the Procuring Entity as commercially and technically responsive; and
- b) that offer Information Technologies that are proven to perform up to the standards promised in the tender by having successfully passed the performance, benchmark, and/or functionality tests the Procuring Entity may require, pursuant to ITT 39.3.

### **33 Non-material non-conformities**

33.1 Provided that a Tender is substantially responsive, the Procuring Entity may waive any nonconformity in the Tender that does not constitute a material deviation, reservation or omission.

33.2 Provided that a Tender is substantially responsive, the Procuring Entity may request that the Tenderer submit the necessary information or documentation, within a reasonable period of time, to rectify nonmaterial non- conformities in the Tender related to documentation requirements. Requesting information or documentation on such non-conformities shall not be related to any aspect of the price of the Tender. Failure of the Tenderer to comply with the request may result in the rejection of its Tender.

33.3 Provided that a Tender is substantially responsive, the Procuring Entity shall rectify quantifiable nonmaterial non-conformities related to the Tender Price. To

this effect, the Tender Price shall be adjusted, for comparison purposes only, to reflect the price of a missing or non-conforming item or component in the manner specified **in the TDS**.

#### **34 Correction of Arithmetical Errors**

- 34.1 The tender sum as submitted and read out during the tender opening shall be absolute and final and shall not be the subject of correction, adjustment or amendment in anyway by any person or entity.
- 34.2 Provided that the Tender is substantially responsive, the Procuring Entity shall handle errors on the following basis:
- a) Any error detected if considered a major deviation that affects the substance of the tender, shall lead to disqualification of the tender as non-responsive.
  - b) Any errors in the submitted tender arising from a miscalculation of unit price, quantity, subtotal and total bid price shall be considered as a major deviation that affects the substance of the tender and shall lead to disqualification of the tender as non-responsive. and
  - c) If there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail.

#### **35 Conversion to Single Currency**

- 35.1 For evaluation and comparison purposes, the currency(ies) of the Tender shall be converted into a single currency as specified **in the TDS**.

#### **36 Margin of Preference and Reservations**

- 36.1 A margin of preference on local contractors may be allowed only when the contract is open to international competitive tendering where foreign contractors are expected to participate in the tendering process and where the contract exceeds the value/threshold specified in the Regulations.
- 36.2 A margin of preference shall not be allowed unless it is specified so in the **TDS**.
- 36.3 Contracts procured on basis of international competitive tendering shall not be subject to reservations exclusive to specific groups as provided in ITT 34.4.
- 36.4 Where it is intended to reserve a contract to a specific group of businesses (these groups are Small and Medium Enterprises, Women Enterprises, Youth Enterprises and Enterprises of persons living with disability, as the case maybe), and who are appropriately registered as such by the authority to be specified in the **TDS**, a procuring entity shall ensure that the invitation to tender specifically indicates in the **TDS** that only businesses or firms belonging to the specified group are eligible to tender. No tender shall be reserved to more than one group. If not so stated in the Invitation to Tender and in the Tender documents, the invitation to tender will be open to all interested tenderers.

#### **37 Evaluation of Tenders**

- 37.1 The Procuring Entity shall use the criteria and methodologies listed in this ITT and Section III, Evaluation and Qualification criteria. No other evaluation criteria or methodologies shall be permitted. By applying the criteria and methodologies the Procuring Entity shall determine the Best Evaluated Tender.
- 37.2 To evaluate a Tender, the Procuring Entity shall consider the following:
- a) Price adjustment due to discounts offered in accordance with ITT 14.4;
  - b) converting the amount resulting from applying (a) and (b) above, if relevant, to a single currency in accordance with ITT 33;
  - c) price adjustment due to quantifiable non-material non-conformities in accordance with ITT 31.3; and
  - d) any additional evaluation factors specified **in the TDS** and Section III, Evaluation and Qualification Criteria.

### **38 Preliminary Examination**

- 38.1 The Procuring Entity will examine the tenders, to determine whether they have been properly signed, whether required sureties have been furnished, whether any computational errors have been made, whether required sure ties have been furnished and are substantially complete (e.g., not missing key parts of the tender or silent on excessively large portions of the Technical Requirements). In the case where a pre-qualification process was undertaken for the Contract (s) for which these tendering documents have been issued, the Procuring Entity will ensure that each tender is from a pre-qualified Tenderer and, in the case of a Joint Venture, that partners and structure of the Joint Venture are unchanged from those in the pre-qualification.

### **39 Technical Evaluation**

- 39.1 The Procuring Entity will examine the information supplied by the Tenderers Pursuant to ITT 11 and ITT 16, and in response to other requirements in the Tendering document, considering the following factors:
- a) Overall completeness and compliance with the Technical Requirements; and deviations from the Technical Requirements;
  - b) suitability of the Information System offered in relation to the conditions prevailing at the site; and the suitability of the implementation and other services proposed, as described in the Preliminary Project Plan included in the tender;
  - c) achievement of specified performance criteria by the Information System;
  - d) compliance with the time schedule called for by the Implementation Schedule and any alternative time schedules offered by Tenderers, as evidenced by a milestone schedule provided in the Preliminary Project Plan included in the tender;
  - e) type, quantity, quality, and long-term availability of maintenance services and of any critical consumable items necessary for the operation of the Information System;
  - f) any other relevant technical factors that the Procuring Entity deems necessary or prudent to take into consideration;
  - g) any proposed deviations in the tender to the contractual and technical provisions stipulated in the tendering documents.
- 39.2 The Procuring Entity's evaluation of tenders will consider technical factors, in addition to cost factors. The Technical Evaluation will be conducted following the Criteria specified in Section III, Evaluation and Qualification Criteria, which permits a comprehensive assessment of the technical merits of each Tender. All tenders that fail to pass this evaluation will be considered non-responsive and will not be evaluated further.
- 39.3 Where alternative technical solutions have been allowed in accordance with ITT 13, and offered by the Tenderer, the Procuring Entity will make a similar evaluation of the alternatives. Where alternatives have not been allowed but have been offered, they shall be ignored.
- 39.4 Where the tender involves multiple lots or contracts, the tenderer will be allowed to tender for one or more lots (contracts). Each lot or contract will be evaluated in accordance with ITT 35.2. The methodology to determine the lowest evaluated tenderer or tenderers based one lot (contract) or based on a combination of lots (contracts), will be specified in Section III, Evaluation and Qualification Criteria. In the case of multiple lots or contracts, tenderer will be will be required to prepare the Eligibility and Qualification Criteria Form for each Lot.

#### **40 Financial/ Economic Evaluation**

- 40.1 To evaluate a Tender, the Procuring Entity shall consider the following:
- a) price adjustment due to unconditional discounts offered in accordance with ITT 26.8; excluding provisional sums and contingencies, if any, but including Day work items, where priced competitively.
  - b) Price adjustment due to quantifiable non-material non-conformities in accordance with ITT 31.3;
  - c) converting the amount resulting from applying (a) to (c) above, if relevant, to a single currency in accordance with ITT 33; and
  - d) the evaluation factors indicated in Section III, Evaluation and Qualification Criteria.
- 40.2 If price adjustment is allowed in accordance with ITT 17.9, the estimated effect of the price adjustment provisions of the Conditions of Contract, applied over the period of execution of the Contract, shall not be considered in Tender evaluation.
- 40.3 The Procuring Entity will evaluate and compare the Tenders that have been determined to be substantially responsive, pursuant to ITT 35.4. The evaluation will be performed assuming either that:
- a) The Contract will be awarded to the Lowest Evaluated Tender for the entire Information System; or
  - b) if specified **in the TDS**, Contracts will be awarded to the Tenderers for each individual Subsystem, lot, or slice if so defined in the Technical Requirements whose Tenders result in the Lowest Evaluated Tender/ Tenders for the entire System.

In the latter case, discounts that are conditional on the award of more than one Subsystem, lot, or slice may be offered in Tenders. Such discounts will be considered in the evaluation of tenders as specified **in the TDS**.

#### **41 Comparison of Tenders**

- 41.1 The Procuring Entity shall compare all substantially responsive Tenders in accordance with ITT 35.6 to determine the lowest evaluated cost.

#### **42 Abnormally Low Tenders and Abnormally High Tenders**

- 42.1 An Abnormally Low Tender is one where the Tender price in combination with other constituent elements of the Tender appears unreasonably low to the extent that the Tender price raises material concerns as to the capability of the Tenderer to perform the Contract for the offered Tender Price or that genuine competition between Tenderers is compromised.
- 42.2 In the event of identification of a potentially Abnormally Low Tender, the Procuring Entity shall seek written clarifications from the Tenderer, including detailed price analyses of its Tender price in relation to the subject matter of the contract, scope, proposed methodology, schedule, allocation of risks and responsibilities and any other requirements of the tendering document.
- 42.3 After evaluation of the price analyses, in the event that the Procuring Entity determines that the Tenderer has failed to demonstrate its capability to perform the Contract for the offered Tender Price, the Procuring Entity shall reject the Tender.

##### **Abnormally High Tenders**

- 42.4 An abnormally high tender price is one where the tender price, in combination with other constituent elements of the Tender, appears unreasonably too high to the extent that the Procuring Entity is concerned that it (the Procuring Entity) may not be getting value for money or it may be paying too high a price for the contract compared with market prices or that genuine competition between Tenderers is compromised.
- 42.5 In case of an abnormally high price, the Procuring Entity shall make a survey of

the market prices, check if the estimated cost of the contract is correct and review the Tender Documents to check if the specifications, scope of work and conditions of contract are contributory to the abnormally high tenders. The Procuring Entity may also seek written clarification from the tenderer on the reason for the high tender price. The Procuring Entity shall proceed as follows:

- a. If the tender price is abnormally high based on wrong estimated cost of the contract, the Procuring Entity may accept or not accept the tender depending on the Procuring Entity's budget considerations.
  - b. If specifications, scope of work and/ or conditions of contract are contributory to the abnormally high tender prices, the Procuring Entity shall reject all tenders and may retender for the contract based on revised estimates, specifications, scope of work and conditions of contract, as the case may be.
- 42.6 If the Procuring Entity determines that the Tender Price is abnormally too high because genuine competition between tenderers is compromised (*often due to collusion, corruption or other manipulations*), the Procuring Entity shall reject all Tenders and shall institute or cause competent Government Agencies to institute an investigation on the cause of the compromise, before retendering.

### **43 Unbalanced or Front-Loaded Tenders**

- 43.1 If the Tender that is evaluated as the lowest evaluated cost is, in the Procuring Entity's opinion, seriously unbalanced or front loaded the Procuring Entity may require the Tenderer to provide written clarifications. Clarifications may include detailed price analyses to demonstrate the consistency of the Tender prices with the scope of information systems, installations, proposed methodology, schedule and any other requirements of the tendering document.
- 43.2 After the evaluation of the information and detailed price analyses presented by the Tenderer, the Procuring Entity may: -
  - a) Accept the Tender; or
  - b) If appropriate, require that the total amount of the Performance Security be increased, at the expense of the Tenderer, to a level not exceeding twenty percent (20%) of the Contract Price; or
  - c) Reject the Tender.

### **44 Eligibility and Qualification of the Tenderer**

- 44.1 The Procuring Entity shall determine to its satisfaction whether the Tenderer that is selected as having submitted the lowest evaluated and substantially responsive Tender is eligible and meets the qualifying criteria specified in Section III, Evaluation and Qualification Criteria.
- 44.2 The determination shall be based upon an examination of the documentary evidence of the Tenderer's qualifications submitted by the Tenderer, pursuant to ITT 15.
- 44.3 Unless otherwise specified in the **TDS**, the Procuring Entity will NOT carry out tests at the time of post- qualification, to determine that the performance or functionality of the Information System offered meets those stated in the Technical Requirements. However, if so specified in the **TDS** the Procuring Entity may carry out such tests as detailed in the **TDS**.
- 44.4 An affirmative determination shall be a prerequisite for award of the Contract to the Tenderer. A negative determination shall result in disqualification of the Tender, in which event the Procuring Entity shall proceed to the next lowest evaluated cost or best evaluated Tender, as the case may be, to make a similar determination of that Tenderer's qualifications to perform satisfactorily.
- 44.5 The capabilities of the manufacturers and subcontractors proposed by the Tenderer that is determined to have offered the Best Evaluated Tender for identified major items of supply or services will also be evaluated for acceptability in accordance with Section III, Evaluation and Qualification Criteria. Their



participation should be confirmed with a Form of intent between the parties, as needed. Should a manufacturer or subcontractor be determined to be unacceptable, the Tender will not be rejected, but the Tenderer will be required to substitute an acceptable manufacturer or subcontractor without any change to the Tender price. Prior to signing the Contract, the corresponding Appendix to the Contract Agreement shall be completed, listing the approved manufacturers or subcontractors for each item concerned.

- 44.6 Foreign tenderers are required to source at least forty (40%) percent of their contract inputs (in supplies, subcontracts and labor) from national suppliers and contractors. To this end, a foreign tenderer shall provide in its tender documentary evidence that this requirement is met. Foreign tenderers not meeting this criterion will be automatically disqualified. Information required to enable the Procuring Entity determine if this condition is met shall be provided in for this purpose is be provided in *“SECTION III- EVALUATION AND QUALIFICATION CRITERIA”*.

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

- 45.1 The Procuring Entity reserves the right to accept or reject any Tender, and to annul the Tendering process and reject all Tenders at any time prior to contract award, without there by incurring any liability to Tenderers. In case of annulment, all Tenders submitted and specifically, Tender securities, shall be promptly returned to the Tenderers.

### **F. AWARD OF CONTRACT**

#### **46 Award Criteria**

- 46.1 Subject to ITT 40, the Procuring Entity shall award the Contract to the successful tenderer whose tender has been determined to be the Lowest/ best Evaluated Tender. The determination of the lowest/ Best Evaluated Tender will be made in accordance to one of the two options as defined in the **TDS**. The methodology options are:

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

- a) When **rated criteria are used**: The Tenderer that meets the qualification criteria and whose Tender:
  - i) Is substantially responsive; and
  - ii) Is the Best Evaluated Tender (i.e., the Tender with the highest combined technical/ quality/ price score); or
- b) When **rated criteria are not used**: The Tenderer that meets the qualification criteria and whose Tender has been determined to be:
  - i) Most responsive to the tendering document; and
  - ii) The lowest evaluated cost.

#### **47 Procuring Entity's Right to Vary Quantities at Time of Award**

- 47.1 The Procuring Entity reserves the right at the time of Contract award to increase or decrease, by the percentage (s) for items as indicated **in the TDS**.

#### **48 Notice of Intention to enter into a Contract/ Notification of award**

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

- a) The name and address of the Tenderer submitting the successful tender;

- b) The Contract price of the successful tender;
- c) a statement of the reason(s) the tender of the unsuccessful tenderer to whom the letter is addressed was unsuccessful, unless the price information in (c) above already reveals the reason;
- d) the expiry date of the Standstill Period; and
- e) instructions on how to request a debriefing and/ or submit a complaint during the standstill period;

#### **49 Standstill Period**

- 49.1 The Contract shall not be signed earlier than the expiry of a Standstill Period of 14 days to allow any dissatisfied tender to launch a complaint. Where only one Tender is submitted, the Standstill Period shall not apply.
- 49.2 Where a Standstill Period applies, it shall commence when the Procuring Entity has transmitted to each Tenderer the Notification of Intention to Enter in to a Contract with the successful Tenderer.

#### **50 Debriefing by the Procuring Entity**

- 50.1 On receipt of the Procuring Entity's Notification of Intention to Enter into a Contract referred to in ITT 43, an unsuccessful tenderer may make a written request to the Procuring Entity for a debriefing on specific issues or concerns regarding their tender. The Procuring Entity shall provide the debriefing within five days of receipt of the request.
- 50.2 Debriefings of unsuccessful Tenderers may be done in writing or verbally. The Tenderer shall bear its own costs of attending such a debriefing meeting.

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

- 51.1 Prior to the expiry of the Tender Validity Period and upon expiry of the Standstill Period specified in ITT44.1, upon addressing a complaint that has been filed within the Standstill Period, the Procuring Entity shall transmit the Letter of Award to the successful Tenderer. The letter of award shall request the successful tenderer to furnish the Performance Security within 21days of the date of the letter.

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

- 52.1 Upon the expiry of the fourteen days of the Notification of Intention to enter in to contract and upon the parties meeting their respective statutory requirements, the Procuring Entity shall send the successful Tenderer the Contract Agreement.
- 52.2 Within fourteen (14) days of receipt of the Contract Agreement, the successful Tenderer shall sign, date, and return it to the Procuring Entity.
- 52.3 The written contract shall be entered into within the period specified in the notification of award and before expiry of the tender validity period.
- 52.4 Notwithstanding ITT 47.2 above, in case signing of the Contract Agreement is prevented by any export restrictions attributable to the Procuring Entity, to Kenya, or to the use of the Information System to be supplied, where such export restrictions arise from trade regulations from a country supplying thoseInformation System, the Tenderer shall not be bound by its Tender, provided that the Tenderer can demonstrate that signing of the Contract Agreement has not beenprevented by any lack of diligence on the part of the Tenderer in completing any formalities, including applying for permits, authorizations and licenses necessary for the export of the Information System under the terms of the Contract.

#### **53 Performance Security**

- 53.1 Within twenty-one (21) days of the receipt of the Form of Acceptance from the Procuring Entity, the successful Tenderer shall furnish the performance security in accordance with the General Conditions, subject to ITT38.2 (b), using for that purpose the Performance Security Form included in Section X, Contract Forms, or another form acceptable to the Procuring Entity. If the Performance Security furnished by the successful Tenderer is in the form of a bond, it shall be issued by

a bonding or insurance company that has been determined by the successful Tenderer to be acceptable to the Procuring Entity. A foreign institution providing a Performance Security shall have a correspondent financial institution located in Kenya.

- 53.2 Failure of the successful Tenderer to submit the above-mentioned Performance Security or sign the Contract shall constitute sufficient grounds for the annulment of the award and forfeiture of the Tender Security. In that event the Procuring Entity may award the Contract to the Tenderer offering the next Best Evaluated Tender.

#### **54 Publication of Procurement Contract**

- 54.1 Within fourteen days after signing the contract, the Procuring Entity shall publish the awarded contract at its notice boards and websites; and on the Website of the Authority. At the minimum, the notice shall contain the following information:
- a) Name and address of the Procuring Entity;
  - b) Name and reference number of the contract being awarded, a summary of its scope and the selection method used;
  - c) The name of the successful Tenderer, the final total contract price, the contract duration.
  - d) Dates of signature, commencement and completion of contract;
  - e) Names of all Tenderers that submitted Tenders, and their Tender prices as read out at Tender opening.

#### **55 Adjudicator**

- 55.1 Unless **the TDS** states otherwise, the Procuring Entity proposes that the person named **in the TDS** be appointed as Adjudicator under the Contract to assume the role of informal Contract dispute mediator, as described in GCC Clause 43.1. In this case, a résumé of the named person is attached to the TDS. The proposed hourly fee for the Adjudicator is specified in the TDS. The expenses that would be considered reimbursable to the Adjudicator are also specified **in the TDS**. If a Tenderer does not accept the Adjudicator proposed by the Procuring Entity, it should state its non-acceptance in its Tender Form and make a counter proposal of an Adjudicator and an hourly fee, attaching résumé of the alternative. If the successful Tenderer and the Adjudicator nominated **in the TDS** happen to be from the same country, and this is not Kenya too, the Procuring Entity reserves the right to cancel the Adjudicator nominated **in the TDS** and propose a new one. If by the day the Contract is signed, the Procuring Entity and the successful Tenderer have not agreed on the appointment of the Adjudicator, the Adjudicator shall be appointed, at the request of either party, by the Appointing Authority specified in the SCC clause relating to GCC Clause 43.1.4, or if no Appointing Authority is specified there, the Contract will be implemented without an Adjudicator.

#### **56 Procurement Related Complaints and Administrative Review**

- 56.1 The procedures for making a Procurement-related Complaint are as specified in the **TDS**.
- 56.2 A request for administrative review shall be made in the form provided under contract forms.



## **SECTION II - TENDER DATA SHEET (TDS)**

The following specific data for the Information System to be procured shall complement, supplement, or amend the provisions in the Instructions to Tenderers (ITT). Whenever there is a conflict, the provisions here in shall prevail over those in ITT.

<b>Reference to ITC Clause</b>	<b>PARTICULARS OF APPENDIX TO INSTRUCTIONS TO TENDERS</b>
<b>A. General</b>	
<b>ITT 1.1</b>	The reference number of the Request for Tenders is: <b>IRA/059/2021-2022</b> The Procuring Entity is: <b>INSURANCE REGULATORY AUTHORITY</b> The name of the ITT is: <b>TENDER FOR PROVISION OF INFORMATION SECURITY SOLUTION</b> The number and identification of lots (contracts) comprising this ITT is: <b>N/A</b>
<b>ITT 3.3</b>	The firms (if any) that provided consulting services for the contract being tendered for are <b>N/A</b> .
<b>ITT 4.1</b>	Maximum number of members in the JV shall be: <b>Two (2)</b> .
<b>ITT 4.9</b>	The Procuring Entity may require tenderers to be registered with <b>N/A</b>
<b>B. Tendering Document</b>	
<b>ITT 8.1</b>	For <b>Clarification of Tender purposes</b> only, the Procuring Entity's address is: Attention: <b>FELIX CHELIMO</b> Address: <b>P.O. Box 43505 – 00100, NAIROBI, KENYA.</b> Floor/ Room number: <b>10<sup>TH</sup> FLOOR</b> City: <b>NAIROBI</b> ZIP Code: <b>00100</b> Country: <b>KENYA</b> Telephone: <b>0719047801</b> Facsimile number: <b>N/A</b> Electronic mail address: <b><a href="mailto:procurement@ira.go.ke">procurement@ira.go.ke</a> and copy <a href="mailto:fchelimo@ira.go.ke">fchelimo@ira.go.ke</a></b> Requests for clarification should be received by the Procuring Entity no later than: <b>5 days before the deadline for tender submission.</b>
<b>ITT 8.2</b>	Web page: <b><a href="https://www.ira.go.ke">https://www.ira.go.ke</a> and <a href="http://www.tenders.go.ke">www.tenders.go.ke</a></b>
<b>ITT 8.4</b>	A Pre-Tender meeting <b>shall not</b> take place at the following date, time and place: Date: <b>N/A</b> Time: <b>N/A</b> Place: <b>N/A</b> A site visit conducted by the Procuring Entity <b>shall not be</b> organized.
<b>ITT 9.1</b>	The Procuring Entity shall publish its response at the website: <b><a href="http://www.ira.go.ke">www.ira.go.ke</a> and <a href="http://www.tenders.go.ke">www.tenders.go.ke</a></b>
<b>C. Preparation of Tenders</b>	
<b>ITT 13.1 (k)</b>	The Tenderer shall submit with its Tender the following additional documents: <b>Manufacturer Authorization letters for each of the five (5)</b>

Reference to ITC Clause	PARTICULARS OF APPENDIX TO INSTRUCTIONS TO TENDERS
	<b>components of the Information Security Solution.</b>
ITT 15.1	Alternative Tenders are not permitted.
ITT 15.2	Alternatives to the Time Schedule <b>Not</b> permitted.
ITT 15.4	Alternative technical solutions shall be permitted for the following parts of the Information System: <b>N/A.</b>
ITT 17.2	Prequalification <b>has not</b> been undertaken.
ITT 18.2 (a)	In addition to the topics described in ITT Clause 16.2 (a), the Preliminary Project Plan must address the following topics: <i>(i) Project Organization and Management Sub-Plan, including management authorities, responsibilities, and contacts, as well as task, time and resource-bound schedules (in GANTT format);</i> <i>(ii) Implementation Sub-Plan;</i> <i>(iii) Training Sub-Plan;</i> <i>(iv) Testing and Quality Assurance Sub-Plan;</i> <i>(v) Warranty Defect Repair and Technical Support Service Sub-Plan</i>
ITT 18.3	In the interest of effective integration, cost-effective technical support, and reduced re-training and staffing costs, Tenderers are required to offer specific brand names and models for the following limited number of specific items: <b>NONE</b>
ITT 19.2	The Tenderer <b>must</b> tender Recurrent Cost Items
ITT 19.2 (a)	The Tenderer <b>must</b> tender for contracts of Recurrent Cost Items not included in the main Contract.
ITT 19.5	The Incoterms edition is: <b>Cost to be inclusive of all import duties, taxes where applicable.</b>
ITT 19.5 (a)	Named place of destination is: <b>IRA, Zep Re Place, Upperhill, Nairobi</b>
ITT 19.6	Named place of final destination (or Project site) is: <b>IRA, Zep Re Place, Upperhill, Nairobi</b>
ITT 19.8	ITT 17.8 is modified as follows: <b>There is no modification</b>
ITT 19.9	The prices quoted by the Tenderer <b>shall not</b> be subject to adjustment during the performance of the Contract. The Tender price shall be adjusted by the following factor(s): <b>N/A</b>
ITT 20.1	The Tenderer <b>is not</b> required to quote in the currency of Kenya the portion of the Tender price that corresponds to expenditures incurred in that currency.
ITT 21.1	The Tender validity period shall be <b>90 days.</b>
ITT 22.1	<b>[If a Tender Security shall be required, a Tender-Securing Declaration shall not be required, and vice versa.]</b> <b>A Tender Security shall be required.</b> If a Tender Security shall be required, the amount and currency of the Tender Security shall be Kes <b>750,000.00 (Kenya Shillings Seven Hundred Fifty Thousand)</b>
ITT 22.3 (e)	Other types of acceptable securities are <b>NONE</b>
ITT 23.1	In addition to the original of the Tender, the number of copies is: <b>Three (1 ORIGINAL &amp; 2 COPIES).</b>

Reference to ITC Clause	PARTICULARS OF APPENDIX TO INSTRUCTIONS TO TENDERS
ITT 23.3	The written confirmation of authorization to sign on behalf of the Tenderer shall consist of: <b>The power of attorney</b>
<b>D. Submission and Opening of Tenders</b>	
ITT 25.1	For <b><u>Tender submission purposes</u></b> only, the Procuring Entity's address is: Attention: <b>Mr. Felix Chelimo</b> Street Address: <b>P.O. Box 43505 – 00100, NAIROBI, KENYA</b> Floor/Room number: <b>10th Floor, Zep-Re Place, Longonot Road, Upper Hill</b> City: <b>Nairobi</b> Code: <b>00100</b> Country: <b>Kenya</b> <b>The deadline for Tender submission is: Wednesday</b> Date: <b>17<sup>th</sup> November, 2021.</b> Time: <b>11:00 a.m</b>
ITT 25.1	Tenderers <b><i>Shall Not</i></b> have the option of submitting their Tenders electronically.
ITT 28.1	The Tender opening shall take place at: <b>Zep Re Place</b> Street Address: <b>Longonot Road, Upper Hill</b> Floor/Room number: <b>10th Floor, Training Room</b> City: <b>Nairobi</b> Country: <b>Kenya</b> Date & Time: <b>17<sup>th</sup> November, 2021 at 11:00 a.m.</b>
ITT 28.6	The Form of Tender and Price Schedules shall be initialed by <b>all</b> representatives of the IRA conducting Tender opening
<b>E. Evaluation, and Comparison of Tenders</b>	
ITT 33.3	The adjustment shall be based on the <b><i>highest</i></b> price of the item or component as quoted in other substantially responsive Tenders. If the price of the item or component cannot be derived from the price of other substantially responsive Tenders, the Procuring Entity shall use its best estimate. If the missing Goods and Services are a scored technical feature, the relevant score will be set at zero.
ITT 35.1	The currency(ies) of the Tender shall be converted into a single currency as follows: <b><i>Kenya Shillings mean CBK at the tender closing date</i></b>
ITT 36.2	Margin of Preference <b>shall not apply.</b>
ITT 36.4	The invitation to tender is extended to the following group that qualify for Reservations <b>N/A</b>
ITT 40.2 (b)	Tenderers <b><u>shall Not be allowed to</u></b> quote separate prices for different lots (contracts for Subsystems, lots, or slices of the overall Information System) and the methodology to determine the lowest tenderer is specified in Section III, Evaluation and Qualification Criteria. Discount that are conditional on the award of more than one Subsystem, lot, or slice may be offered in Tenders and such discounts <b><i>shall</i></b> be considered in the price evaluation.
ITT 44.3	<b>N/A</b>

Reference to ITC Clause	PARTICULARS OF APPENDIX TO INSTRUCTIONS TO TENDERS
ITT 47.1	The award will be made on the basis of <b>rated criteria</b> pursuant to ITT 47.1 (a), if applicable, in accordance with Section III, Evaluation and Qualification Criteria.
ITT 55.1	The proposed Adjudicator is: <b>Chartered Insitute of Arbitrators.</b>
ITT 56.1	<p>The procedures for making a Procurement-related Complaint are available from the PPRA Website <a href="http://www.ppra.go.ke">www.ppra.go.ke</a> or email <a href="mailto:complaints@ppra.go.ke">complaints@ppra.go.ke</a>.</p> <p>If a Tenderer wishes to make a Procurement-related Complaint, the Tenderer should submit its complaint following these procedures, in writing (by the quickest means available, that is either by hand delivery or email to:</p> <p>For the attention: <b>Mr. Godfrey K. Kiptum</b>  Title/position: <b>Commissioner of Insurance &amp; Chief Executive Officer</b>  Procuring Entity: <b>Insurance Regulatory Authority</b>  Email address: <a href="mailto:commins@ira.go.ke">commins@ira.go.ke</a> and copy to <a href="mailto:procurement@ira.go.ke">procurement@ira.go.ke</a></p> <p>In summary, a Procurement-related Complaint may challenge any of the following:</p> <ul style="list-style-type: none"> <li>i) the terms of the Tender Documents; and</li> <li>ii) the Procuring Entity's decision to award the contract.</li> </ul>

## SECTION III - EVALUATION AND QUALIFICATION CRITERIA

### 1 *Evaluation and contract award Criteria*

The Procuring Entity shall use the criteria and methodologies listed in this Section to evaluate tenders and arrive at the Lowest Evaluated Tender. The tender that (i) meets the qualification criteria, (ii) has been determined to be substantially responsive to the Tender Documents, and (iii) is determined to have the Lowest Evaluated Tender price shall be selected for award of contract.

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

The Procuring Entity will start by examining all tenders to ensure they meet in all respects the eligibility criteria and other mandatory requirements in the ITT, and that the tender is complete in all aspects in meeting the requirements provided for in the preliminary evaluation criteria outlined below. The Standard Tender Evaluation Report Document for Goods and Works for evaluating Tenders provides very clear guide on how to deal with review of these requirements. Tenders that do not pass the Preliminary Examination will be considered non-responsive and will not be considered further.

1.	<b>PRELIMINARY / MANDATORY REQUIREMENTS</b>	<b>PROVIDED (YES/NO)</b>
a)	Submit a copy of the Certificate of Incorporation/Registration	
b)	Submit a Copy of the Valid Tax Compliance Certificate from KRA	
c)	Submit a Copy of Valid Single Business Permit from County Government	
d)	Dully completed Confidential Business Questionnaire (Must be duly filled and signed by the authorized signatory).	
e)	Submit tender security of Kes. 750,000.00 (Seven Hundred Fifty Thousand) valid for 30 days beyond the tender validity period	
f)	Duly completed and signed and stamped form of tender	
g)	The document should be well bound, legible and presentable. All pages of the bid document submitted <b>MUST</b> be sequentially serialized or paginated from 1st page to the last page.	
h)	Provide copies of Audited Financial Statements for the three years (2018, 2019 and 2020) certified and signed by the Auditor.	
i)	Attach a copy of CR 12 Form issued within the last 12 Months and copies of identification documents (IDs or passports) of the owners/directors of the tenderer.	
j)	Tenderer has provided a solution of all the components of the Information Security Solution.	
k)	You are required to complete and submit all the applicable standard forms in the tender documents as follows:	
	1) Bidder Must Fill, Sign and Stamp Certificate of Independent	

	2) Self-Declaration that the Person/ Tenderer is not debarred in the matter of The Public Procurement and Asset	
	3) Self declaration that the person/tenderer will not engage in any corrupt or fraudulent practice	
	4) Declaration and commitment to the code of ethics	
	5) Tenderer Information Form	
	6) Tenderer's JV Members Information Form	
	7) Bidder Must Fill, Sign and Stamp Certificate of Independent	
	8) Self-Declaration that the Person/ Tenderer is not debarred in the matter of The Public Procurement and Asset	
	9) Declaration and commitment to the code of ethics	
	10) Attach Certified copies of ICTA authorization for Information Security (ICTA 1)	
	<b>Qualified / Not Qualified</b>	

3 *Assessment of adequacy of Tender's Proposal in connection with Procuring Entity's IT Requirements.*

**TECHNICAL EVALUATION**

NO	EVALUATION CRITERIA	MAXIMUM SCORE
<b>[i]</b>	<b>EXPERIENCE OF THE TENDERER/CAPACITY OF THE ORGANIZATION</b>	<b>5</b>
	<p>Provide list of clients where the firm has done similar projects in the last 3 years. The list should detail the name of client, Project date, Item description, contract amount, client contact person along with contact details (email and phone number). In addition to the above requirement, provide reference letters from the clients indicating projects undertaken and completed in the last 3 years.</p> <p>a. SIEM Reference from a financial sector client – At least 3 clients Attach LPO or Contract. Bidder to Provide at Sign Offs and recommendation letters – [1 Mark]</p> <p>b. Network Access Control Reference from a financial sector client – At least 3 clients, attach LPO or Contract. Bidder to provide at Sign offs and recommendation letters [1 Mark]</p> <p>c. PAM Reference from a financial sector client – At least 1, attach LPO or Contract. Provide at Sign Offs and recommendation letters [1 Mark]</p> <p>d. DAM Reference from a financial sector client – At least 2, attach LPO or Contract. Bidder to provide Sign Offs and recommendation letters [1 Mark]</p> <p>e. Vulnerability Management platform reference site in Kenya – At least 1, Attach LPO or Contract. Bidder to provide Sign Off and recommendation letter [1 Mark]</p>	
<b>[ii]</b>	<b>ADEQUACY AND QUALITY OF THE PROPOSED METHODOLOGY, AND WORK PLAN IN RESPONDING TO THE PROCURING ENTITY'S REQUIREMENTS</b>	<b>20</b>
	<p>a) Technical approach and Project Methodology [4 marks]</p> <p>b) Work plan in Gantt Chart [4 marks]</p> <p>c) Organization and staffing [4 marks]</p> <p>d) Draft SLA Proposal with Escalation Matrix [4 Marks]</p> <p>e) Bill of Quantity [4 Marks]</p>	
<b>[iii]</b>	<b>CONFORMITY TO TECHNICAL SPECIFICATIONS</b>	<b>50</b>
	<p>Bidder to provide Manufacturer authorization for all proposed Solution is mandatory.</p> <p>Compliance with the technical specifications for:</p> <ul style="list-style-type: none"> <li>▪ Security Information and Event Management Solution [10 marks]</li> <li>▪ Network Admission Control Solution [10 marks]</li> <li>▪ Privileged Access Management Solution [10 marks]</li> <li>▪ Database Activity Monitoring Solution and database security [10 marks]</li> <li>▪ Vulnerability management solution [10 marks]</li> </ul>	

<b>[iv]</b>	<b>TECHNICAL CAPACITY OF KEY STAFF</b>	<b>20</b>
	<p>The number of points to be assigned to each of the following Key Staff positions shall be determined considering the following three sub-criteria and relevant percentage weights:</p> <p>a) General qualifications (general education, training, and experience) = 20%</p> <p>b) Adequacy for the Contract (relevant education, training, experience in the sector or similar assignments) = 70% and</p> <p>c) Relevant experience in the Kenya (working level fluency in local language(s)/knowledge of local culture or administrative system, government organization, etc.) = 10%</p>	
1	<p><b>Project Director with either Prince 2 or PMP Certification or equivalent with 10 Years of Experience in project management (5 marks)</b></p> <ul style="list-style-type: none"> <li>▪ Must be CISA &amp; ISO 27001 Certified</li> <li>▪ Must have Master's Degree in academics</li> <li>▪ Must be certified at network Security Level</li> </ul>	
2	<p><b>Technical Lead Project Manager with the following experience and qualifications (3 marks)</b></p> <ul style="list-style-type: none"> <li>▪ Must have Master's Degree</li> <li>▪ Must be CCNP Level Certified</li> <li>▪ Must be Network Security Professional level certified</li> <li>▪ Must have 10+ Years of experience in IT and Security</li> <li>▪ ITIL Certified</li> <li>▪ Must be Certified on Server/ Storage</li> </ul>	
3	<p><b>Network and Security Engineer with below experience and qualification (2.5 marks)</b></p> <ul style="list-style-type: none"> <li>▪ Network engineer must be CCNP Certified with Identity access Management Specialization</li> <li>▪ Must be certified at network Security Level</li> <li>▪ Must have at least Diploma in education</li> </ul>	
4	<p><b>Network and Security Engineer (2.5 marks)</b></p> <ul style="list-style-type: none"> <li>▪ Must be CCNA certified</li> <li>▪ Must be certified at Professional level in Network Security</li> <li>▪ Must have at least a relevant bachelor's Degree.</li> <li>▪ Must have at least 5+ Years of experience</li> </ul>	
5	<b>PAM Certified Engineers for proposed OEM- At least Two (2.5 marks)</b>	
6	<b>DAM certified Engineers for proposed OEM – At least 1 Engineer (2.5 marks)</b>	
7	<p><b>Bidder must have at least one Cyber Security Engineer with below qualification (2 marks)</b></p> <ul style="list-style-type: none"> <li>• Certified Ethical Hacker</li> <li>• Certified network defender</li> <li>• Must be licensed Penetration Tester</li> </ul>	
<b>[v]</b>	<b>TRANSFER OF KNOWLEDGE AND TRAINING PROGRAM</b>	<b>5</b>
	<p>The Authority will require a detailed training in Authorized OEM Training Center in Kenya for two key CLIENT staff for the Solution so proposed. Detailed onsite training proposal for the ICT team for the solution so proposed. To be adequately assessed for this aspect of</p>	



	Knowledge transfer and training, the following will be considered:	
	<ul style="list-style-type: none"> <li>▪ Relevance of training program (2 marks)</li> <li>▪ Training approach and methodology (2 marks)</li> <li>▪ Qualifications of experts and trainers (1 mark)</li> </ul>	
<b>[vi]</b>	<b>FINANCIAL CAPABILITY</b>	<b>5</b>
	Liquidity and Profitability Ratio	

**Note: Tenderer MUST score minimum of 80% to proceed to financial evaluation**

## FINANCIAL EVALUATION

**Tenderers who score less than the required pass will be automatically disqualified. Tenderers who pass the technical evaluation will be evaluated further.**

### 4 Tender Evaluation (ITT 35.5)

**Price evaluation:** in addition to the criteria listed in ITT 35.5

(a)–(e) the following criteria shall apply:

- i) **Time Schedule:** time to complete the Information System from the effective date specified in Article 3 of the Contract Agreement for determining time for completion of pre-commissioning activities is: No credit will be given for earlier completion. Tenders offering a completion date beyond the maximum designated period shall be rejected.
- ii) **Alternative Technical Solutions for specified parts of the Works, if permitted** under ITT 13.4, will be evaluated as follows:  
**N/A**
- iii) **Other specific additional criteria-** if permitted under ITT 36.5  
(f) the relevant evaluation method, if any, shall be as follows: **N/A**
- iv) **Recurrent Costs** - since the operation and maintenance of the system being procured form a major part of the implementation, the resulting recurrent costs will be evaluated according to the principles given here after, including the cost of recurrent cost items for the initial period of operation stated below, based on prices furnished by each Tenderer in Price Schedule Nos. 3.3 and 3.5. The recurrent cost factors for calculation of the implementation schedule are:
  - i) *Number of years for implementation*
  - ii) *Hardware maintenance*
  - iii) *Software licenses and updates*
  - iv) *Technical services*
  - v) *Telecommunication services, and*
  - vi) *Other services (if any).*
- v) **Recurrent cost items for post- warranty service period** if subject to evaluation shall be included in the main contractor a separate contract signed together with the main contract. Such costs shall be added to the Tender price for evaluation.

### 5 Alternative Tenders (ITT13.1)

*An alternative if permitted under ITT 13.1, will be evaluated as follows:*

The Procuring Entity shall consider Tenders offered for alternatives as specified in Part 2- Procuring Entity's requirements. Only the

technical alternatives, if any, of the Tenderer with the Best Evaluated Tender conforming to the basic technical requirements shall be considered by the Procuring Entity.

6 *Post qualification and Contract award (ITT 39), more specifically,*

- a) In case the tender was subject to post-qualification, the contract shall be awarded to the lowest evaluated tenderer, subject to confirmation of pre-qualification data, if so required.
- b) In case the tender was not subject to post-qualification, the tender that has been determined to be the lowest evaluated tenderer shall be considered for contract award, subject to meeting each of the following conditions.
  - i) The Tenderer shall demonstrate that it has access to, or has available, liquid assets, unencumbered real assets, lines of credit, and other financial means (independent of any contractual advance payment) sufficient to meet the construction cash flow of Kenya Shillings.
  - ii) Minimum average annual supply of ICT Systems turnover of Kenya Shillings N/A equivalent calculated as total certified payments received for contracts in progress and/ or completed within the last N/A years.
  - iii) At least N/A of contract(s) of a similar nature executed within Kenya, or the East African Community or abroad, that have been satisfactorily and substantially completed as a prime contractor, or joint venture member or sub- contractor each of minimum value Kenya shillings equivalent.
  - iv) Contractor's Representative and Key Personnel, which are specified as N/A
- v) Contractors' key equipment listed on the table "Contractor's Equipment" below and more specifically listed as *[specify requirements for each lot as applicable]* Other conditions depending on their seriousness.

**a) History of non-performing contracts:**

Tenderer and each member of JV in case the Tenderer is a JV, shall demonstrate that Non-performance of a contract did not occur because of the default of the Tenderer, or the member of a JV in the last **5 years**. The required information shall be furnished in the appropriate form.

**b) Pending Litigation**

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

c) *Litigation History*

There shall be no consistent history of court/arbitral award decisions against the Tenderer, in the last 5 years. All parties to the contract shall furnish the information in the appropriate form about any litigation or arbitration resulting from contracts completed or on going under its execution over the years specified. A consistent history of awards against the Tenderer or any member of a JV may result in rejection of the tender.

**Financial capability:**

Bidder shall provide copies of audited financial statements for the last three (3) years (2018, 2019 and 2020) and duly signed by accredited Auditors. The following financial performance ratio's will be calculated:

**a. Profitability Margin:**

- |      |              |          |
|------|--------------|----------|
| i.   | Above 30%    | 10 marks |
| ii.  | 10 – 29.99%  | 5 marks  |
| iii. | Less than 5% | 1 mark   |

**b. Liquidity Ratio:**

- |      |               |          |
|------|---------------|----------|
| i.   | Above 2:1     | 10 marks |
| ii.  | 1:1           | 5 marks  |
| iii. | Less than 1:1 | 1 mark   |

**Notes on ratios:**

Profitability Margin=  $\frac{\text{Gross Profit}}{\text{Sales}}$

Liquidity Ratio=  $\frac{\text{Current Assets} - \text{Stock}}{\text{Current Liabilities}}$

## 7 QUALIFICATION FORM

<b>Item No.</b>	<b>Qualification Subject</b>	<b>Qualification Requirement to be met</b>	<b>Document To be Completed by Tenderer</b>	<b>For Procuring Entity's Use (Qualification met or Not Met)</b>
1	2.1.1 Nationality	Nationality in accordance with ITT 4.5.	Form ELI –2.1.1 and 2.1.2, with attachments	
2	Tax Obligations for Kenyan Tenderers	Has produced a current tax clearance certificate or tax exemption certificate issued by the Kenya Revenue Authority in accordance with ITT 3.14.	Form of Tender	
3	2.1.2 Conflict of Interest	No- conflicts of interests as described in ITT 4.3.	Form of Tender	
4	2.1.3 Country Ineligibility	Not having been declared ineligible by the PPRA as described in ITT 4.6.	Form of Tender	
5	2.1.4 State owned Entity of the Procuring Entity country	Compliance with conditions of ITT 4.7	Form ELI –2.1.1 and 2.1.2, with attachments	
6	2.1.5 United Nations resolution or Kenya law	Not having been excluded as a result of prohibition in Kenya laws or official regulations against commercial relations with the Tenderer's country, or by an act of compliance with UN Security Council resolution, both in accordance with ITT 4.8	Form of Tender	
7	History of non-performing contracts	Non-performance of a contract <sup>1</sup> did not occur as a result of Tenderer's default since 1 <sup>st</sup> January <i>[insert year]</i> .	Form CON - 2	

<sup>1</sup> Nonperformance, as decided by the Procuring Entity, shall include all contracts where (a) nonperformance was not challenged by the contractor, including through referral to the dispute resolution mechanism under the respective contract, and (b) contracts that were so challenged but fully settled against the contractor. Nonperformance shall not include contracts where Procuring Entity decision was overruled by the dispute resolution mechanism. Nonperformance must be based on all

<b>Item No.</b>	<b>Qualification Subject</b>	<b>Qualification Requirement to be met</b>	<b>Document To be Completed by Tenderer</b>	<b>For Procuring Entity's Use (Qualification met or Not Met)</b>
8	Suspension	Not under suspension based on execution of a Tender Securing Declaration or Tender Securing Declaration pursuant to ITT 4.8 and ITT 20.10	Form of Tender	
9	Pending Litigation	Tenderer's financial position and prospective long-term profitability still sound according to criteria established in 2.3.1 below and assuming that all pending litigation will be resolved against the Tenderer.	Form CON – 2	
10	2.3.1 Historical Financial Performance	Submission of audited balance sheets or if not required by the law of the Tenderer's country, other financial statements acceptable to the Procuring Entity, for the last <b>Three (3) years</b> to demonstrate the current soundness of the Tenderers financial position and its prospective long-term profitability.	Form FIN – 2.3.1 with attachments	
11	2.3.2 Average Annual Turnover	Minimum average annual turnover of 100 million Kenya Shillings equivalent,calculated as total certified payments received for contracts in progress or completed, within the last (3) years	Form FIN –2.3.2	
12	2.3.3 Financial Resources	The Tenderer must demonstrate access to, or availability of, financial resources such as liquid assets, unencumbered real assets, lines of credit, and other financial means, other than any contractual advance payments to meet the following cash-flow requirement: Minimum of 100 million Kenya Shillingsequivalent.	Form FIN –2.3.3	
13	2.4.1 General Experience	Experience under Information System contracts in the role of prime supplier, management contractor, JV member, or subcontractor for at least the last three [3] years prior to the applications submission deadline.	Form EXP-2.4.1	

information on fully settled disputes or litigation, i.e., dispute or litigation that has been resolved<sup>37</sup> in accordance with the dispute resolution mechanism under the respective contract and where all appeal instances available to the applicant have been exhausted.

<b>Item No.</b>	<b>Qualification Subject</b>	<b>Qualification Requirement to be met</b>	<b>Document To be Completed by Tenderer</b>	<b>For Procuring Entity's Use (Qualification met or Not Met)</b>
	2.4.2 Specific Experience	Participation as a prime supplier, management contractor, JV <sup>2</sup> member, sub-contractor, in at least <b>Two (2)</b> contracts within the last <b>Two (2)</b> years, each with a value of at least <b>Kes. 40 million</b> , that have been successfully and substantially completed and that are similar to the proposed Information System. <i>[An equivalent IS/IT Project in terms of cost or complexity and specify the methodology used to deliver the project]</i>	Form EXP 2.4.2	

<sup>2</sup> For contracts under which the Tenderer participated as a joint venture member or sub-contractor, only the Tenderer's share, by value, and role and responsibilities shall be considered to meet this requirement.



**10.****Personnel**

The Tenderer must demonstrate that it will have the personnel for the key positions that meet the following requirements:

<b>No.</b>	<b>Position</b>	<b>Information System Experience[Specify specific experience requirement for the key positions]</b>
1		
2		
3		
...		

The Tenderer shall provide details of the proposed personnel and their experience records in the relevant Forms included in Section IV, Tendering Forms.

**11. Subcontractors/vendors/manufacturers**

Subcontractors/vendors/manufacturers for the following major items of supply or services must meet the following minimum criteria, herein listed for that item:

<b>Item No.</b>	<b>Description of Item</b>	<b>Minimum Criteria to be met</b>
1		
2		
3		
...		

Failure to comply with this requirement will result in rejection of the subcontractor/vendor.

In the case of a Tenderer who offers to supply and install major items of supply under the contract that the Tenderer did not manufacture or otherwise produce, the Tenderer shall provide the manufacturer's authorization, using the form provided in Section IV, showing that the Tenderer has been duly authorized by the manufacturer or producer of the related sub system or component to supply and install that item in Kenya. The Tenderer is responsible for ensuring that the manufacturer or producer complies with the requirements of ITT 4 and 5 and meets the minimum criteria listed above for that item.

## SECTION IV - TENDERING FORMS

### 1. FORM OF TENDER

#### INSTRUCTIONS TO TENDERERS

- i) *The Tenderer must prepare this Form of Tender on stationery with its letter head clearly showing the Tenderer's complete name and business address.*
- ii) *All italicized text is to help Tenderer in preparing this form.*
- iii) *Tenderer must complete and sign TENDERER'S ELIGIBILITY- CONFIDENTIAL BUSINESS QUESTIONNAIRE, CERTIFICATE OF INDEPENDENT TENDER DETERMINATION and the SELF DECLARATION OF THE TENDERER, all attached to this Form of Tender*
- iv) *The Form of Tender shall include the following Forms duly completed and signed by the Tenderer.*
  - *Tenderer's Eligibility-Confidential Business Questionnaire*
  - *Certificate of Independent Tender Determination*
  - *Self-Declaration of the Tenderer*

**Date of this Tender submission** ..... [insert date (as day, month and year) of Tender submission] **ITT No.** .....[insert number of ITT process]

**Alternative No.** ..... [insert identification No if this is a Tender for an alternative]

To..... **[insert complete name of Procuring Entity]**

- a) **No reservations:** We have examined and have no reservations to the tendering document, including Addenda issued in accordance with Instructions to Tenderers (ITT 8);
- b) **Eligibility:** We meet the eligibility requirements and have no conflict of interest in accordance with ITT 4;
- c) **Tender-Securing Declaration:** We have not been debarred by the Authority based on execution of a Tender- Securing Declaration or Tender Securing Declaration in Kenya in accordance with ITT 4.8;
- d) **Conformity:** We offer to provide design, supply and installation services in conformity with the tendering document of the following: *[insert a brief description of the IS Design, Supply and Installation Services]*;
- e) **Tender Price:** The total price of our Tender, excluding any discounts offered in item (f) below is: *[Insert one of the options below as appropriate]*  
*[Option 1, in case of one lot:] Total price is: [insert the total price of the Tender in words and figures, indicating the various amounts and the respective currencies];*

Or

*[Option 2, in case of multiple lots:] (a) Total price of each lot [insert the total price of each lot in words and figures, indicating the various amounts and the respective currencies]; and (b) Total price of all lots (sum of all lots) [insert the total price of all lots in words and figures, indicating the various amounts and the respective currencies];*

- (f) **Discounts:** The discounts offered and the methodology for their application are:
- The discounts offered are: *[Specify in detail each discount offered.]*
  - The exact method of calculations to determine the net price after application of discounts is shown below: *[Specify in detail the method that shall be used to apply the discounts];*
- g) **Tender Validity Period:** Our Tender shall be valid for the period specified in TDS ITT 19.1 (as amended if applicable) from the date fixed for the Tender submission deadline (specified in TDS ITT 23.1 (as amended if applicable), and it shall remain binding upon us and may be accepted at any time before the expiration of that period;
- h) **Performance Security:** If our Tender is accepted, we commit to obtain a Performance Security in accordance with the tendering document;
- i) **One Tender per Tenderer:** We are not submitting any other Tender (s) as an individual Tenderer, and we are not participating in any other Tender (s) as a Joint Venture member, and meet the requirements of ITT 4.3, other than alternative Tenders submitted in accordance with ITT 13;
- j) **Suspension and Debarment:** We, along with any of our subcontractors, suppliers, consultants, manufacturers, or service providers for any part of the contract, are not subject to, and not controlled by any entity or individual that is subject to, a temporary suspension or a debarment imposed by the PPRA. Further, we are not in eligible under Laws of Kenya or official regulations or pursuant to a decision of the United Nations Security Council;
- k) **State-owned enterprise or institution:** *[select the appropriate option and delete the other]*  
*[We are not a state- owned enterprise or institution]/ [We are a state-owned enterprise or institution but meet the requirements of ITT 4.7];*
- l) **Commissions, gratuities and fees:** We have paid, or will pay the following commissions, gratuities, or fees with respect to the Tendering process or execution of the Contract: *[insert complete name of each Recipient, its full address, the reason for which each commission or gratuity was paid and the amount and currency of each such commission or gratuity]*

Name of Recipient	Address	Reason	Amount

*(If none has been paid or is to be paid, indicate “none.”)*

- m) **Binding Contract:** We understand that this Tender, together with your written acceptance thereof included in your Form of Acceptance, shall constitute a binding contract between us, until a formal contract is prepared and executed;
- n) **Not Bound to Accept:** We understand that you are not bound to accept the lowest evaluated cost Tender, the Best Evaluated Tender or any other Tender that you may receive; and
- o) **Fraud and Corruption:** We hereby certify that we have taken steps to ensure that no person acting for us or on our behalf engages in any type of Fraud and Corruption.

**Name of the Tenderer:** *\*[insert complete name of person signing the Tender]*

- p) **Collusive practices:** We hereby certify and confirm that the tender is genuine, non-collusive and made with the intention of accepting the contract if awarded. To this effect we have signed the “Certificate of Independent Tender Determination” attached below.
- q) **Code of Ethical Conduct:** We undertake to adhere by the Code of Ethical Conduct for Persons Participating in Public Procurement and Asset Disposal Activities in Kenya, copy

available from [www.pppra.go.ke](http://www.pppra.go.ke) during the procurement process and the execution of any resulting contract.

- r) We, the Tenderer, have fully completed and signed the following Forms as part of our Tender:
- i) Tenderer's Eligibility; Confidential Business Questionnaire – to establish we are not in any conflict to interest.
  - ii) Certificate of Independent Tender Determination – to declare that we completed the tender without colluding with other tenderers.
  - iii) Self-Declaration of the Tenderer–to declare that we will, if awarded a contract, not engage in any form of fraud and corruption.
  - iv) Declaration and commitment to the code of ethics for Persons Participating in Public Procurement and Asset Disposal Activities in Kenya. Further, we confirm that we have read and understood the full content and scope of fraud and corruption as in formed in **“Appendix1-Fraud and Corruption”** attached to the Form of Tender.

**Name of the person duly authorized to sign the Tender on behalf of the Tenderer:** *\*\*[insert complete name of person duly authorized to sign the Tender]*

**Title of the person signing the Tender:** *[insert complete title of the person signing the*

*Tender]* **Signature of the person named above:** *[insert signature of person whose name*

*and capacity are shown above]* **Date signed** *[insert date of signing]* **day of** *[insert month],*

*[insert year].*

## **TENDERER'S ELIGIBILITY-CONFIDENTIAL BUSINESS QUESTIONNAIRE**

### *Instruction to Tenderer*

Tenderer is instructed to complete the particulars required in this Form, *one form for each entity if Tender is a JV*. Tenderer is further reminded that it is an offence to give false information on this Form.

#### **a) Tenderer's details**

	<b>ITEM</b>	<b>DESCRIPTION</b>
1	Name of the Procuring Entity	
2	Reference Number of the Tender	
3	Date and Time of Tender Opening	
4	Name of the Tenderer	
5	Full Address and Contact Details of the Tenderer.	1. Country 2. City 3. Location 4. Building 5. Floor 6. Postal Address 7. Name and email of contact person.
6	Current Trade License Registration Number and Expiring date	
7	Name, country and full address ( <i>postal and physical addresses, email, and telephone number</i> ) of Registering Body/Agency	
8	Description of Nature of Business	
9	Maximum value of business which the Tenderer handles.	
10	State if Tenders Company is listed in stock exchange, give name and full address ( <i>postal and physical addresses, email, and telephone number</i> ) of state which stock exchange	

## **General and Specific Details**

b) **Sole Proprietor**, provide the following details.

Name in full \_\_\_\_\_ Age \_\_\_\_\_

Nationality \_\_\_\_\_ Country of Origin \_\_\_\_\_

Citizenship \_\_\_\_\_

c) **Partnership**, provide the following details.

	<b>Names of Partners</b>	<b>Nationality</b>	<b>Citizenship</b>	<b>% Shares owned</b>
1				
2				
3				

d) **Registered Company**, provide the following details.

(i) Private or public Company \_\_\_\_\_

(ii) State the nominal and issued capital of the Company

Nominal Kenya Shillings

(Equivalent).....

Issued Kenya Shillings

(Equivalent).....

(iii) Give details of Directors as follows.

<b>S/No</b>	<b>Names of Director</b>	<b>Nationality</b>	<b>Citizenship</b>	<b>% Shares owned</b>
1				
2				
3				



**e) DISCLOSURE OF INTEREST - Interest of the Firm in the Procuring Entity.**

- i) are there any person/persons in.....(Name of Procuring Entity) who has/have an interest or relationship in this firm? Yes/ No.....

If yes, provide details as follows.

S/No	Names of Person	Designation in the Procuring Entity	Interest or Relationship with Tenderer
1			
2			
3			

**ii) Conflict of interest disclosure**

	Type of Conflict	Disclosure YES OR NO	If YES provide details of the relationship with Tenderer
1	Tenderer is directly or indirectly controls, is controlled by or is under common control with another tenderer.		
2	Tenderer receives or has received any direct or indirect subsidy from another tenderer.		
3	Tenderer has the same legal representative as another tenderer		
4	Tender has a relationship with another tenderer, directly or through common third parties, that puts it in a position to influence the tender of another tenderer, or influence the decisions of the Procuring Entity regarding this tendering process.		
5	Any of the Tenderer's affiliates participated as a consultant in the preparation of the design or technical specifications of the works that are the subject of the tender.		
6	Tenderer would be providing goods, works, non-consulting services or consulting services during implementation of the contract specified in this Tender Document.		
7	Tenderer has a close business or family relationship with a professional staff of the Procuring Entity who are directly or indirectly involved in the preparation of the Tender document or specifications of the Contract, and/or the Tender evaluation process of such contract.		

8	Tenderer has a close business or family relationship with a professional staff of the Procuring Entity who would be involved in the implementation or supervision of the such Contract.		
9	Has the conflict stemming from such relationship stated in item 7 and 8 above been resolved in a manner acceptable to the Procuring Entity throughout the tendering process and execution of the Contract.		

**f) Certification**

On behalf of the Tenderer, I certify that the information given above is complete, current and accurate as at the date of submission.

Full Name\_\_\_\_\_ Title orDesignation\_\_\_\_\_

\_\_\_\_\_

*(Signature)*

*(Date)*

### **CERTIFICATE OF INDEPENDENT TENDER DETERMINATION**

I, the undersigned, in submitting the accompanying Letter of Tender to the \_\_\_\_\_[Name of Procuring Entity] for: \_\_\_\_\_[Name and number of tender] in response to the request for tenders made by: \_\_\_\_\_[Name of Tenderer] do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of \_\_\_\_\_[Name of Tenderer] that:

1. I have read and I understand the contents of this Certificate;
2. I understand that the Tender will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am the authorized representative of the Tenderer with authority to sign this Certificate, and to submit the Tender on behalf of the Tenderer;
4. For the purposes of this Certificate and the Tender, I understand that the word "competitor" shall include any individual or organization, other than the Tenderer, whether or not affiliated with the Tenderer, who:
  - a) has been requested to submit a Tender in response to this request for tenders;
  - b) could potentially submit a tender in response to this request for tenders, based on their qualifications, abilities or experience;
5. The Tenderer discloses that [check one of the following, as applicable]:
  - a) The Tenderer has arrived at the Tender independently from, and without consultation, communication, agreement or arrangement with, any competitor;
  - b) the Tenderer has entered into consultations, communications, agreements or arrangements with one or more competitors regarding this request for tenders, and the Tenderer discloses, in the attached document(s), complete details thereof, including the names of the competitors and the nature of, and reasons for, such consultations, communications, agreements or arrangements;
6. In particular, without limiting the generality of paragraphs (5)(a) or (5)(b) above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - a) prices;
  - b) methods, factors or formulas used to calculate prices;
  - c) the intention or decision to submit, or not to submit, a tender; or
  - d) the submission of a tender which does not meet the specifications of the request for Tenders; except as specifically disclosed pursuant to paragraph (5)(b) above;

7. In addition, there has been no consultation, communication, agreement or arrangement with any competitor regarding the quality, quantity, specifications or delivery particulars of the works or services to which this request for tenders relates, except as specifically authorized by the procuring authority or as specifically disclosed pursuant to paragraph (5)(b) above;
8. the terms of the Tender have not been, and will not be, knowingly disclosed by the Tenderer, directly or indirectly, to any competitor, prior to the date and time of the official tender opening, or of the awarding of the Contract, whichever comes first, unless otherwise required by law or as specifically disclosed pursuant to paragraph (5)(b) above.

Name \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

*[Name, title and signature of authorized agent of Tenderer and Date].*

**a. SELF-DECLARATION FORMS**

**FORM SD1**

**SELF DECLARATION THAT THE PERSON/ TENDERER IS NOT DEBARRED IN THE MATTER OF THE PUBLIC PROCUREMENT AND ASSET DISPOSAL ACT 2015.**

I, ....., of Post Office Box ..... being a resident of..... in the Republic of ..... do hereby make a statement as follows: -

1. THAT I am the Company Secretary/ Chief Executive/Managing Director/Principal Officer/Director of ..... (*insert name of the Company*) who is a Bidder in respect of Tender No ..... for ..... (*insert tender title/description*) for **Insurance Regulatory Authority** and duly authorized and competent to make this statement.
2. THAT the aforesaid Bidder, its Directors and subcontractors have not been debarred from participating in procurement proceeding under Part IV of the Act.
3. THAT what is deponed to herein above is true to the best of my knowledge, information and belief.

.....

(Title)

Bidder Official Stamp

.....

(Signature)

.....

(Date)

## FORM SD2

### SELF DECLARATION THAT THE PERSON/TENDERER WILL NOT ENGAGE IN ANY CORRUPT OR FRAUDULENT PRACTICE

I, ..... of P. O. Box ..... being a resident of..... in the Republic of ..... do hereby make a statement as follows: -

1. THAT I am the Chief Executive/Managing Director/Principal Officer/Director of ..... (*insert name of the Company*) who is a Bidder in respect of Tender No. .... for..... (*insert tender title/description*) for ..... (*insert name of the Procuring entity*) and duly authorized and competent to make this statement.
2. THAT the aforesaid Bidder, its servants and/or agents /subcontractors will not engage in any corrupt or fraudulent practice and has not been requested to pay any inducement to any member of the Board, Management, Staff and/or employees and/or agents of ..... (*insert name of the Procuring entity*) which is the procuring entity.
3. THAT the aforesaid Bidder, its servants and/or agents /subcontractors have not offered any inducement to any member of the Board, Management, Staff and/or employees and/or agents of.....(name of the procuring entity)
4. THAT the aforesaid Bidder will not engage /has not engaged in any corrosive practice with other bidders participating in the subject tender
5. THAT what is deponed to herein above is true to the best of my knowledge information and belief.

Bidder Official Stamp



## DECLARATION AND COMMITMENT TO THE CODE OF ETHICS

I ..... (person) on behalf of (*Name of the Business/ Company/Firm*) ..... declare that I have read and fully understood the contents of the Public Procurement & Asset Disposal Act, 2015, Regulations and the Code of Ethics for persons participating in Public Procurement and Asset Disposal and my responsibilities under the Code.

I do hereby commit to abide by the provisions of the Code of Ethics for persons participating in Public Procurement and Asset Disposal.

Name of Authorized signatory.....

Sign.....

Position.....

Office address..... Telephone.....

E-mail.....

Name of the Firm/Company.....

Date.....

**(Company Seal/ Rubber Stamp where applicable)**

Witness

Name.....

Sign.....

Date.....

#### 4) **APPENDIX 1 - FRAUD AND CORRUPTION**

*(Appendix 1 shall not be modified)*

##### **1) APPENDIX 1 - FRAUD AND CORRUPTION**

*(Appendix 1 shall not be modified)*

##### **1. Purpose**

The Government of Kenya's Anti-Corruption and Economic Crime laws and their sanction's policies and procedures, Public Procurement and Asset Disposal Act (*no. 33 of 2015*) and its Regulation, and any other Kenya's Acts or Regulations related to Fraud and Corruption, and similar offences, shall apply with respect to Public Procurement Processes and Contracts that are governed by the laws of Kenya.

##### **2. Requirements**

- 2.1. The Government of Kenya requires that all parties including Procuring Entities, Tenderers, (applicants/proposers), Consultants, Contractors and Suppliers; any Sub-contractors, Sub-consultants, Service providers or Suppliers; any Agents (whether declared or not); and any of their Personnel, involved and engaged in procurement under Kenya's Laws and Regulation, observe the highest standard of ethics during the procurement process, selection and contract execution of all contracts, and refrain from Fraud and Corruption and fully comply with Kenya's laws and Regulations as per paragraphs 1.1 above.
- 2.2. Kenya's public procurement and asset disposal act (*no. 33 of 2015*) under Section 66 describes rules to be followed and actions to be taken in dealing with Corrupt, Coercive, Obstructive, Collusive or Fraudulent practices, and Conflicts of Interest in procurement including consequences for offences committed. A few of the provisions noted below highlight Kenya's policy of no tolerance for such practices and behavior: -
  - i) a person to whom this Act applies shall not be involved in any corrupt, coercive, obstructive, collusive or fraudulent practice; or conflicts of interest in any procurement or asset disposal proceeding;
  - ii) A person referred to under subsection (1) who contravenes the provisions of that sub-section commits an offence;
  - iii) Without limiting the generality of the subsection (1) and (2), the person shall be: -
    - a) disqualified from entering into a contract for a procurement or asset disposal proceeding; or
    - b) if a contract has already been entered into with the person, the contract shall be voidable;
  - iv) The voiding of a contract by the procuring entity under subsection (7) does not limit any legal remedy the procuring entity may have;
3. An employee or agent of the procuring entity or a member of the Board or committee of the procuring entity who has a conflict of interest with respect to a procurement: -
  - a) shall not take part in the procurement proceedings;

- b) shall not, after a procurement contract has been entered into, take part in any decision relating to the procurement or contract; and
  - c) shall not be a subcontractor for the bidder to whom was awarded contract, or a member of the group of bidders to whom the contract was awarded, but the subcontractor appointed shall meet all the requirements of this Act.
4. An employee, agent or member described in subsection (1) who refrains from doing anything prohibited under that subsection, but for that subsection, would have been within his or her duties shall disclose the conflict of interest to the procuring entity;
- 4.1. If a person contravenes subsection (1) with respect to a conflict of interest described in subsection (5)(a) and the contract is awarded to the person or his relative or to another person in whom one of them had a direct or indirect pecuniary interest, the contract shall be terminated and all costs incurred by the public entity shall be made good by the awarding officer. Etc.

In compliance with Kenya's laws, regulations and policies mentioned above, the Procuring Entity:

- a) Defines broadly, for the purposes of the above provisions, the terms set forth below as follows:
  - i) "corrupt practice" is the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;
  - ii) "fraudulent practice" is any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain financial or other benefit or to avoid an obligation;
  - iii) "collusive practice" is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;
  - iv) "coercive practice" is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
  - v) "obstructive practice" is:
    - a) deliberately destroying, falsifying, altering, or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede investigation by Public Procurement Regulatory Authority (PPRA) or any other appropriate authority appointed by Government of Kenya into allegations of a corrupt, fraudulent, coercive, or collusive practice; and/or threatening, harassing, or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or
    - b) acts intended to materially impede the exercise of the PPRA's or the appointed authority's inspection and audit rights provided for under paragraph 2.3 e. below.
- c) Defines more specifically, in accordance with the above procurement Act provisions set forth for fraudulent and collusive practices as follows:
 

"fraudulent practice" includes a misrepresentation of fact in order to influence a procurement or disposal process or the exercise of a contract to the detriment of the procuring entity or the tenderer or the contractor, and includes collusive practices amongst tenderers prior to or after tender submission designed to establish tender prices

at artificial non-competitive levels and to deprive the procuring entity of the benefits of free and open competition.

- d) Rejects a proposal for award<sup>1</sup> of a contract if PPRA determines that the firm or individual recommended for award, any of its personnel, or its agents, or its sub-consultants, sub-contractors, service providers, suppliers and/ or their employees, has, directly or indirectly, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices in competing for the contract in question;
- e) Pursuant to the Kenya's above stated Acts and Regulations, may sanction or recommend to appropriate authority (ies) for sanctioning and debarment of a firm or individual, as applicable under the Acts and Regulations;
- f) Requires that a clause be included in Tender documents and Request for Proposal documents requiring (i) Tenderers (applicants/proposers), Consultants, Contractors, and Suppliers, and their Sub-contractors, Sub-consultants, Service providers, Suppliers, Agents personnel, permit the PPRA or any other appropriate authority appointed by Government of Kenya to inspect<sup>2</sup> all accounts, records and other documents relating to the procurement process, selection and/or contract execution, and to have them audited by auditors appointed by the PPRA or any other appropriate authority appointed by Government of Kenya; and
- g) Pursuant to Section 62 of the above Act, requires Applicants/Tenderers to submit along with their Applications/Tenders/Proposals a “Self-Declaration Form” as included in the procurement document declaring that they and all parties involved in the procurement process and contract execution have not engaged/will not engage in any corrupt or fraudulent practices.

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<sup>1</sup>For the avoidance of doubt, a party's ineligibility to be awarded a contract shall include, without limitation, (i) applying for pre-qualification, expressing interest in A consultancy, and tendering, either directly or as a nominated sub-contractor, nominated consultant, nominated manufacturer or supplier, or nominated service provider, in respect of such contract, and (ii) entering into an addendum or amendment introducing a material modification to any existing contract.

<sup>2</sup>Inspections in this context usually are investigative (i.e., forensic) in nature. They involve fact-finding activities undertaken by the Investigating Authority or persons appointed by the Procuring Entity to address specific matters related to investigations/ audits, such as evaluating the veracity of an allegation of possible Fraud and Corruption, through the appropriate mechanisms. Such activity includes but is not limited to: accessing and examining a firm's or individual's financial records and information, and making copies thereof as relevant; accessing and examining any other documents, data and information (whether in hard copy or electronic format) deemed relevant for the investigation/ audit, and making copies thereof as relevant; interviewing staff and other relevant individuals; performing physical inspections and site visits; and obtaining third party verification of information.

## PRICE SCHEDULE FORMS

### *Notes to Tenderers on working with the Price Schedules*

#### 1.1 General

The Price Schedules are divided into separate Schedules as follows:

- a Grand Summary Cost Table
- b Supply and Installation Cost Summary Table
- c Recurrent Cost Summary Table
- d Supply and Installation Cost Sub-Table (s)
- e Recurrent Cost Sub-Tables (s)
- f Country of Origin Code Table

*[insert:]*

- 1.1 The Schedules do not generally give a full description of the information technologies to be supplied, installed, and operationally accepted, or the Services to be performed under each item. However, it is assumed that Tenderers shall have read the Technical Requirements and other sections of these tendering documents to ascertain the full scope of the requirements associated with each item prior to filling in the rates and prices. The quoted rates and prices shall be deemed to cover the full scope of these Technical Requirements, as well as overhead and profit.
  - 1.2 If Tenderers are unclear or uncertain as to the scope of any item, they shall seek clarification in accordance with the Instructions to Tenderers in the tendering documents prior to submitting their tender.
2. *Pricing*
- 2.1 Prices shall be filled in indelible ink, and any alterations necessary due to errors, etc., shall be initialed by the Tenderer. As specified in the Tender Data Sheet, prices shall be fixed and firm for the duration of the Contract.
  - 2.2 Tender prices shall be quoted in the manner indicated and, in the currencies, specified in ITT 18.1 and ITT 18.2. Prices must correspond to items of the scope and quality defined in the Technical Requirements or elsewhere in these tendering documents.
  - 2.3 The Tenderer must exercise great care in preparing its calculations, since there is no opportunity to correct errors once the deadline for submission of tenders has passed. A single error in specifying a unit price can therefore change a Tenderer's overall total tender price substantially, make the tender noncompetitive, or subject the Tenderer to possible loss. The Procuring Entity will correct any arithmetic error in accordance with the provisions of ITT 32.
  - 2.4 Payments will be made to the Supplier in the currency or currencies indicated under each respective item. As specified in ITT18.2, no more than two foreign currencies may be used.

## 1. Grand Summary Cost Table

		<i>[ insert: <b>Kenya shillings]</b> Price</i>	<i>[ insert: <b>Foreign Currency A]</b> Price</i>	<i>[ insert: <b>Foreign Currency B]</b> Price</i>
1.	Supply and Installation Costs (from Supply and Installation Cost Summary Table)			
2.	Recurrent Costs (from Recurrent Cost Summary Table)			
3.	Grand Totals (to Tender Submission Form)			

Name of Tenderer: \_\_\_\_\_

\_\_\_\_\_ Date \_\_\_\_\_

Authorized Signature of Tenderer:

### Note:

- **Bidder to inclusive of 1 Year Support /Warranty Cost in the main price schedule and form of tender.**
- **Year Two and Year three Services Support, Warranty, Software Subscription and any other applicable cost to mention separately, should be part of price schedule and form of tender.**



## 2. Supply and Installation Cost Summary Table

Costs MUST reflect prices and rates quoted in accordance with ITT17 and 18.

<b>Line Item No.</b>	<b>Subsystem / Item</b>	<b>Supply and Installation Cost Sub-Table No.</b>	<i>[ insert: Kenya shillings]</i> Price	<i>[ insert: Local Currency]</i> Price	<i>[ insert: Foreign Currency A]</i> Price
1	Project Plan	- -			
2	Subsystem 1				
SUBTOTALS					
TOTAL (To Grand Summary Table)					

**Note:** - indicates not applicable. “Indicates repetition of table entry above. Refer to the relevant Supply and Installation Cost Sub-Table for the specific components that constitute each Subsystem or line item in this summary table

Name of Tenderer: \_\_\_\_\_

\_\_\_\_\_Date\_\_\_\_\_

Authorized Signature of Tenderer:

### 3. Recurrent Cost Summary Table

Costs MUST reflect prices and rates quoted in accordance with ITT 17 and ITT18.

<b>Line Item No.</b>	<b>Subsystem / Item</b>	<b>Recurrent Cost Sub-Table No.</b>	<b>[ insert: Kenya shilling] Price</b>	<b>[ insert: Foreign Currency A ] Price</b>	<b>[ insert: Foreign Currency B] Price</b>
	Subtotals (to Grand Summary Table)				

**Note:** Refer to the relevant Recurrent Cost Sub-Tables for the specific components that constitute the Sub system or line item in this summary table.

Name of Tenderer: \_\_\_\_\_

Date: \_\_\_\_\_

Authorized Signature of Tenderer: \_\_\_\_\_

#### 4. Recurrent Cost Summary Table

Costs MUST reflect prices and rates quoted in accordance with ITT 17 and ITT18.

<b>Line Item No.</b>	<b>Subsystem / Item</b>	<b>Recurrent Cost Sub-Table No.</b>	<i>[ insert: Kenya shilling] Price</i>	<i>[ insert: Foreign Currency A] Price</i>	<i>[ insert: Foreign Currency B] Price</i>
	<b>Subtotals (to Grand Summary Table)</b>				

**Note:** Refer to the relevant Recurrent Cost Sub-Tables for the specific components that constitute the Sub system or line item in this summary table.

Name of Tenderer: \_\_\_\_\_

Date: \_\_\_\_\_

Authorized Signature of Tenderer: \_\_\_\_\_

**5. Supply and Installation Cost Sub-Table [insert: identifying number]**

Line-item number: [specify: **relevant line-item number from the Supply and Installation Cost Summary Table** (e.g., 1.1)]

Prices, rates, and subtotals MUST be quoted in accordance with ITT 17 and ITT18.

				Unit Prices / Rates				Total Prices				
				Supplied Locally	Supplied from outside Kenya				Supplied Locally	Supplied from outside Kenya		
Comp onent No.	Component Description	Country of Origin Code	Quanti ty	[ insert: local currency]	[ insert: local currency]	[ insert: foreign currencyA]	[ insert foreign currencyB]		[ insert: local currency]	[ insert: local currency]	[ insert: foreign currency A]	[ insert: foreign currency B]
X.1	_____	--	--	--	--	--	--					
Subtotals (to [ insert: <b>line item</b> ] of Supply and Installation Cost SummaryTable)												

**Note:** - - indicates not applicable

Name of Tenderer: \_\_\_\_\_

Date\_\_\_\_\_

Authorized Signature of Tenderer:

## 6. Recurrent Cost Sub-Table *[insert: identifying number]* –Warranty Period

Lot number: *[if a multi-lot procurement, insert: **lot number**, otherwise state “**single lot procurement**”]* Line-item number: *[specify: **relevant line item number from the Recurrent Cost Summary Table– (e.g., y.1)**]* Currency: *[specify: **the currency of the Recurrent Costs in which the costs expressed in this Sub-Table are expressed**]*

*[As necessary for operation of the System, specify: **the detailed components and quantities in the Sub-Table below for the line item specified above, modifying the sample components and sample table entries as needed. Repeat the Sub-Table as needed to cover each and every line item in the Recurrent Cost Summary Table that requires elaboration.**]*

Costs MUST reflect prices and rates quoted in accordance with ITT 17 and ITT18.

		Maximum all-inclusive costs (for costs in <i>[ insert: currency ]</i> )						
Component No.	Component	Y1	Y2	Y3	Y4	...	Yn	Sub-total for Kes
1.	Hardware Maintenance	Incl. in Warranty	Incl. in Warranty	Incl. in Warranty				
2.	Software Licenses & Updates	Incl. in Warranty						
2.1	System and General-Purpose Software	Incl. in Warranty						
2.2	Application, Standard and Custom Software	Incl. in Warranty						
3.	Technical Services							
3.1	Sr. Systems Analyst							
3.2	Sr. Programmer							

		Maximum all-inclusive costs (for costs in [ <i>insert: currency</i> ])						
Component No.	Component	Y1	Y2	Y3	Y4	...	Yn	Sub-total for Kes
3.3	Sr. Network Specialist, .... etc.							
4.	Telecommunications costs [to be detailed]							
5.	[Identify other recurrent costs as may apply]							
	Annual Subtotals:							- -
Cumulative Subtotal (to [ <i>insert: currency</i> ] entry for [ <i>insert: line item</i> ] in the Recurrent Cost Summary Table)								

Name of Tenderer: \_\_\_\_\_ Date \_\_\_\_\_

Authorized Signature of Tenderer: \_\_\_\_\_

7. Country of Origin Code Table

Country of Origin	Country Code	Country of Origin	Country Code	Country of Origin	Country Code



## QUALIFICATION FORMS

### 1. FOREIGN TENDERERS 40% RULE

Pursuant to ITT 4.11, a foreign tenderer must complete this form to demonstrate that the tender fulfils this condition.

ITEM	Description of Work Item	Describe location of Source	COST in K. shillings	Comments, if any
<b>A</b>	<b>Local Labor</b>			
1				
2				
3				
4				
5				
<b>B</b>	<b>Sub contracts from Local sources</b>			
1				
2				
3				
4				
5				
<b>C</b>	<b>Local materials</b>			
1				
2				
3				
4				
5				
<b>D</b>	<b>Use of Local Plant and Equipment</b>			
1				
2				
3				
4				
5				
<b>E</b>	<b>Add any other items</b>			
1				
2				
3				

ITEM	Description of Work Item	Describe location of Source	COST in K. shillings	Comments, if any
4				
5				
6				
	<b>TOTAL COST LOCAL CONTENT</b>			
	<b>PERCENTAGE OF CONTRACT PRICE</b>			

## 2. Form ELI-1 Tenderer Information Form

*[The Tenderer shall fill in this Form in accordance with the instructions indicated below. No alterations to its format shall be permitted and no substitutions shall be accepted.]*

Date: ..... *[insert date (as day, month and year) of Tender submission]*

ITT No ..... *[insert number of Tendering process]*

Alternative No.: ..... *[insert identification No if this is a Tender for an alternative]*

1. Tenderer's Name <i>[insert Tenderer's legal name]</i>
2. In case of JV, legal name of each member: <i>[insert legal name of each member in JV]</i>
3. Tenderer's actual or intended country of registration: <i>[insert actual or intended country of registration]</i>
4. Tenderer's year of registration: <i>[insert Tenderer's year of registration]</i>
5. Tenderer's Address in country of registration: <i>[insert Tenderer's legal address in country of registration]</i>
6. Tenderer's Authorized Representative Information  Name: <i>[insert Authorized Representative's name]</i>  Address: <i>[insert Authorized Representative's Address]</i>  Telephone/Fax numbers: <i>[insert Authorized Representative's telephone/fax numbers]</i>  Email Address: <i>[insert Authorized Representative's email address]</i>
7. Attached are copies of original documents of <i>[check the box(es) of the attached original documents]</i>  <input type="checkbox"/> Articles of Incorporation (or equivalent documents of constitution or association), and/or documents of registration of the legal entity named above, in accordance with ITT 4.4.  <input type="checkbox"/> In case of JV, Form of intent to form JV or JV agreement, in accordance with ITT 4.1.  <input type="checkbox"/> In case of state-owned enterprise or institution, in accordance with ITT 4.6 documents establishing: <ul style="list-style-type: none"><li>• Legal and financial autonomy</li><li>• Operation under commercial law</li><li>• Establishing that the Tenderer is not under the supervision of the Procuring Entity</li></ul> <input type="checkbox"/> Included are the organizational chart, a list of Board of Directors, and the beneficial ownership.

Form ELI-1 Tenderer's JV Members Information Form

*[The Tenderer shall fill in this Form in accordance with the instructions indicated below. The following table shall be filled in for the Tenderer and for each member of a Joint Venture].*

Date: ..... *[insert date (as day, month and year) of Tender submission]*

ITT No ..... *[insert number of Tendering process]*

Alternative No ..... *[insert identification No if this is a Tender for an alternative]* Page \_\_\_\_\_ of \_\_\_\_\_ pages

1. Tenderer's Name: <i>[insert Tenderer's legal name]</i>
2. Tenderer's JV Member's name: <i>[insert JV's Member legal name]</i>
3. Tenderer's JV Member's country of registration: <i>[insert JV's Member country of registration]</i>
4. Tenderer's JV Member's year of registration: <i>[insert JV's Member year of registration]</i>
5. Tenderer's JV Member's legal address in country of registration: <i>[insert JV's Member legal address in country of registration]</i>
6. Tenderer's JV Member's authorized representative information Name: <i>[insert name of JV's Member authorized representative]</i> Address: <i>[insert address of JV's Member authorized representative]</i> Telephone/Fax numbers: <i>[insert telephone/fax numbers of JV's Member authorized representative]</i> Email Address: <i>[insert email address of JV's Member authorized representative]</i>
7. Attached are copies of original documents of <i>[check the box(es) of the attached original documents]</i> <input type="checkbox"/> Articles of Incorporation (or equivalent documents of constitution or association), and/or registration documents of the legal entity named above, in accordance with ITT 4.4. <input type="checkbox"/> In case of a state-owned enterprise or institution, documents establishing legal and financial autonomy, operation in accordance with commercial law, and they are not under the supervision of the Procuring Entity in accordance with ITT 4.6. <input type="checkbox"/> Included are the organizational chart, a list of Board of Directors, and the beneficial ownership.

3. Form CON-1 Historical Contract Non-Performance and Pending Litigation.

In case a pre-qualification process was conducted this form should be used only if the information submitted at the time of pre-qualification requires updating

Tenderer's Legal Name: \_\_\_\_\_ Date: \_\_\_\_\_

JV member Legal Name: \_\_\_\_\_

ITT No.: \_\_\_\_\_

Age of \_\_\_\_\_ pages

<b><i>Non-Performing Contracts in accordance with Section III, Evaluation and Qualification Criteria</i></b>			
Contract non-performance did not occur during the stipulated period, in accordance with Sub- Factor 2.2.1 of Section III, Evaluation Criteria			
<b><i>Pending Litigation, in accordance with Section III, Evaluation and Qualification Criteria</i></b>			
No pending litigation in accordance with Sub-Factor 2.2.3 of Section III, Evaluation Criteria			
Pending litigation in accordance with Sub-Factor 2.2.3 of Section III, Evaluation Criteria, as indicated below			
Year	Outcome as Percent of Total Assets	Contract Identification	Total Contract Amount (current value, US\$ equivalent)
_____	_____	Contract Identification: Name of Procuring Entity: Address of Procuring Entity: Matter in dispute:	_____
_____	_____	Contract Identification: Name of Procuring Entity: Address of Procuring Entity: Matter in dispute:	_____

#### 4. Form EXP - 1 Experience – General Experience

Tenderer's Legal Name: \_\_\_\_\_

\_\_\_\_\_ Date: \_\_\_\_\_ JV Member Legal Name: \_\_\_\_\_

\_\_\_\_\_ ITT No.: \_\_\_\_\_ Page \_\_\_\_\_ of

\_\_\_\_\_ pages

<b>Startin g Month / Year</b>	<b>Ending Month / Year</b>	<b>Years *</b>	<b>Contract Identification</b>	<b>Role of Tenderer</b>
_____	_____		Contract name:  Brief Description of the Information System performed by the Tenderer:  Name of Procuring Entity:  Address:	_____
_____	_____		Contract name:  Brief Description of the Information System performed by the Tenderer:  Name of Procuring Entity:  Address:	_____
_____	_____		Contract name:  Brief Description of the Information System performed by the Tenderer:  Name of Procuring Entity:  Address:	_____
_____	_____		Contract name:  Brief Description of the Information System performed by the Tenderer:  Name of Procuring Entity:  Address:	_____
_____	_____		Contract name:  Brief Description of the Information System performed by the Tenderer:  Name of Procuring Entity:  Address:	_____

<b>Startin g Month / Year</b>	<b>Ending Month / Year</b>	<b>Years *</b>	<b>Contract Identification</b>	<b>Role of Tenderer</b>
_____	_____		Contract name:  Brief Description of the Information System performed by the Tenderer:  Name of Procuring Entity:  Address:	_____

\*List calendar year for years with contracts with at least nine (9) months activity per year starting with the earliest year.



## 5. Form EXP – 2 Specific Experience

Tenderer's Legal Name: \_\_\_\_\_ Date: \_\_\_\_\_  
JV Member Legal Name: \_\_\_\_\_ ITT No.: \_\_\_\_\_  
Page \_\_\_\_\_ of \_\_\_\_\_ pages

<b>Similar Contract Number: _____ of _____ required.</b>	<b>Information</b>		
Contract Identification	_____		
Award date	_____		
Completion date	_____		
Role in Contract	<input type="checkbox"/> Prime Supplier	<input type="checkbox"/> Management Contractor	<input type="checkbox"/> Subcontractor
Total contract amount	_____		_____
If member in a JV or subcontractor, specify participation of total contract amount	_____%	_____	_____
Procuring Entity's Name:	_____		
Address:	_____ _____ _____		
Telephone/fax number:	_____		
E-mail:	_____		

## 6. Form EXP – 2 (cont.) Specific Experience (cont.)

Tenderer's Legal Name: \_\_\_\_\_ Page \_\_\_\_\_ of \_\_\_\_\_ pages  
JV Member Legal Name: \_\_\_\_\_

<b>Similar Contract No. ____ [insert specific number] of [total number of contracts] ____ required</b>	<b>Information</b>
Description of the similarity in accordance with Sub-Factor 2.4.2 of Section III:	
Amount	_____
Physical size	_____

<b>Similar Contract No. ____ [insert specific number] of [total number of contracts] ____ required</b>	<b>Information</b>
Complexity	_____
Methods/Technology	_____
Key Activities	_____

## 8. Form CCC-1 Summary Sheet: Current Contract Commitments/ Work in Progress

### Name of Tenderer or partner of a Joint Venture.

Tenderers and each partner to a Joint Venture tender should provide information on their current commitments on all contracts that have been awarded, or for which a Form of intent or acceptance has been received, or for contracts approaching completion, but for which an unqualified, full completion certificate has yet to be issued

<b>Name of contract</b>	<b>Procuring Entity, contact address/tel./x</b>	<b>Value of outstanding Information System(current US\$ equivalent)</b>	<b>Estimated completion date</b>	<b>Average monthly invoicing over last six months (US\$/month)</b>
1.				
2.				
3.				
4.				
5.				
etc.				

## 9. Form FIN – 1 Financial Situation

### Historical Financial Performance

Tenderer's Legal Name: \_\_\_\_\_ Date: \_\_\_\_\_

JV Member Legal Name: \_\_\_\_\_ ITT

No. \_\_\_\_\_

Page \_\_\_\_\_ of \_\_\_\_\_ pages

To be completed by the Tenderer and, if JV, by each member

Financial information in US\$ equivalent	Historic information for previous _____ ( ) years <i>(US\$ equivalent in 000s)</i>						
	Year 1	Year 2	Year 3	Year ...	Year n	Avg.	Avg. Ratio
Information from Balance Sheet							
Total Assets (TA)							
Total Liabilities (TL)							
Net Worth (NW)							
Current Assets (CA)							
Current Liabilities (CL)							
Information from Income Statement							
Total Revenue (TR)							
Profits Before Taxes (PBT)							

Attached are copies of financial statements (balance sheets, including all related notes, and income statements) for the years required above complying with the following conditions:

- Must reflect the financial situation of the Tenderer or member to a JV, and not sister or parent companies.
- Historic financial statements must be audited by a certified accountant.
- Historic financial statements must be complete, including all notes to the financial statements.
- Historic financial statements must correspond to accounting periods already completed and audited (no statements for partial periods shall be requested or accepted).

## 10. Form FIN -2 Average Annual Turnover

Tenderer's Legal Name: \_\_\_\_\_ Date: \_\_\_\_\_

JV Member Legal Name: \_\_\_\_\_ ITT No.: \_\_\_\_\_

Page \_\_\_\_\_ of \_\_\_\_\_ pages

Annual turnover data (applicable activities only)		
Year	Amount and Currency	US\$ equivalent
	_____	_____
	_____	_____
	_____	_____
	_____	_____
	_____	_____
	_____	_____
*Average Annual Turnover	_____	_____

\*Average annual turnover calculated as total certified payments received for work in progress or completed, divided by the number of years specified in Section III, Evaluation and Qualification Criteria, Sub-Factor 2.3.2.

## 11. Form F-3 Financial Resources

Specify proposed sources of financing, such as liquid assets, unencumbered real assets, lines of credit, and other financial means, net of current commitments, available to meet the total cash flow demands of the subject contract or contracts as indicated in Section III, Evaluation and Qualification Criteria. <b>Source of financing</b>	<b>Amount (US\$ equivalent)</b>
1.	
2.	
3.	
4.	

## 12. Personnel Capabilities

### i) Key Personnel

Name of Tenderer or partner of a Joint Venture

Tenderers should provide the names and details of the suitably qualified Personnel to perform the Contract. The data on their experience should be supplied using the Form PER-2 below for each candidate.

1.	<b>Title of position: ...</b>	
	<b>Name of candidate:</b>	
	<b>Duration of appointment:</b>	<i>[insert the whole period (start and end dates) for which this position will be engaged]</i>
	<b>Time commitment: for this position:</b>	<i>[insert the number of days/week/months/ that has been scheduled for this position]</i>
	<b>Expected time schedule for this position:</b>	<i>[insert the expected time schedule for this position (e.g. attach high level Gantt chart)]</i>
2.	<b>Title of position: ...</b>	
	<b>Name of candidate:</b>	
	<b>Duration of appointment:</b>	<i>[insert the whole period (start and end dates) for which this position will be engaged]</i>
	<b>Time commitment: for this position:</b>	<i>[insert the number of days/week/months/ that has been scheduled for this position]</i>
	<b>Expected time schedule for this position:</b>	<i>[insert the expected time schedule for this position (e.g. attach high level Gantt chart)]</i>
3.	<b>Title of position: ...</b>	
	<b>Name of candidate:</b>	
	<b>Duration of appointment:</b>	<i>[insert the whole period (start and end dates) for which this position will be engaged]</i>
	<b>Time commitment: for this position:</b>	<i>[insert the number of days/week/months/ that has been scheduled for this position]</i>

	<b>Expected time schedule for this position:</b>	<i>[insert the expected time schedule for this position (e.g. attach high level Gantt chart)]</i>
4.	<b>Title of position:</b>	
	<b>Name of candidate</b>	
	<b>Duration of appointment:</b>	<i>[insert the whole period (start and end dates) for which this position will be engaged]</i>
	<b>Time commitment for this position:</b>	<i>[insert the number of days/week/months/ that has been scheduled for this position]</i>
	<b>Expected time schedule for this position:</b>	<i>[insert the expected time schedule for this position (e.g. attach high level Gantt chart)]</i>
6...	<b>Title of position:</b>	
	<b>Name of candidate</b>	
	<b>Duration of appointment:</b>	<i>[insert the whole period (start and end dates) for which this position will be engaged]</i>
	<b>Time commitment for this position:</b>	<i>[insert the number of days/week/months/ that has been scheduled for this position]</i>
	<b>Expected time schedule for this position:</b>	<i>[insert the expected time schedule for this position (e.g. attach high level Gantt chart)]</i>



ii) *Candidate Summary*

<b>Position</b>		<b>Candidate</b> <input type="checkbox"/> Prime <input type="checkbox"/> Alternate
Candidate information	Name of candidate	Date of birth
	Professional qualifications	
Present employment	Name of Employer	
	Address of Employer	
	Telephone	Contact (manager / personnel officer)
	Fax	Email
	Job title of candidate	Years with present Employer

Summarize professional experience over the last twenty years, in reverse chronological order. Indicate particular technical and managerial experience relevant to the project.

From	To	Company/Project/ Position/Relevant technical and management experience

**(u) Technical Capabilities**

Tenderer shall provide adequate information to demonstrate clearly that it has the technical capability to meet the requirements for the Information System. With this form, the Tenderer should summarize important certifications, proprietary methodologies, and/or specialized technologies that the Tenderer proposes to utilize in the execution of the Contract or Contracts.

**(u) Manufacturer's Authorization**

**Note:** This authorization should be written on the Form head of the Manufacturer and designed by a person with the proper authority to sign documents that are binding on the Manufacturer.

**Invitation  
for  
Tender**

**ers Title.:**

[insert:

**Invitation for Tenders Number \_**

To: \_\_\_\_\_ [Procuring Entity  
insert:

**Procuring Entity's Officer to receive the Manufacture's Authorization]**

WHEREAS [insert: **Name of Manufacturer]** who are official producers of \_\_\_\_\_

**items of supply by Manufacturer]** and having production facilities at \_\_\_\_\_ [insert:

**address of Manufacturer]** do here by authorize \_\_\_\_\_ [insert: **name**

**of Tenderer or Joint Venture]** located at \_\_\_\_\_ [insert: **address of Tenderer or**

**Joint Venture]** (hereinafter, the "Tenderer") to submit a tender and subsequently negotiate and

sign a Contract with you for resale of the following Products produced by us:

We hereby confirm that, in case the tendering results in a Contract between you and the  
Tenderer, the above-listed products will come with our full standard warranty.

Name [insert: **Name of Officer]** in the capacity of [insert: **Title of Officer]** Signed \_\_\_\_\_

Duly authorized to sign the authorization for and on behalf of: \_\_\_\_\_ [insert: **Name of**

**Manufacturer]** Dated this \_\_\_\_\_ [insert: **ordinal]** day of \_\_\_\_\_

[insert: **month]**, [insert: **year]**. [add Corporate Seal (where appropriate)]

(u) Subcontractor's Agreement

**Note:** This agreement should be written on the Form head of the Subcontractor and be signed  
by a person with the proper authority to sign documents that are binding on the  
Subcontractor.

Invitation for Tenders Title and No.: \_\_\_\_\_ [Procuring Entity insert: **ITT Title and Number]**

To: \_\_\_\_\_ [Procuring Entity insert: **Procuring Entity's Officer to receive the Subcontractor's  
Agreement]**

WHERE AS [insert: **Name of Subcontractor]**, having head offices at \_\_\_\_\_ [insert: **address**

**of Subcontractor]**, have been informed by \_\_\_\_\_ [insert: **name of Tenderer or Joint Venture]**

located at *[insert: **address of Tenderer or Joint Venture**]* (here in after, the “Tenderer”) that it will submit a tender in which \_\_\_\_\_ *[insert: **Name of Subcontractor**]* will provide \_\_\_\_\_ *[insert: **items of supply or services provided by the Subcontractor**]*. We hereby commit to provide the above-named items, in the instance that the Tenderer is awarded the Contract.

Name *[insert: **Name of Officer**]* in the capacity of \_\_\_\_\_ *[insert: **Title of Officer**]*

Signed \_\_\_\_\_ Duly authorized to sign the authorization for

and on behalf of: \_\_\_\_\_ *[insert: **Name of Subcontractor**]*

Dated this \_\_\_\_\_ *[insert: **ordinal**]* day of \_\_\_\_\_ *[insert: **month**]*, \_\_\_\_\_ *[insert: **year**]*.

*[add Corporate Seal (where appropriate)]*

#### vi) **List of Proposed Subcontractors**

	<b>Item</b>	<b>Proposed Subcontractor</b>	<b>Place of Registration &amp; Qualifications</b>

### **13. Intellectual Property Forms**

#### **Notes to Tenderers on working with the Intellectual**

#### **Property Forms**

In accordance with ITT 11.1(j), Tenderers must submit, as part of their tenders, lists of all the Software included in the tender assigned to one of the following categories: (A) System,

General-Purpose, or Application Software; or (B) Standard or Custom Software. Tenderers must also submit a list of all Custom Materials. These categorizations are needed to support the Intellectual Property in the GCC and SCC.

**i) Software List**

	(Select one per item)			(Select one per item)	
Software Item	System Software	General-Purpose Software	Application Software	Standard Software	Custom Software

**ii) List of Custom Materials**

Custom Materials


#### 14. Conformance of Information System Materials

##### i) *Format of the Technical Tender*

In accordance with ITT 16.2, the documentary evidence of conformity of the Information System to the tendering documents includes (but is not restricted to):

- a) The Tenderer's Preliminary Project Plan, including, but not restricted, to the topics specified in the TDS ITT 16.2. The Preliminary Project Plan should also state the Tenderer's assessment of the major responsibilities of the Procuring Entity and any other involved third parties in System supply and installation, as well as the Tenderer's proposed means for coordinating activities by each of the involved parties to avoid delays or interference.
- b) A written confirmation by the Tenderer that, if awarded the Contract, it shall accept responsibility for successful integration and interoperability of all the proposed Information Technologies included in the System, as further specified in the Technical Requirements.
- c) Item-by-Item Commentary on the Technical Requirements demonstrating the substantial responsiveness of the overall design of the System and the individual Information Technologies, Goods, and Services offered to those Technical Requirements.

In demonstrating the responsiveness of its tender, the Tenderer must use the Technical Responsiveness Checklist (Format). Failure to do so increases significantly the risk that the Tenderer's Technical Tender will be declared technically non-responsive. Among other things, the checklist should contain explicit cross-references to the relevant pages in supporting materials included the Tenderer's Technical Tender.

**Note:** The Technical Requirements are voiced as requirements of the *Supplier* and/or the *System*. The Tenderer's response must provide clear evidence for the evaluation team to assess the credibility of the response. A response of "yes" or "will do" is unlikely to convey the credibility of the response. The Tenderer should indicate *that*—and to the greatest extent practical—*how* the Tenderer would comply with the requirements if awarded the contract. Whenever the technical requirements relate to feature(s) of existing products (e.g., hardware or software), the features should be described and the relevant product literature referenced. When the technical requirements relate to professional services (e.g., analysis, configuration, integration, training, etc.) some effort should be expended to describe how they would be rendered – not just a commitment to perform the [cut-and-paste] requirement. Whenever a technical requirement is for the Supplier to

provide certifications (e.g., ISO9001), copies of these certifications must be included in the Technical Tender.

**Note:** The Manufacturer's Authorizations (and any Subcontractor Agreements) are to be included in Attachment 2 (Tenderer Qualifications), in accordance with and ITT 15.

**Note:** As a matter of practice, the contract cannot be awarded to a Tenderer whose Technical Tender deviate (materially) from the Technical Requirements – *on any Technical Requirement*. Such deviations include omissions (e.g., non- responses) and responses that do not meet or exceed the requirement. Extreme care must be exercised in the preparation and presentation of the responses to all the Technical Requirements.

- d) Supporting materials to underpin the Item-by-item Commentary on the Technical Requirements (e.g., product literature, white-papers, narrative descriptions of technical approaches to be employed, etc.). In the interest of timely tender evaluation and contract award, Tenderers are encouraged not to overload the supporting materials with documents that do not directly address the Procuring Entity's requirements.
- e) Any separate and enforceable contract(s) for Recurrent Cost items which the TDSITT 17.2 required Tenderers to tender.

**Note:** To facilitate tender evaluation and contract award, Tenderers encouraged to provide electronic copies of their Technical Tender—preferably in a format that the evaluation team can extract text from to facilitate the tender clarification process and to facilitate the preparation of the Tender Evaluation Report.

## **ii) Technical Responsiveness Checklist (Format)**

<b>Tech. Require. No. _</b>	<b>Technical Requirement:</b>  <b>[ insert: abbreviated description of Requirement]</b>
Tenderer's technical reasons supporting compliance:	
Tenderer's cross references to supporting information in Technical Tender:	

**FORM OF TENDER SECURITY- [Option 1-Demand Bank Guarantee]**

*Beneficiary:*\_\_\_\_\_

*Request for Tenders No:* \_\_\_\_\_

*Date:* \_\_\_\_\_

*TENDER GUARANTEE No.:* \_\_\_\_\_

**Guarantor:** \_

1. We have been informed that \_\_\_\_\_(here in after called "the Applicant") has submitted or will submit to the Beneficiary its Tender (here in after called" the Tender") for the execution of \_under Request for Tenders No.\_("the ITT").
2. Furthermore, we understand that, according to the Beneficiary's conditions, Tenders must be supported by a Tender guarantee.
3. At the request of the Applicant, we, as Guarantor, hereby irrevocably undertake to pay the Beneficiary any sum or sums not exceeding in total an amount of\_(\_\_) upon receipt by us of the Beneficiary's complying demand, supported by the Beneficiary's statement, whether in the demand itself or a separate signed document accompanying or identifying the demand, stating that either the Applicant:
  - (a) has withdrawn its Tender during the period of Tender validity set forth in the Applicant's Letter of Tender ("the Tender Validity Period"), or any extension thereto provided by the Applicant; or
  - b) having been notified of the acceptance of its Tender by the Beneficiary during the Tender Validity Period or any extension there provided by the Applicant, (i) has failed to execute the contract agreement, or (ii) has failed to furnish the Performance.
4. This guarantee will expire: (a) if the Applicant is the successful Tenderer, upon our receipt of copies of the contract agreement signed by the Applicant and the Performance Security and, or (b) if the Applicant is not the successful Tenderer, upon the earlier of (i) our receipt of a copy of the Beneficiary's notification to the Applicant of the results of the Tendering process; or (ii) thirty days after the end of the Tender Validity Period.
5. Consequently, any demand for payment under this guarantee must be received by us at the office indicated above on or before that date.

\_\_\_\_\_  
*[signature(s)]*



## FORMAT OF TENDER SECURITY [Option 2–Insurance Guarantee]

**TENDER GUARANTEE No.:** \_\_\_\_\_

1. Whereas ..... [*Name of the tenderer*] (hereinafter called “the tenderer”) has submitted its tender dated ..... [*Date of submission of tender*] for the ..... [*Name and/or description of the tender*] (hereinafter called “the Tender”) for the execution of \_\_\_\_ under Request for Tenders No. \_\_\_\_\_ (“the ITT”).
2. KNOW ALL PEOPLE by these presents that WE ..... of ..... [**Name of Insurance Company**] having our registered office at ..... (hereinafter called “the Guarantor”), are bound unto ..... [*Name of Procuring Entity*] (hereinafter called “the Procuring Entity”) in the sum of ..... (Currency and guarantee amount) for which payment well and truly to be made to the said Procuring Entity, the Guarantor binds itself, its successors and assigns, jointly and severally, firmly by these presents.

Sealed with the Common Seal of the said Guarantor this \_\_\_\_ day of \_\_\_\_ 20 \_\_\_\_.

3. NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that if the Applicant:
  - a) has withdrawn its Tender during the period of Tender validity set forth in the Principal’s Letter of Tender (“the Tender Validity Period”), or any extension thereto provided by the Principal; or
  - b) having been notified of the acceptance of its Tender by the Procuring Entity during the Tender Validity Period or any extension thereto provided by the Principal;
    - (i) failed to execute the Contract agreement; or
    - (ii) has failed to furnish the Performance Security, in accordance with the Instructions to tenderers (“ITT”) of the Procuring Entity’s Tendering document.then the guarantee undertakes to immediately pay to the Procuring Entity up to the above amount upon receipt of the Procuring Entity’s first written demand, without the Procuring Entity having to substantiate its demand, provided that in its demand the Procuring Entity shall state that the demand arises from the occurrence of any of the above events, specifying which event(s) has occurred.
4. This guarantee will expire: (a) if the Applicant is the successful Tenderer, upon our receipt of copies of the contract agreement signed by the Applicant and the Performance Security and, or (b) if the Applicant is not the successful Tenderer, upon the earlier of (i) our receipt of a copy of the Beneficiary’s notification to the Applicant of the results of the Tendering process; or (ii) twenty-eight days after the end of the Tender Validity Period.
5. Consequently, any demand for payment under this guarantee must be received by us at the office indicated above on or before that date.

\_\_\_\_\_  
[Date]

\_\_\_\_\_  
[Signature of the Guarantor]

\_\_\_\_\_  
[Witness]

\_\_\_\_\_  
[Seal]

**TENDER - SECURING DECLARATION FORM {r 46 and 155(2)}**

*[The Bidder shall complete this Form in accordance with the instructions indicated]*

Date:.....*[insert date (as day, month and year) of Tender Submission]*

Tender No ..... *[insert number of tendering process]*

To ..... *[insert complete name of Purchaser]*

I/We, the undersigned, declare that:

1. I/We understand that, according to your conditions, bids must be supported by a Tender-Securing Declaration.
2. I/We accept that I/we will automatically be suspended from being eligible for tendering in any contract with the Purchaser for the period of time of *[insert number of months or years]* starting on *[insert date]*, if we are in breach of our obligation(s) under the bid conditions, because we – (a) have withdrawn our tender during the period of tender validity specified by us in the Tendering Data Sheet; or (b) having been notified of the acceptance of our Bid by the Purchaser during the period of bid validity, (i) fail or refuse to execute the Contract, if required, or (ii) fail or refuse to furnish the Performance Security, in accordance with the instructions to tenders.
3. I/We understand that this Tender Securing Declaration shall expire if we are not the successful Tenderer(s), upon the earlier of:
  - a) our receipt of a copy of your notification of the name of the successful Tenderer; or
  - b) thirty days after the expiration of our Tender.
4. I/We understand that if I am/we are/in a Joint Venture, the Tender Securing Declaration must be in the name of the Joint Venture that submits the bid, and the Joint Venture has not been legally constituted at the time of bidding, the Tender Securing Declaration shall be in the names of all future partners as named in the letter of intent.

Signed: ..... Capacity / title  
(director or partner or sole proprietor, etc.)..... Name:  
..... Duly authorized to sign  
the bid for and on behalf of: *[insert complete name of Tenderer]*

Dated on ..... day of ..... *[Insert date of signing]* Seal or stamp

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## PART 2 – PROCURING ENTITY'S REQUIREMENTS

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### SECTION V - REQUIREMENTS OF THE INFORMATION SYSTEM

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***(INCLUDING TECHNICAL REQUIREMENTS, IMPLEMENTATION SCHEDULE, SYSTEM INVENTORY TABLES, BACKGROUND AND INFORMATIONAL MATERIALS)***

#### **1. Technical Requirements**

##### **A. Acronyms Used in the Technical Requirements**

###### ***i) Acronym Table***

**Note:** Compile a table of organizational and technical acronyms used in the Requirements. This can be done, for example, by extending the following table.

	<b>Term</b>	<b>Explanation</b>
	Bps	bits per second
	Cps	characters per second
	DBMS	Database Management System
	DOS	Disk Operating System
	Dpi	dots per inch
	Ethernet	IEEE 802.3 Standard LAN protocol
	GB	Gigabyte
	Hz	Hertz (cycles per second)
	IEEE	Institute of Electrical and Electronics Engineers
	ISO	International Standards Organization
	KB	Kilobyte
	kVA	Kilovolt ampere
	LAN	Local area network
	Lpi	lines per inch
	Lpm	lines per minute
	MB	Megabyte
	MTBF	Mean time between failures
	NIC	Network interface card
	NOS	Network operating system
	ODBC	Open Database Connectivity
	OLE	Object Linking and Embedding
	OS	Operating system
	PCL	Printer Command Language
	Ppm	pages per minute

	<b>Term</b>	<b>Explanation</b>
	PS	PostScript -- Adobe page description language
	RAID	Redundant array of inexpensive disks
	RAM	Random access memory
	RISC	Reduced instruction-set computer
	SCSI	Small Computer System Interface
	SNMP	Simple Network Management Protocol
	SQL	Structured Query Language
	TCP/IP	Transmission Control Protocol / Internet Protocol
	V	Volt
	WLAN	Wireless LAN

**The successful bidder will be required to provide the following deliverables to the Authority in this project:**

**1 Security information and event management**

Proposed SIEM Solution must provide Real-time visibility across an organization's information security systems. Event log management that consolidates data from numerous sources.

**Existing Infrastructure Set up**

Device Types	Total Count	Product Vendor(s),
Windows Servers	30	
Windows Desktops/laptops	150	
Network Routers	1	Cisco
Network Switches	12	Cisco/Alcatel
Network Wireless LAN	1	Alcatel
Network Load-Balancers	1	Fortinet
Network Firewalls	4	Fortinet
Network VPN / SSL VPN	SSL	Fortinet
Email Servers (Exchange)	2	MS Exchange

Security Information and Event Management	Compliance (FC/PC/NC)	Description of specifications offered including page no. in technical literature where specifications is reflected.
<b>General Requirements:</b>		
Must be available as Virtual Machines for on-premises and public/private cloud deployments on the following hypervisors — VMware ESX, Microsoft Hyper-V, KVM, Amazon Web Services AMI, OpenStack, Azure (only Collector)		
Must scale data collection by deploying multiple Collectors free of cost		
Must support built-in load balanced architecture for collecting events from remote sites via collectors		
Must support at least 15 network devices, 30 servers, advanced monitoring for at least 25 windows/Linux servers and applications with total expected EPS of 500 EPS.		
Must support Cross Correlation of SOC & NOC Analytics		
<b>Technical Requirements:</b>		
The SIEM solution should provide a scale out distributed architecture with the following characteristics:		
All Collection components, from here on referred to as Collectors, are provided as a virtual appliance		
Collectors forward event data to the storage and correlation tier.		

Collectors are able to cache data should the storage and correlation tier become unavailable.		
Collectors compress the data before sending to the storage and correlation tier.		
Collectors communicate to the storage and correlation tier over HTTPS. The direction of communication is FROM the Collectors to the storage and correlation tier.		
Should a collector fail, a replacement collector can be deployed simply by re-registering the collector with the storage and correlation tier. The collectors are not configured individually but are centrally managed and there should be no specific configuration, other than IP address information to redeploy a collector.		
Collectors should be capable of processing 10K EPS.		
Collectors should be able to process NetFlow information.		
Collectors should also automatically update new parsers when new parsers are updated in the SIEM central management system.		
The SIEM Cluster can scale by adding additional Virtual Appliances (VA) to the cluster. This scale out capability must:		
Provide real-time, in memory distributed rule correlation across all cluster components.		
Provide distributed reporting and analytics reports across the SIEM Cluster. This should be automated and the user should not need to specify which component needs to execute a search.		
The SIEM Cluster should not limit how much event data is stored. This limit should only be on how much storage is provided.		
The SIEM Cluster should be able to scale, this means that the SIEM Cluster can start with a single Virtual Appliance and scale by adding more Virtual Appliances. Event data can be stored on a virtual disk when working with a single Virtual Appliance and also on NFS/Elastic Search when working with the SIEM Cluster.		
The SIEM Cluster must be able to scale to in excess of 500K EPS		
The SIEM Cluster must be able to store both the raw event log as well as the parsed event log/normalized data.		

There should be no requirement for a separate “storage” tier that filters or sends a subset of events forwarded by Collectors to a correlation tier. The SIEM Cluster must be able to process every event forwarded by the collection tier.		
Event data must be stored in a compressed mode. Please indicate the compression technology and compression level.		
The SIEM Cluster must not use a relational database (MS SQL, Postgresql, MySQL, Oracle) to store the event data. A modern database should be used to store event data such as a NoSQL database.		
A relational database can be used to store templates, incidents and other structured information.		
The virtual appliance should run on Linux and have the ability to update OS packages.		
How does your solution scale to match organizations projected growth. Explain how granularly scalable your proposed solution is without driving huge investments for our infrastructure.		
The SIEM must be able to collect additional context beyond log data from devices and this should be achieved by:		
Actively discovering the devices within the network without an agent and using standard protocols such as:		
SNMP		
WMI		
VM SDK		
OPSEC		
JDBC		
Telnet		
SSH		
JMX		
Ability to monitor the status and responsiveness of services including DNS, FTP/SCP, Generic TCP/UDP, ICMP, JDBC, LDAP, SMTP, IMAP4, POP3, POP3S, SMTP, SSH and Web — HTTP, HTTPS (Single and Multi-Step).		
Once discovered the devices should be presented in a Asset Management Database within the SIEM solution and display at a minimum:		
Version/Firmware/OS installed on the device		
Device serial number		
Interfaces configured on the device along with:		
Interface name		

IP and subnet		
Interface status (enabled, disabled)		
Any security levels configured on the device		
The interface speed		
The interface speed and name should be editable		
Processes running on the device or operating system		
Alert when there is a process status change by actively monitoring using protocols. For example, alert when a process or service stops.		
Devices should automatically be populated within Groups in the Asset Management Database, for example Windows Server Group, Firewall Group.		
Applications running on devices should be automatically discovered and the Asset Management Database should have an application group that automatically populates devices under the group. For example, the application group “IIS Servers” should list all devices running Microsoft IIS.		
Be able to report on all information within the Asset Management Database:		
Report on firmware of devices or version number		
Provide audit report with pass/fail whether the device has the appropriate version of Version/Firmware/OS installed on the device.		
Once active discovery of the devices is complete the SIEM should have a built-in template that will automatically define what metrics will be collected for devices and the collection intervals.		
Documentation for end users, administrator, API guides for integration should be available online for public viewing.		
Solution must integrate with common cloud system such as AWS, AZURE, Microsoft Office 365, Google Apps, Okta, etc without additional cost for API connectors.		
Solution should be able to perform Registry Change Monitoring for critical servers identified during the deployment and should provide a mechanism to exempt specific registry keys.		
Solution should have ability to link events and related data to security incidents, threats or forensics findings		
The solution should allow retention of full source data at no cost on allocated SIEM storage.		



The solution should support searching into archived logs without having to import them.		
Must support correlation of Actors (IP, Host, User) across multiple incidents, without creating multiple reports in separate tabs. Incident trends, Actor and Incident detail are displayed on the same page.		
Must support an incidents Attack View that maps security incidents detected by the SIEM platform into attack categories defined by MITRE Corporation (MITRE ATT&K).		
Special dashboard should be available to show Rule coverage of Mitre framework with at least 950 rules.		
Must support an integrated enhanced data visibility with machine learning and User and Entity Behavior Analysis (UEBA). UEBA Agents can be proposed as optional when required. Shouldn't be provided as a separate 3 <sup>rd</sup> party solution to simplify management.		
Solution should provide ability to monitor business services to bring out a logical business-oriented approach to the technical SOC function.		
Solution should provide the ability to notify Security Administrators when log events have not been received from a specific system and ability to generate such reports for a specifiable duration of time.		
Solution should support out-of-the-box compliance reports e.g. PCI, COBIT, SOX, ISO, ISO 27001, SANS Critical Control, NIST800-53, NIST800-171, etc.		
Solution should enable exploration of logs to discover details of a security incident.		
Solution should have ability to analyze events and then send alerts to notify security staff of immediate issues. These alerts should support additional criteria such as Time Of Day, Incident Severity, Affected Items and multiple actions such as email, sms, remedial action, ticket creation, snmp alert, etc.		
Solution should create visualizations based on Realtime or retrospective/historical events data to allow security analysts to more quickly and accurately identify patterns and anomalies		
Solution should monitor and collect system health statistics to provide proof of agent uptime		

The solution should support an Approval Workflow for running remediations.		
The solution should support FIPS 140-2 configuration.		
The Windows and Linux Advanced Agents should support agent process and service protection. It should automatically restart if process killed.		
The Windows and Linux Advanced Agents should support centralized health monitoring.		
The SIEM solution threat intelligence subscription should provide automatic access to an external portal for broader insight into IOC and improving Incident triage on top of the IOC feeds downloaded automatically into SIEM.		

## 2. Network Admission Control System

### (a) Network Access Control

NAC In view of the growing use of IT and the evolving threat environment especially at end point level, authority threat perception is also heightened. As a measure to further strengthen the Network Security, the authority has decided to secure a Network Access Control solution. The key objective of the solution is to ensure proper authentication, monitoring, reporting, incidence response and reasonable protection for threats that may emanate at end point level where devices are plugged into the authority's network. This shall have a major contribution to the overall objective of attainment of the best network security practices within in line with today's level of technology and threat environment.

#### Requirement

- The **total number** of switch ports and the **maximum number of concurrently** wireless connections across the entire organization are 500
- The total number of endpoints across the entire deployment that are **concurrently** connected to the network and accessing the network services are 500.

This includes IP Phones, Printers, Scanners, card readers, handheld devices, laptops, desktops, IP projectors ...etc.

- The total number of Users across the entire organization are 200.
- Authority Requires **post-connect assessment** with automated response integrated with NAC solution for edge devices
- One physical location within the organization that will be controlled by NAC
- Deployment type should be Hardware appliances with 1 Year support

Component	Specification required including applicable standards	Compliance (FC/PC/NC)	Description of specifications offered including page no. in technical literature where specifications is reflected.
<b>General Specification</b>	The bidder must be a certified reseller and must provide a copy of the certificate of Authorization. The vendor must provide a current, dated and signed authorization from the manufacturer that the vendor is an authorized distributor, dealer or serviced representative and is authorized to sell the manufacturer's product		
	Manufacturer backed 24x7 Premium Enterprise Support supplied under this solution - 1 Year		
	The vendor deployment must be backed with a professional service installation service from the OEM		
<b>Technical Specifications</b>	The solution must be a hardware-based appliance supporting:		
	At least 16GB RAM		
	At least 4 GE RJ45 interfaces		
	At least 2TB inbuilt storage with RAID support		
	Dual power supply units		
	The solution must preferably have a dedicated logging and reporting appliance with at least 8TB inbuilt storage		
	Must be able to scale to at least 2,000 concurrent devices per appliance		
	Must be licensed with at least 700 concurrent device licenses with full visibility, control and automated response capabilities		
	The proposed licenses must be perpetual		
	The proposed licenses must factor in high availability of the proposed solution		
	The proposed hardware appliances must be deployed centrally in the datacenter without any requirement of having different appliances across branch sites		
<b>General Features</b>	Must be supplied as physical appliances		
	Must support agentless scanning of network for		

	detection and classification of devices		
	Must create an inventory of all devices on the network		
	Must support event reporting to SIEM with detailed contextual data to reduce investigation time		
	Must assess risk of every endpoint on the network		
	Must support perpetual licensing model		
	Must automate onboarding process for large number of endpoints, users and guests		
	Must enforce dynamic network access control and enable network segmentation		
	Must reduce containment time from days to seconds		
	Must support multiple canned reports for network reporting, compliance, and analysis		
	Must form a security fabric with the proposed firewalls for posturing and automated isolation of infected hosts		
<b>Device &amp; User Discovery</b>	Must support Network Discovery		
	Must support both agentless and agent-based deployments		
	Must support User and Device Domain Authentication		
	Must support User and Device Captive Portals		
	Must support Rogue Endpoint Identification		
	Must support at least 20 Device Profiling and Classification methods		
	Must support MDM Integration		
	Must support device application visibility		
<b>Network Access &amp; Control</b>	Must support Network Access Policies		
	Must support BYOD Onboarding		
	Must support Advanced Guest Management with the capability of using Social Media authentication		
	Must support IoT Onboarding with Sponsor authorization		
	Must support Endpoint Compliance		
	Must support automated Rogue Device Detection & Restriction		
<b>Security Triage</b>	Must support Inbound Security Events from 3rd party security solutions		

	Must support Extensible Actions & Audit Trail		
	Must support Alert Criticality & Routing		
	Must support Guided Triage Workflows		
	Must support Outbound Security Events to other solutions		
	Must support REST API		
<b>System Features</b>	Must support Role-Based-Access-Control.		
	The solution must support secure management protocols (e.g. HTTPS, SSH)		
	The solution must support advanced auditing capabilities		
	Must show processes running on the device or operating system		
	The solution must provide e-mail alerting for administrative alerts		
	The solution must support configuration backup/restore		
	The solution must support common external authentication mechanisms for administrators (e.g., LDAP, Local, RADIUS, etc.)		
<b>Policy Requirements</b>	The solution must be able to classify assets on the network based on categories (e.g. Windows, Linux, Mobile, etc.)		
	The solution must collect detailed asset information (e.g. MAC address, Logged on user, OS, NIC vendor, Switch Port, etc.)		
	The solution must be able to prevent network access from unauthorized and/or non-compliant devices (eg: BYOD device, device without AntiVirus running)		
	The solution must provide captive portal abilities for guest device self-registration		
	The solution must provide captive portal abilities for BYOD devices via corporate logon credentials (e.g. AD, LDAP)		
	The solution must be able to detect/prevent ARP spoofing		
	The solution must be able to detect/prevent device dual-homing (e.g. wired + wireless access)		
	The solution must be able to detect/prevent malicious hosts		

	The solution must be able to detect Windows Update compliance		
	The solution must be able to detect AntiVirus Update compliance		
	The solution must be able to detect endpoint firewall compliance		
	The solution must be able to detect/prevent external storage media & peripherals (e.g. USB flash drives, webcams, etc.)		
	The solution must be able to detect custom attributes of devices (e.g. script output, WMI, registry, file attributes, running processes, etc.)		
	The solution must be able to quarantine devices based on policy (e.g. Switch port block, virtual firewall)		
	The solution must support administrative reversal of policy actions (e.g., unquarantine device)		
	The solution must support manual administrative actions (e.g., quarantine device, re-evaluate policies, etc.)		
<b>Mandatory Integration Requirements</b>	The solution must integrate with common router/switch vendors including Arista, Brocade, Cisco, Extreme, Enterasys Networks and Juniper amongst others		
	The solution must integrate with common AV/EDR vendors including Sophos, Crowdstrike, Carbon Black, Kaspersky and Trend Micro amongst others		
	The solution must integrate with common firewall vendors including Cisco, Palo Alto, Solution and Check Point		
	The solution must integrate with common IPS vendors including FireEye, Stonegate and TippingPoint amongst others		
	The solution must integrate with common WiFi vendors including Cisco, Alcatel, Aruba, Aerohive, Ubiquiti and Mist amongst others		
	The solution must integrate with common mobile device management (MDM) vendors including Airwatch, Mobile Iron, Jamf, Microsoft Intune, Google Gsuite amongst others		

	The solution must integrate with common vulnerability assessment vendors including Qualys and Rapid7 amongst others		
	The solution must integrate with common SIEM vendors		
	The solution must integrate with patch management tools including BigFix and PatchLink servers amongst others		

## (b) Two Factor Authentication

The authority seeks to implement various Security Measures to secure the IT infrastructure. Authority wants to implement Two-factor Authentication as a next level of Security. The Two-Factor Authentication shall be implemented as a software solution.

- Concurrent users considered for the authentication use case are 100
- High availability is required
- The two-factor authentication use-case is for VPN.
- 50 Mobile tokens.

<b>Identity and Access Management</b>	<b>Compliance (FC, PC, NC)</b>	<b>Description of specifications offered including page no. in technical literature where specifications is reflected.</b>
<b>General Requirements:</b>		
MUST support simple management access i.e., without the need for local management clients (HTTPS preferred)		
MUST support high availability		
MUST support SNMP for polling of system statistics		
MUST support SNMP Traps for key system thresholds (specify)		
MUST display a visual representation of authentication in the GUI		
MUST log all authentication events:		
Locally		
Via syslog		
MUST be simple to install, manage and upgrade		
MUST support backup of the full system configuration via the GUI		
MUST support automated backup of configuration to an external location		
<b>Hardware Specifications:</b>		
Supports on-premise hardware appliance options scaling to 3,000 users and tokens per appliance		
The appliances must be licensed with at least 1,500 user licenses		
The appliances must be licensed with at least 50 software token licenses		
Must support dual power supplies		

Must support at least 500 NAS clients		
<b>System Feature Requirement:</b>		
The solution must support an inbuilt LDAP server and external LDAP integration		
The solution must support an inbuilt RADIUS server and external RADIUS integration		
The solution must support 802.1X authentication		
The solution must support local and external administrator accounts		
The solution must support the creation, import and export of bulk users using CSV files or any other mechanism		
The solution must support web-based login widget		
The solution must support an inbuilt CA server and external CA server integration		
The solution must support an inbuilt Token server supporting a minimum of 3,000 tokens		
The solution must support both hardware and software tokens		
The solution must support push-notification technology for supported tokens		
The solution must support token-less two factor authentication via sms and email		
The solution must support agent and agentless single sign-on solution		
The solution must support Active Directory Polling		
The solution must support Kerberos with NTLM Fallback		
The solution must support 3rd Party Radius Single Sign-On (RSSO) via RADIUS, Syslog HTML, and API integration		
The solution must support Web Single Sign On SAML 2.0 enabling Web based authentication and authorization to Cloud apps like Office 365.		
The solution must support SAML integration as Identity Provider (IDP) or Service Provider (SP)		
Must support OAUTH service or integration with 3rd party OAUTH servers including Azure AD/ADFS and G-Suite		
The solution must support self-service Guest portals for guest self-registration		
The solution must support time limited/restricted Guest accounts		
The solution must support auto-deletion/purging of expired Guest accounts		
The solution must support BYOD self-service portals for certificate provisioning		
The solution should support RADIUS Accounting to support wireless and VPN authentication		
The solution must support TACACS+ capability		
The solution must support FIDO capability		
The solution must support the following IEEE 802.1X EAP authentication methods:		
PEAP (MSCHAPv2)		
EAP-TTLS		
EAP-TLS		



EAP-GTC		
<b>Token Features/Options:</b>		
Solution supports physical token options with both key-ring and credit-card form factors		
Solution supports mobile-based software tokens supporting Android, iOS and Windows mobile platforms		
Solution supports the integration with SMS gateways to deliver tokens via SMS		
Solution supports the integration with email servers to deliver tokens via emails		
Solution support push-notification capability enhancing the user login experience		
Solution supports offline caching of token seeds for at least 14 days providing secure 2FA workflows even if the mobile device is offline		
Should be easily provisioned through email by the administrator or through the token self-provisioning portal. The tokens can also be easily revoked by users through the self-revocation portal		
<b>Other Requirement:</b>		
The solution must support a tool to monitor Single Sign-On events		
The solution must support a tool to monitor configured domains		
The solution must support a tool to monitor configured domain controllers		
The solution must support a tool to monitor configured polling agents		
The solution must support a tool to monitor authentication events including active, inactive and locked-out users		
The solution must support Accounting		
The solution must support the download of raw logs and debug reports		
The solution must support the search function on the log message list		
The solution must support an external NAS device		
The solution must support sending of logs to external syslog servers		
The solution must support advanced IPv6 capabilities including Syslog-to-FSSO and API-to-FSSO support		

### 3. Privileged Access and Password Management Solution.

Solution must consist of the cybersecurity strategies and technologies for exerting control over the elevated (“privileged”) access and permissions for users, accounts, processes, and systems across an IT environment. By dialing in the appropriate level of privileged access controls

Proposed Solution or mechanism must safeguard identities with special access or capabilities beyond regular users. Like all other infosec solutions, solution should work through a combination of people, processes, and technology.

<b>Existing Infrastructure</b>
Authority has Four privileged users (administrators)
Total number of end users are 150
Authority is looking to have third-party contractors or external vendors require access to the critical systems in infrastructure through the PAM solution.
Active Directory is in place
SAML/IDP service in use for Single Sign-On via active directory
PAM integration is required with SIEM solution, SIEM is part of this tender.
Integratation of PAM with help desk or ticketing systems is required
Authority has Primary and Secondary Site locations/sites Currently looking to host the server at primary location
We have total 25 application servers.
Authority is looking for solution bundled with PostgreSQL server as the backend database. Would like to use MS SQL server as the backend instead.
Will have MS SQL server as the backend database, we would like to have an 'always on' cluster configured.
We manage the Windows Service Accounts via active directory
We prefer granting remote access to users without revealing the passwords in plain-text.
We have 15 IT assets which are intend to manage using PAM
Total number of Windows Servers (Physical/Virtual) 6 physical 20 virtual
Linux/AIX/Unix/Solaris servers – NONE
Total number of Mac servers – NONE
Total number of MSSQL / DB2 / MySql / PgSQL databases -2
Total number of Oracle databases – NONE
Total number of network devices 20 SWITCHES 1 ROUTER & 5 FIREWALL
Total number of security devices – 7
Total number of storage devices – 6 Controllers
Other network devices, if any.
Total number of thick-client applications -5
Total number of webs applications -4
Currently we manage our application passwords manually

## Specifications

Requirement	Compliance (FC/PC/NC)	Bidder Response
<b>Architecture and Performance</b>		
The solution shall be used as the sole gateway connecting user's workstation to the managed systems for privileged access.		
The solution shall initiate the login session from the workstation to the managed systems using a session proxy (via a login portal).		
The solution should support distributed engine for both password and session management across different isolated network segments and geographical regions while all target systems and policies still can be managed centrally.		
The solution shall not require network topology changes in order to assure all privileged sessions are controlled by the solution.		
The solution shall be based on agentless architecture for both password and session management.		
The solution shall be delivered in hardware or virtual appliance hardened to US Department of Defense Gold Standard STIG.		
The solution shall support high availability in Active-Passive mode with automatic and manual failover within the same site or cross different sites without the need of additional tools or licenses.		
The solution shall support high availability in Active-Active mode with 2 or more nodes that can be deployed in multiple sites for horizontal scaling.		
The solution shall offer hardened appliance deployment options in public cloud providers including Azure, AWS and Google Cloud.		
The solution shall support at least tens of thousands managed systems and accounts.		
The solution shall support not less than 300 concurrent recording sessions for each node and be able to scale up to support thousands of concurrent sessions.		
The solution shall support out-of-the-box archiving capability for recorded session without incurring any additional cost or resources other than the storage requirement.		
The solution shall have the capability to cache selected credentials externally. These credentials can be used for application-to-application connections to mitigate temporary outage of PAM infrastructure.		
<b>Asset Management and Discovery</b>		

The solution shall have bulk loading capability to import managed systems, privileged accounts, users, and other necessary objects.		
The solution shall have the capability to record system information for managed systems including but not limited to IP address, MAC address, DNS name, owner of the system, platform type and version.		
The solution shall allow administrator to define custom attributes for both managed system and privileged account.		
The solution shall have the capability to discover and inventory all privileged and non-privileged accounts in known and unknown systems including but not limited to:		
Windows		
Unix/Linux		
Mac OS		
Directories (AD/LDAP)		
Databases		
Network Devices		
The solution shall provide distributed discovery engine capability that allows asset to be discovered across different isolated network segments and geographical regions and report discovery result back centrally.		
The solution shall have the capability to discover Windows Services and Scheduled Tasks so that privileged credentials used by them can be managed automatically.		
The solution shall have the capability to discover Active Directory domain accounts and automatically link discovered accounts to specific member servers for user to request for access.		
The solution shall have the capability to discover software that are installed and ports are open in the target system.		
The solution shall have the capability to group target systems based on discovered and custom defined system attributes.		
The solution shall have the capability to group systems and accounts based on the result of AD/LDAP query.		
The solution shall have the capability to send email notification to designated personnel upon discovering new target systems or found systems are no longer reachable.		
The solution shall have the capability to discover new privileged accounts and on-board them for password management automatically.		
<b>Credential Management</b>		
The solution shall support password management for the following platforms out-of-the-box:		
<b>Operating Systems:</b> AIX, HP-UX, AS400, Z/OS, Linux, Mac OS, Solaris, Windows		

Desktop, Windows Server		
<b>Databases:</b> MongoDB, MySQL, Oracle, PostgreSQL, SQL Server, Sybase, Teradata		
<b>Directories:</b> Active Directory, LDAP, RACF		
<b>Devices:</b> BIG-IP (F5), Checkpoint, Cisco IOS, Dell iDRAC, Solution, HP Comware, HP iLo, Juniper (JunOS), Palo Alto Networks, Xerox 6700 Printer		
<b>Applications:</b> SAP, VMware vSphere API, VMware vSphere SSH, Amazon AWS, Office 365, Workday		
Beside out of the box supported platforms, the solution shall have the flexibility and user friendly interface to configure custom platform to manage account password. The custom platform feature must be easy to use and allow user (the customer) to perform configuration without involvement from product vendor.		
The solution shall have the capability to leverage optional agent for password rotation in the event that Windows target system (such as laptop or offline virtual machine) is not reachable.		
The solution shall support definition of multiple password policies and ability to enforce one password policy for multiple managed systems and individual password policy for each managed system.		
The solution shall have the flexibility to define schedule to reset and randomize passwords on per managed system and account basis without knowledge of existing passwords.		
The solution shall have the flexibility to reset and randomize passwords for selected accounts upon check-in to eliminate risk of passwords being compromised.		
The solution shall support time-based password retrieval whereby requested password is reset automatically upon expiration of granted timeframe.		
The solution shall have the capability to unlock account upon changing its password.		
The solution shall have the capability to set password change frequency based on date and time.		
The solution shall have the capability to change password at one go for single, group and all managed systems based on specific criteria.		
The solution shall have the flexibility to support on-demand manual password change by authorized user.		
The solution shall have the capability to enforce password integrity by automatically resetting account passwords that failed verifications or no longer synchronized with the passwords stored in the solution.		

The solution shall have the capability to automatically change Windows Services and Scheduled Tasks logon password and optionally restart the Services when corresponding privileged account password is changed by the solution.		
The solution shall have the capability to perform password verification against managed account and notify 'out of sync' passwords.		
The solution shall have the capability to synchronize password for selected accounts that reside in multiple systems with different platform type.		
The solution shall maintain password history for managed privileged accounts and provide easy way to view old passwords through solution's web interface.		
The solution shall support SSH key management through automated storage of SSH keys and rotation of SSH keys according to a defined schedule.		
The solution shall support SSH key generation with DSA & RSA key types and configurable key size.		
The solution shall have the capability to change SSH key at one go for single, group and all managed systems based on specific criteria.		
The solution shall have the flexibility to support on-demand manual SSH key change by authorized user.		
<b>Session Management</b>		
The solution shall support monitoring and recording of privileged session access through standard protocols RDP and SSH. Automatic logon without exposing privileged account password must be supported for this type of access.		
The solution shall support monitoring and recording of privileged session for any client application access for Windows thick clients including but not limited to vSphere Client, Microsoft SQL Management Studio, SQL Developer, SAPGui, Toad, etc. and web browsers. Automatic logon without exposing privileged account password must be supported for this type of access.		
The solution shall allow administrators to add and configure any new client application access with session monitoring and auto logon capabilities.		
The solution's session recording feature shall support the use of Commercial off-the-shelf (COTS) client tools: Windows Remote Desktop for RDP access and user's preferred SSH client such as PuTTY/SecureCRT for SSH access.		

The solution shall have the capability to limit the number of sessions a user can open for certain set of privileged accounts at one time.		
The solution shall allow direct upload/download and transfer of file(s) from the managed systems to and from the user's workstation via RDP and SSH sessions. No residual file(s) shall be present in the solution after the file(s) are transferred.		
The solution shall have the ability to play sound on active RDP privileged sessions.		
The solution shall have the capability to allow users to make direct connection to managed system via their favorite RDP and SSH clients without the need of log into solution's web interface. Session recording, auto logon and without exposing privileged account password features shall still apply to this way of access.		
The solution shall have the capability to display on-screen message with countdown timer to notify user before approved access exceeds the requested time frame.		
The solution shall have configuration option to automatically terminate a requested remote access session should the approved access exceeds the requested time frame.		
The solution shall have the capability of keystroke logging for all type of access including RDP, SSH, Web and GUI based application clients. The keystroke must be searchable.		
The solution shall have the capability to mask password for RDP and SSH session even if keystroke is being recorded.		
The solution shall have the capability to lock the SSH session when a blacklisted command is executed and optionally send email notification to designated personnel upon detecting the execution of those commands.		
The solution shall have the capability for authorised user to search across all types of recording by keystroke, date/time, user name, target system name and privileged account name.		
The solution shall allow authorised user to replay selected recording from web interface without the need of installing third party client software.		
The session replay capability shall support playback from point in time in the timeline and searched keyword instead of playing from the beginning of the recording.		
The session replay capability shall support fast forward playback.		
The solution shall allow authorised user to provide review comment while replaying recorded session and indicate recorded session has been reviewed.		

The solution shall support live monitoring of sessions from web interface without the need of installing third party client software.		
The solution shall support real-time session intervention which allows authorized user to lock or terminate a session remotely when suspicious activity is performed.		
The solution shall have configuration option to turn off recording for selected privileged session access but still provide automatic logon feature.		
The solution shall have the flexibility to enable users to connect securely to remote target systems through the session recording feature using accounts which are not managed by the solution.		
The solution shall have the capability to archive recorded sessions to long term storage to cater for long retention requirement.		
The solution shall have the capability to replay archived session using the application itself without administrator's intervention. The archived session should be secured and encrypted so that it cannot be accessed outside the solution.		
The solution shall have the capability to ensure integrity of recorded sessions to prevent tampering.		
The solution shall support session recording with auto logon for Windows system where RSA authentication agent is deployed for two-factor authentication.		
The solution shall support privileged session with auto logon for Windows platform where smart card authentication enabled.		
The solution shall support privileged SSH session in restricted shell access environments.		
<b>Administration &amp; Workflow</b>		
The solution shall ensure proper segregation of duties with Role Based Access Control (RBAC) capability such that roles and accesses are properly defined.		
The solution shall minimally support requester, approver and reviewer roles for segregation of duties.		
The solution shall have the capability to dynamically group managed accounts based on criteria including but not limited to platform type, platform version, domain name, IP address, system name, account name, account privilege, etc. so that they can be effectively granted to appropriate users for request.		
The solution must ensure personal accountability when user granted privileged password and session for shared account.		
The solution shall support policy driven workflow and allow easy configuration through		



web interface to route password and session request to appropriate approver(s).		
The solution shall have the flexibility to specify zero, one or multiple approvers for single, group or all managed accounts for dual control. The solution shall have the flexibility to allow this configuration to be applied to one or groups of managed accounts.		
The solution shall have the flexibility to allow multiple users requesting the same account password and session for the same managed system in the same time period.		
The solution shall have the capability to restrict time frame and frequency that users can request password and session to managed systems. The solution shall have the flexibility to allow this configuration to be applied to one or groups of managed accounts.		
The solution shall have the capability to restrict IP address of user's computer where password and session requests are made. The solution shall have the flexibility to allow this configuration to be applied to one or groups of users.		
The solution shall have the flexibility to allow multiple approval policies to be assigned to one managed account for the same requester. This is to support the use cases such as a privileged account doesn't require approval during office hour but approval is required after office hour.		
The solution shall be configurable to allow authorised user to bypass approvals for selected privileged account for emergency case.		
The solution shall have the capability to send notification via email to requester and/or approvers when request for password or session has been made.		
The solution shall have the capability to send notification via email to requester and/or approvers when approver has approved or rejected the request.		
The solution shall have the capability to send notification via email to designated personnel for any password or session request regardless approval requirement.		
The solution shall have the capability to send notification via email to designated personnel in the event of password change failure.		
The solution shall have the capability to send notification via email to designated personnel in the event that password in the solution doesn't match the one in managed system.		
The solution shall have the capability to allow customisation of email templates.		
The solution shall have the capability to purge old system logs according to retention period configurations.		
<b>End User Interface</b>		

The solution shall provide a single HTML5 web interface for users to perform activities related to privileged account such as request, approval, session replay and audit trail retrieval, etc. and administrators to manage privilege accounts, user profiles, groups, organizations, roles and policies.		
The solution shall support the following web browsers: <ul style="list-style-type: none"> <li>• Microsoft Edge</li> <li>• Internet Explorer</li> <li>• Google Chrome</li> <li>• Mozilla Firefox</li> <li>• Apple Safari</li> </ul>		
The solution shall have self-service interface that allows user to view and search privileged accounts granted for access.		
The solution shall have self-service interface for authorized user to retrieve credentials and request session for privileged access for a time-limited or one time access.		
The solution shall allow user to specify start date/time, duration and reason when requesting privileged account password and session.		
The solution shall allow user to view and search old, existing and pending requests.		
<b>Audit, Reporting and Analytics</b>		
The solution shall support auditing and accountability where each transaction is logged for every request.		
The solution shall capture all changes carried out by administrators in audit trail including user name, time stamp, activity performed, IP address and old/new values.		
The solution shall have the ability to generate all reports by frequency, on-demand or as scheduled tasks.		
The solution shall support minimally these report format: CSV, Excel, PDF, PowerPoint, MHTML, Word, TIFF and XML.		
The solution shall provide minimally following types of report out-of-the-box without any additional component and no additional cost:		
<b>Account password age report</b> that provides last password change date and age for each managed account.		
<b>User activities report</b> that provides a detailed transactional view of password and session request and approval activities.		
<b>Entitlement report</b> that details who has access to which accounts.		
<b>Password change activity report</b> that details password change reason and result.		
<b>Password change schedule report</b> that provides details of upcoming scheduled password change.		

<b>Password reset upon release reconciliation report</b> that shows end of request reset statuses of managed account passwords to provide auditable evidence that passwords have been reset appropriately after being released.		
<b>Asset inventory report</b> that provides list of all managed and unmanaged systems, IT assets discovered grouped by operating system.		
<b>Account inventory report</b> that provides list of all managed and unmanaged accounts.		
<b>Account delta report</b> that provides delta change for added and removed accounts according to daily, weekly and monthly periods.		
<b>Managed vs unmanaged accounts report</b> that provides a list of target system accounts and indicates which are under password management.		
<b>Service account usage report</b> that provides a detailed list of what systems are using a service account to start one or more Windows services.		
<b>Regulatory compliance report</b> that provides insight to regulatory standards (but not limited to): COBIT, GLBA, HIPPA, HITRUST, ISO-27002, ITIL, MASS 201, NERC-FERC, NIST 800, PCI and SOX.		
The solution shall have the ability to deliver reports through email or to shared folder automatically based on predefined schedule so that user doesn't have to generate or retrieve report manually.		
The solution shall support rich reporting content including but not limited to text, table, graphics, chart, bar, etc.		
The solution shall have the capability to allow creation of customized report.		
The solution shall have advanced threat analytics capability that pinpoints specific, high-risk users and systems by correlating low-level privilege, vulnerability, and threat data from a variety of sources.		
<b>Authentication, Security and Compliance</b>		
The solution shall have configuration option to turn on only FIPS 140-2 validated cryptography for encrypting sensitive data including passwords, keys and session recordings and all other secure communications.		
The solution must be accredited with Common Criteria certificate.		
The solution shall not contain any hard coded credentials that cannot be managed.		
The solution shall have the capability to integrate with multiple enterprise authentication methods including Active Directory, LDAP, Smart Card, RADIUS and built-in authentication mechanism.		

The solution shall support Integrated Windows Authentication and SAML for single sign on.		
The solution shall support the enforcement of strong authentication with RADIUS Two Factor Authentication (2FA).		
The solution shall have the capability to integrate with AD/LDAP directories with following capabilities:		
(a) Authenticate and logon to the solution using AD/LDAP account credential.		
(b) Make use of AD/LDAP group for authorization within the solution.		
(c) Auto provisioned/de-provisioned of the identity within the solution whenever a user had been added or deleted from the AD/LDAP.		
(d) Support multiple Active Directory forests and domains.		
The solution shall have the capability to temporarily revoke selected users to prevent the users from accessing the solution to make privilege access request. When integrating with AD/LDAP for authentication, revoking user in the solution shall not disable or lock the AD/LDAP account.		
The solution shall have the capability to integrate with Hardware Security Module (HSM) out-of-the-box using PKCS#11 standard.		
<b>System Management and API</b>		
The solution shall have the capability of performing auto update when newer version of software is available.		
The solution shall have the capability to send email notification to designated personnel when newer version of software packages are available or have been installed automatically.		
The solution shall have the capability to perform scheduled regular and ad-hoc backup on its operating state configurations.		
The solution shall have the capability to restore its operating state configurations from backup.		
The solution shall have the capability to send system health information based on predefined thresholds via syslog.		
The solution shall have the capability to send system health information based on predefined thresholds via SNMP trap.		
The solution shall have the capability to send system health information based on predefined thresholds via email.		
The solution shall offer a Software Development Kit (SDK) that can address corner cases, using API's available for virtually all platforms to allow real-time, programmatic access to passwords. The SDK allows applications and individuals to access the password store independently, without using		

the product's original interface.		
The solution shall provide RESTful API with comprehensive features that allows management of the solution programmatically including but not limited to add/modify/remove managed systems/accounts, update access policies, add/remove users, retrieval of privileged account credential, request and launch privileged session, etc.		
The solution shall provide API documentation and sample API programs in at least following programming languages: Python, C#, Java, PowerShell, Ruby and Unix Shell Script.		
The solution shall provide command line utility with similar capability as the API. The command line utility must be supported on Windows, Linux, AIX, HP-UX and Solaris platforms.		
<b>Integrations</b>		
<b>SIEM Integration</b> - The solution shall have out of the box integration with following SIEM solutions to forward events. The type of events shall include but not limited to system health based predefined thresholds, system configuration changes, user login/logoff, user request for privileged access, approver approve/reject request.		
Exabeam (using CEF format)		
HP ArcSight (using CEF format)		
IBM Qradar (using LEEF format)		
LogRhythm		
McAfee DXL		
McAfee Enterprise Security Manager (ESM)		
NetIQ Sentinel (using LEEF format)		
Splunk (using HTTP Event Collector)		
Generic Syslog		
Universal Event Forwarder (using XML or JSON format)		
<b>Ticketing System Integration</b> - The solution shall have out of the box integration with following ticketing systems for ticket validation:		
BMC Remedy		
CA Service Desk Manager		
JClient Ticket System		
ServiceNow		
<b>ITSM Integration</b> - The solution shall have out of the box integration with following ITSM solutions for exporting asset information:		
BMC Remedy		

ServiceNow		
<b>IAM Integration</b> - The solution shall have out of the box integration with following IAM solutions for privileged access certification/attestation process and user/group auto-provisioning for the solution:		
SailPoint		
<b>Vulnerability Management Integration</b> - The solution shall have out of the box integration with following Vulnerability Management solutions as credential provider for authenticated scan:		
Tenable Nessus		
Qualys Cloud Suite		
<b>Threat Analytics Integration</b> - The solution shall have out of the box integration with following Threat Analytics solutions:		
FireEye		
Kenna		
STIX		
Palo Alto		
<b>Cloud Integration</b> - The solution shall have out of the box integration with following Cloud and virtualisation platforms to discover online/offline virtual machines:		
Amazon AWS		
GoGrid		
Google Cloud		
IBM SmartCloud		
Microsoft Azure		
Microsoft Hyper-V		
Rackspace		
VMware vCenter		

#### 4. Database Security Solution

##### a. Database Activity Monitoring

The proposed Database Security solution must secure sensitive data stored in databases. The solution must provide full visibility into data usage, vulnerabilities and access rights and enable security, audit and risk professionals to improve data security and meet compliance mandates.

The tool must:

S.N.	Item	Detailed Requirement
1	DB Servers to be secured	6
2	Number of DB Instances	8
3	Number of CPU Cores in each database	64
4	DB Server OS versions	2012, 2016
5	DB application versions	2016, 2019

## Specification

Requirement	Compliance (FC/PC/NC)	Bidder Response
Architecture		
The solution should be a turn-key solution delivered by only virtual appliances.		
The solution should only require deployment of agents on the database servers for privilege user auditing and security?		
Agents should be deployed on system platform, no changes to databases or installation in databases should be required, describe what system platforms are supported by the agents and what is required to install the agents.		
If Agent is required, when agent is stopped or deleted, will an alert be sent out?		
When agents are used, what is the agent's overhead on the monitored server? Is this manageable?		
Does the solution require any additional hardware to be installed (for agents, management server or audit repository)?		
Does the solution require any 3 <sup>rd</sup> party software to be installed (for agents, management server or audit repository)? This includes also "free" or "open source" software available from 3 <sup>rd</sup> party.		
Is the audit trail should be stored as a flat file system?		
Which database platforms does the solution support?		
Does the solution also comply with audit and compliancy?		
What is the preferred deployment? Agents, Network or other?		
The solution should be future proof and should be able to provide audit and protection for Files,SharePoint, MS AD and WAF on the same platform.		
The solution must have a centralized management that manages all gateways and agents?		
Can the solution leverage existing network high availability deployment if deployed inline?		
Can the solution leverage existing network equipment for sniffing or tapping the SQL traffic from the network?		
Does the solution support a proprietary spanning tree		

protocol for its own High Availability deployment?		
Does the solution require database and/or application downtime for deployment? Any downtime at all?		
If agents installation or uninstall are required, is a server, services or database reboot/restart required? Please explain.		
If SSL is used for DB communication - Does the solution decrypt SSL traffic?		
Does the solution impact any other network solutions (i.e., applications and users) or is it transparent in the infrastructure?		
<b>Database Discovery</b>		
Does the solution provide automated discovery of both new and existing database systems? Will it map all on the network?		
Does the solution provide automated discovery of both new and existing Database tables and schemas, meaning no manual work is required?		
Does the solution keep the historical information about the systems and their configuration?		
Does it show changes since the last scan?		
How can the solution support identification of rogue or test databases? Please explain.		
Can the solution discover automatically besides databases also, all databases' instances and port listening interfaces?		
Can the solution support asset management and change management processes?		
Can the solution automatically assign the appropriate audit policies based on the type of data contained in the database?		
<b>Data Classification</b>		
Does the solution perform data discovery and classification? If so, is this included in the solution?		
Can the solution detect sensitive data types, such as credit card numbers, social security numbers, etc., in database objects? Please explain how.		
List supported out of the box sensitive data types.		
Can the solution locate CUSTOM data types in database objects? Please explain how.		
Does the solution scan views?		



Does the solution scan <b>Synonyms</b> ?		
Which of the following data classification methods are supported: Dictionaries? Regular expressions? Other?		
Granular classification: can the solution identify the specific object and column that contain the sensitive data?		
Many classification solutions falsely identify non-sensitive data as sensitive. Explain how your solution reduces these false-positives.		
<b>Vulnerability Assessments</b>		
Describe the vulnerability assessment tests included in your solution. How many assessment tests are included out of the box?		
Can custom assessments be added to the solution?		
Can the solution utilize user created scripts as assessment tests?		
Can the solution identify missing patches?		
Does the solution verify that default database accounts do not have a “default” password?		
Can the solution be used to measure compliance with industry standards and regulations?		
Can the solution be used to measure compliance with internal policies?		
<b>Vulnerability Assessment Result Analysis and Reporting</b>		
Can the solution present a view of risk in relation to the sensitive data found in the database? Both by vulnerability and the sensitivity of the data?		
Is the solution delivered with pre-defined reports? What kind of reports does the solution provide?		
Does the solution support custom report generation?		
Can the solution compare the results of a discovery, classification or assessment job with a previous run?		
Can reports be distributed on demand and automatically (on schedule)?		
<b>User Rights Management</b>		
Does the solution audit all user rights across heterogeneous database platforms?		
Does the solution support the analysis of excessive rights over sensitive data, including the case where the privilege is granted indirectly via nested roles?		
Does the solution detail all privilege paths to an object?		

Does the solution automatically identify dormant user accounts?		
Does the solution help track changes to user rights?		
Does the solution include bad practices overview, e.g. Users with direct object access?		
<b>Remediation</b>		
Does the solution provide effective tools for managing and mitigating risk to sensitive data stored in databases?		
Can the solution actively prevent attempts to exploit known vulnerabilities?		
Does the solution offer virtual patching capabilities? (protecting the database from known vulnerabilities without deploying a patch or script on the system)		
<b>Database Activity Monitoring</b>		
Describe the DAM solution architecture		
Does the solution make use of a centralized appliance?		
Does solution provide for centralized control of collected information?		
What is the hardware employed for the appliance?		
What is the OS employed for the appliance?		
Are any DBMS products used as part of the appliance package?		
Database Activity Monitoring must Include 25 Database Agent licenses for Linux, Unix, and Windows. License for database monitoring for an unlimited number of servers. License for database discovery and assessment for 100 DatabaseInstances.		
Describe how the solution scales to meet additional capacity requirements.		
Does solution employ the use of agents on the monitored hosts?		
Does the solution support high-availability?		
Describe the operational impact if the solution has an unplanned outage.		
Which databases and versions does the solution support?		
Does solution require the use of native database audit functionality?		
Does solution employ transaction log auditing?		

Provide the names of the SIEM tools solution is compatible with?		
Does solution have a means to archive and restore data?		
Describe the solution's impact on the monitored host?		
Does solution require special/privileged (ie root) access for installation?		
Does solution require a reboot after installation/configuration?		
Does solution require any changes to monitored database and/or application?		
Does solution require a database restart after installation/configuration?		
Describe the nature of the data transferred between appliance and monitored host?		
Is auditing process independent from the database platform being audited (supports separation of duties)?		
How does solution establish user accountability?		
Provide example of the format of a typical audit record.		
Does solution capture before and after image of data that is being manipulated?		
Does the solution identify differences in baseline user activity?		
Does the solution capture Select activity by user/role?		
Does the solution capture update, insert, delete (DML) activity by user/role?		
Does the solution capture schema/object changes (DDL) activity by user/role?		
Does the solution capture manipulation of accounts, roles and privileges (DCL) by user/role?		
Does the solution have automated mechanism for updating security configurations/policies?		
Is the solution capable of identifying the real application user (in case of connection pooling)? Please explain how and if it is an included feature, also explain what the impact will be to get the application user information.		
Is the solution capable to trace the original user account if DBA/system admin use shared accounts like root, administrator, etc.		

Also is this feature included or is it an add-on?		
Is the audit trail secured and is it stored on proprietary file system?		
Does the solution provide a mechanism to easily navigate through large audit data sets? Explain how and how easy it is to use. Please provide a screenshot as an example.		
Can the solution add organizational context to the audited activities? (ex. John from development accessed sensitive HR data)		
Does the solution detect and block excessive cumulative access to sensitive information within a defined time interval in real-time?		
Can the solution report on business functions on top of SQL data? Does adding these details require changes on the application?		
Does the solution audit non-SQL data access such as the Oracle “export direct” operation?		
Does the solution require a batch process to consolidate audit data into a central repository before creating audit reports that cross heterogeneous database systems?		
Does the solution support encryption of audit data for both on-line and archived data?		
<b>Alerting and Blocking Capabilities</b>		
Does the solution provide automated, real-time event alert mechanism?		
Can the solution block database attack in real-time?		
Does the solution monitor and block privileged users?		
Does the solution monitor and prevent SQL injection attacks?		
Does the activity load effect real-time capabilities?		
Does real time alerts contain all information required for understanding of the incident, including:  Source and destination IP, DB and OS user name, source application, number of affected rows, database instance name and business context?		
Does the solution inspect both in-coming and out-going DB traffic to protect against data leakage?		
Content updates: How is the solution updated with Security policies, attack signatures, vulnerabilitytests, etc.?		
Is there an automated mechanism to ensure the		

solution is up to date?		
Does the solution support custom policy creation with complex policy attributes? Correlation Rules? How easy are these to create? Give screenshot as an example.		
Does the solution integrate with 3rd party anti-malware products to prevent infected clients from accessing sensitive data?		
Is the solution able to handle all the SQL traffic for protection purposes against attacks or custom policies?		
Does real time alerts contain all information required for understanding of the incident, including:  Source and destination IP, DB and OS user name, source application, number of affected rows, database instance name and business context?		
Can the solution block database attacks and unauthorized activity in real-time?		
Is the solution able to identify and protect against attacks both at the OS and RDBMS level (ex. detect telnet on 1433/1521 as protocol violations)		
Can the solution detect and protect from non-SQL based attacks? (For example – buffer overflow attacks)		
Can the solution provide automated follow-up action in response to a security event? (Send an email, pager, run a script, syslog, etc.)?		
Does the product integrate with 3rd party anti-malware products to prevent infected clients from accessing sensitive data?		
<b>Reporting</b>		
Does the solution provide packaged reporting capabilities?		
Does the solution support use of pre-configured policies/reports (PCI, SOX, HIPAA) for ensuring regulatory compliance?		
Does the solution provide functionality to assist with security event forensics?		
Does the solution require a batch process to consolidate audit data into a central repository before creating audit reports that cross heterogeneous database systems?		

## b) Data Loss Prevention Solution

Requirement	Compliance (FC/PC/NC)	Bidder Response
Solution should support to prevent the transfer of data containing confidential information via SMTP, HTTP, HTTPS, FTP outside the corporate network.		
Solution should support preventing the sending / recording of data containing confidential information on removable media (USB, SD / CF cards, CD / DVD), as well as through (WiFi, Bluetooth, etc.) interfaces.		
Solution should have ability to prevent the printing of data containing confidential information on local and network printers.		
Solution should have ability to prevent operations with data containing confidential information in PDF / Image, including screenshots (if it is impossible to provide - specify).		
Solution should have ability to prevent the transfer of data containing confidential information to network directories.		
Solution should have ability to scan file servers, databases, document management programs and user workstations for the presence of unauthorized storage locations of confidential information.		
Solution should have ability to automatically move files containing confidential information from unauthorized storage locations of confidential information to a protected area.		
Solution should have ability to detect shadow copying of data containing confidential information		
Solution should have ability to encrypt data containing confidential information when copied to external media (if it is impossible to provide - specify).		
Solution should have ability to work both with labels and with the context of data containing confidential information.		
Solution should have ability to promptly notify security officers about incidents, both through the control console and alternative channels (mail, SMS, etc.), as well as the availability of mechanisms for investigating and processing incidents.		
Solution should provide customized reports.		

Solution should have ability to prevent / monitor the transfer of data containing confidential information under MS Windows.		
Solution should have ability to manage through a single central console with web-based interface support.		
Solution should have ability to control the following perimeter: transferring files from the local computer to File Share. Block or log security violations in this case.		
The solution must have its own data classification module.		
Solution should have ability to monitor file transfer to removable media with the number of files transferred or by the amount of information in Mb.		
Solution should provide the following functionality. Show which security violations are in the source file using the context menu.		
Solution must have real-time OCR functionality.		
Solution should provide the ability to put water print on: Computer screen, printed file, Microsoft office files and Microsoft Outlook letters.		
Solution must control the clipboard not only at the level of the copied text, but also the entire Microsoft office files copy.		
Solution must block screen Sharing when opening classified file.		
Solution should execute the File Share ID and show the following actions: deleting a file, naming a file, creating a file.		
Solution must provide ad-hoc classification.		
The presence of the OCR module to prevent copying to external media and data loss via the Internet on the endpoint agent.		
Solution should support agent of endpoints for Ubuntu and Centos7, the presence of not only the detection function, but also the prevention of copying to external media, blocking the use of external media.		
Solution should have direct API to cloud storages.		

<b>c) Active Directory &amp; Exchange Auditing Tool</b>		
<b>Requirement</b>	<b>Compliance</b>	<b>Bidder Response</b>
	<b>(FC/PC/NC)</b>	
The solution should provide bird's eye view of whole environment with a summary of the total number of changes made to each platform, per administrator, by source and even by trend.		
The solution should have option to Add New Report to existing or New View		
The solution should support dynamic Live Feed displays		
The solution should support continuous monitoring and real time alerts for NT Directory services, LDAP Status, DNS Servers, Disk space, CPU, Memory along with service and replication activity.		
The solution should use machine learning algorithms to determine typical usage patterns, and thus detect patterns of behaviour that shift beyond these patterns		
250+ reports		
The solution should support real-time alerts to show when user accounts are created, deleted, modified etc etc		
The solution should support Live feed in dashboard		
The solution should support Mobile App		
The solution should provide visibility of Logon Success/Failure		
The solution should provide visibility of sessions connected / disconnected through the console terminal Or Remote		
The solution should provide visibility of Session Locked/Unlocked		
The solution should have visibility about who has privileged access and how they got it so that you can better visualize your domain.		



The solution should display the state of an object at a specific date and time & compare permissions for selected objects between two dates and time.		
The solution should generate a report of all users with excessive permissions so that you can begin to reduce risk.		
The solution should quickly scan your Active Directory environment and detect account lockouts		
The solution should have ability to scan and review endpoints for stored credentials that could indicate the cause of AD account lockout (system services, mapped drives, logon sessions and more).		
The solution should have ability to remotely unlock accounts		
The solution should have ability to remotely reset passwords		
The solution should provide answers to the important “who, what, where and when” Active Directory and Exchange auditing questions		
The solution should have ability to roll-back unwanted Active Directory and Group Policy changes with a few clicks		

## 5. Vulnerability Management Platform

The Authority is currently in the process of implementing a Next Generation Vulnerability Management platform solution that provides a fully available, scalable, and efficient platform to help us gain access to vulnerabilities across our enterprise and also simulate real-world attacks to find our weak points before a malicious attacker does. This solution must be able to leverage the latest analytics and endpoint technology to discover vulnerabilities in a real-time view, pinpoint their location within our environment, prioritize them and facilitate remediation to ensure that the security loopholes are closed.

### Proposed Solution must below features:

- Continues Assessment of IT environment automatically.
- Must help our team to understand how secured our IT environment is; against external threats such as hackers and other malicious persons, foreign powers, and industrial espionage.

**Requirement: Authority has 500 IP Address and 5 FQDN.**

Requirement	Compliance (FC/PC/NC)	Bidder Response
<b>Vulnerability Assessment (VA) Scanning</b>		
Solution should have capability of discovering and profiling the assets in the network		
The Solution should be able to perform agentless and agent-based scanning.		

The Solution must be capable to perform unauthenticated or authenticated i.e., credential and non-credential-based VA of all entire IT Infrastructure.		
The solution should be able to complete scan within 3 hrs (approximately) for 300 servers.		
VM solution must have capability for scheduled scanning and policy based & compliance related scanning for PCI DSS/ISO 27001/GDPR/SOC2 etc.		
The Solution should support automatic scanning for specific vulnerabilities/IOCs and browse the vulnerability database by category and type.		
The Solution must provide pre-configured Scan templates and customizable/out of box templates.		
Solution should have capability to scan certificates along with port, services, OS etc deployed in the network/hosts and alert the Vulnerabilities related to certificates like expiry, weak/compromised cyphers.		
<b>Vulnerability Management (VM) &amp; Analysis</b>		
The Solution should have the capability for centralized VA and VM of entire IT infrastructure from the centralized management Console		
The Solution should be able to create multiple scanning profiles based on department, asset type, platforms, users, geographies, network zones, applications etc.		
The above scanning profile should be accessible only to respective user and should have complete flexibility to customize it as per the 's requirements.		
The Solution should have lowest false positive rate along with accuracy and efficiency through validation process		
Solution should have capability to browse the vulnerability database by category and type		
The Solution should track DHCP changes by associating scan results with system hostnames or other parameters.		
Vulnerability Prediction should not be a static rating and should change based on Threat landscape.		
The Solution must support identification and management of vulnerability exceptions/whitelisting through an approval workflow.		
<b>Dashboard &amp; Reports</b>		
Solution must support centralized, visual dashboards & reports of all vulnerability related data and network and assets		
Solution must have out of box and customizable Dashboard elements with ability for filtering and displaying data based on asset list, vulnerability or compliance checks, time, key word, IP address, etc.		
The Solution should generate scanned reports in standard supported formats such as PDF, RTF, CSV etc.		
The Solution should have the capability to notify user on launch and completion of a scan and should be capable of auto sending of reports via email.		
The Solution must have the capability to correlate vulnerabilities across different systems in the network		
The Solution should have an option of defining the data retention period so to retain results for a defined and configurable period of time after which the results are expired and archived into another quarriable database automatically.		

The Solution should provide views of active and mitigated vulnerabilities with automatic migration of vulnerabilities from active to mitigate when closed, flag re-opened vulnerabilities with recurrence count.		
Solution must provide trend analysis and vulnerability ageing analyst reports		
The Solution should provide remediation views that are automatically prioritized and streamlined for providing insight to management and asset owners based on business criticality of the asset.		
The Solution should provide unique Vulnerability Priority and risk scoring apart from CVSS score-based asset value for the business.		
The Solution should be able to track mitigation for the reported findings of scanning and assessment activities, maintain comprehensive dashboard of the same.		
The Solution should be able to provide Role-based access control allowing users access to specific data sets and functionality.		
The Solution must support filtering vulnerabilities included in reports by category and severity etc.		
The Solution must support the ability to preserve scan results of inactive hosts for a customizable period of time		
Solution must provide regulatory compliance related scanning & reports for compliance requirements not limited to PCI DSS/ISO 27001/GDPR/SOC2/MAS/HKMA etc.		
<b>Integration</b>		
The Solution should provide mechanism to integrate through open API/web services or other mechanism: a) AD b) SIEM c) PIM (Perform secure credential-based VA) d) ITGRC e) Ticketing tool and workflow systems e		
The Solution must support the following minimum alerting types out of the box: a) SMTP/Mail b) Syslog		
The Solution should provide an option of uploading and verifying the custom audit files/ Secure Configuration Documents (SCD) to meet SIC benchmarking for compliance.		
The Solution should be capable of providing offline as well as centralized and fully automated updates of vulnerabilities and IOCs in the solution.		
<b>Sizing, Support &amp; Deployment</b>		
The Vulnerability Management Solution should be deployed on-premises and organization's data including its assets and scan results should reside on premise only.		
Solution must support deployment on virtual environment.		
The Solution must support multiple geographically distributed scanning engines if required and managed by a central console		
Solution must provide OEM-certified two L2 resources onsite for continuous management & operations		

The Solution must provide out of box SCD/audit benchmarks for security and configuration auditing for regulatory compliance standards like PCI DSS/CIS controls and other industry/ vendor best practice standards.		
The vendor should be minimum NIAP/Common Criteria (CC) EAL or any industry Security standards certified in valid condition.		
The bidder should share detailed implementation plan with approach.		
<b>Licensing</b>		
The Solution should support as software based on Virtual platform/hardware appliance deployment as per requirement.		
Licenses provided should include all applicable functionalities as above and components as required by the solution from day 1 itself and to be taken care by the Bidder		
The Solution must provide flexible licensing of scanner deployment with the ability to deploy additional scanners if required by the organization at no additional cost.		
<b>Cyber Security Awareness training for employees</b>		
<p>Awareness Phishing Simulation &amp; Awareness Training Platform</p> <ol style="list-style-type: none"> <li><b>1. For Employees and Staff</b> <ul style="list-style-type: none"> <li>Unlimited Phishing Email Simulation</li> <li>Access to 600+ Phishing Email templates</li> <li>Access to 70+ Awareness Posters</li> <li>SMS Phishing Simulation</li> <li>Voice Call Phishing Simulation</li> <li>Technical Email Support 24*7</li> <li>CheckAPhish - Phishing Reporter Plugin for Microsoft Outlook</li> </ul> </li> <li><b>2. Certified Data protection Officer training for 1 technical staff</b></li> <li><b>3. Privileged Access Management Training for 1 Technical Staff.</b></li> </ol>		

**i) Implementation Schedule Table**

**[Specify** desired installation and acceptance dates for all items in Schedule below, modifying the sample line items and sample table entries as needed.]

<b>Line Item No.</b>	<b>Subsystem / Item</b>	<b>Configuration Table No.</b>	<b>Site / Site Code</b>	<b>Delivery (Tenderer to specify in the Preliminary Project Plan)</b>	<b>Installation (weeks from Effective Date)</b>	<b>Acceptance (weeks from Effective Date)</b>	<b>Liquidated Damages Milestone</b>
0	Project Plan	- -	- -		- -	W_	no
1	Subsystem 1	1	___		- -	- -	- -
:	etc.						
x	Operational Acceptance of the System as an integrated whole	- -	all sites		- -	W___	yes
y	Recurrent Cost Items – Warranty Period	Y	- -				

**Note:** The System Inventory Table(s) for the specific items and components that constitute the Subsystems or item. Refer to the Site Table(s) below for details regarding the site and the site code.

- - indicates not applicable. “Indicates repetition of table entry above.

ii). Site Table(s)

[Specify: the detailed information regarding the site(s) at which the System is to be operated]

Site Code	Site	City / Town / Region	Primary Street Address	Drawing Reference No. (if any)
HQ	Headquarters			
R1	Region 1			
R1.1	Region 1 Head Office			
R1.2	ABC Branch Office			
R1.3	DEF Branch Office			

III) TABLE OF HOLIDAYS AND OTHER NON – WORKING DAYS

[Specify: the days for each month for each year that are non-working days, due to Holidays or other business reasons (other than weekends).]

Month	20xy	20xy+1	20xy+2	....			...	20zz
1								
2								
3								
4								

Month	20xy	20xy+1	20xy+2	....			...	20zz
5								
6								
7								
8								
9								
10								
11								
12								

## H. System Inventory Tables

### *Notes on preparing the System Inventory Tables*

The System Inventory Tables detail:

- a) for each Subsystem (Deliverable) indicated in the Implementation Schedule, the Information Technologies, Materials, and other Goods and Services that comprise the System to be supplied and/or performed by the Supplier;
- b) the quantities of such Information Technologies, Materials, and other Goods and Services;
- c) the sites and the location of each on a specific site (e.g., building, floor, room, department, etc.)
- d) the cross references to the relevant section of the Technical Requirements where that item is described in greater detail.

The Procuring Entity should modify these tables, as required, to suit the particulars of the System (and Sub systems) to be supplied and installed. The sample text provided for various sections of the tables is illustrative only and should be modified or deleted as appropriate.

There are two sample formats given for the System Inventory Tables: one for the Supply and Installation cost items and the second for recurrent cost items needed (if any). The second version of the table permits the Procuring Entity to obtain price information about items that are needed during the Warranty Period.



A. **System Inventory Table (Supply and Installation Cost ITEMS)** [*insert: identifying NUMBER*]

Line-item number: [ *specify: relevant line-item number from the Implementation Schedule (e.g., 1.1)*]

*[as necessary for the supply and installation of the System, specify: the detailed components and quantities in the System Inventory Table below for the line item specified above, modifying the sample components and sample table entries as needed. Repeat the System Inventory Table as needed to cover each and every line item in the Implementation Schedule that requires elaboration.]*

Component No.	Component	Relevant Technical Specifications No.	Additional Information building, department, etc.)	Site (e.g., floor, Quantity
1.	Subsystem 1		- -	- -
1.1	_____			- -
:				
2.	Subsystem 2			- -
2.1	_____			- -
:				

**Note:** - - indicates not applicable. “Indicates repetition of table entry above.

**B. SYSTEM INVENTORY TABLE (RECURRENT COST ITEMS) [INSERT: IDENTIFYING NUMBER]–**

Line-item number: *[specify: relevant line-item number from the Implementation Schedule (e.g., y.1)]*

Component No.	Component	Relevant Technical Specifications No.	Y1	Y2	Y3
1.	Warranty Defect Repair		all items, all sites, included in the Supply and Install Price	all items, all sites, included in the Supply and Install Price	all items, all sites, included in the Supply and Install Price
2.	Software/Firmware Licenses and Updates:		all items, all sites, included in the Supply and Install Price	all items, all sites, included in the Supply and Install Price	all items, all sites, included in the Supply and Install Price
3.	Technical Services				
3.1	Sr. Systems Analyst		----days	----days	----days
3.2	Sr. Programmer		----days	----days	----days
3.3	Sr. Network Specialist, .... etc.		----days	----days	----days
	...				

**Note:** - indicates not applicable. “ indicates repetition of table entry above.

## **2. Background and Informational Materials**

### *Notes on Background and Informational Materials*

*This section of the tendering document provides a place to gather materials that the Procuring Entity believes will help Tenderers prepare more precisely targeted technical tenders and more precise tender prices.*

*These materials MUST NOT introduce requirements for the Information System. Rather they should assist Tenderers to interpret the Technical Requirements and the General and Specific Conditions of Contract. For example, these Background and Informational Materials may describe existing information systems that the Information System to be supplied and installed under the Contract must integrate with. However, the specific requirement that the Supplier must integrate the Information System with other systems needs to be stated in the Technical Requirements. Similarly, these Background and Informational Materials may describe the legal and regulatory norms (including for example statutory report formats) that are relevant to the Information System. The Technical Requirements Section would need to spell out that the Supplier must ensure the Information System complies with the relevant legal and regulatory norms.*

### *Background and Informational Materials*

*Note: The following is only a sample outline. Entries should be modified, extended, and/or deleted, as appropriate for the particular System to be supplied and installed. DO NOT introduce requirements for the System in this section.*

#### **A. BACKGROUND**

##### **1 The Procuring Entity**

- 1.1 [provide: an overview of the Agency's legal basis, organizational role, and core objectives]*
- 1.2 [provide: an overview of the stakeholders to the Information System]*
- 1.3 [provide: an overview of the Procuring Entity's project management and decision-making arrangements applicable to the System and performance of the Contract]*

##### **2 The Procuring Entity's Business Objectives for the Information System**

- 2.1 [provide: an overview of the current business objectives, procedures, and processes and how they will be affected by the System]*
- 2.2 [provide: an overview of the changes in objectives, procedures, and processes to be made possible by the System]*
- 2.3 [provide: a brief description of the expected benefits of the System]*

#### **B. INFORMATIONAL MATERIALS**

##### **3 The Legal, Regulatory, and Normative Context for the Information System**

- 3.1 [provide: an overview of the laws, regulations and other formal norm which will shape the Information System.]*
- 3.2 [provide: samples of existing standardized reports, data entry forms, data formats, data coding schemes, etc. which the Information System will need to implement.]*

##### **4 Existing Information Systems/ Information Technologies Relevant to the Information System**

- 4.1 [provide: an overview of the existing information systems and information technologies which will establish the technological context for the implementation of the Information System.]*
- 4.2 [provide: an overview of the ongoing or planned information systems initiatives that will shape context for the implementation of the Information System.]*

**5** *Available Training Facilities to Support the Implementation of the Information System*

5.1 *[provide: an overview of the Procuring Entity's existing training facilities that would be available to support the implementation of the Information System.]*

**6** *Site Drawings and Site Survey Information Relevant to the Information System*

6.1 *[provide: information of the sites at which the Information System would be implemented.]*

**A. CONTRACT AND INTERPRETATION Section VI - General Conditions of ContractC**  
**General Conditions of Contract**

**1. Definitions**

1.1 In this Contract, the following terms shall be interpreted as indicated below.

**a) Contract Elements**

- i) “Contract” means the Contract Agreement entered into between the Procuring Entity and the Supplier, together with the Contract Documents referred to therein. The Contract Agreement and the Contract Documents shall constitute the Contract, and the term “the Contract” shall in all such documents be construed accordingly.
- ii) “Contract Documents” means the documents specified in Article 1.1 (Contract Documents) of the Contract Agreement (including any amendments to these Documents).
- iii) “Contract Agreement” means the agreement entered into between the Procuring Entity and the Supplier using the form of Contract Agreement contained in the Sample Contractual Forms Section of the tender documents and any modifications to this form agreed to by the Procuring Entity and the Supplier. The date of the Contract Agreement shall be recorded in the signed form.
- iv) “GCC” means the General Conditions of Contract.
- v) “SCC” means the Special Conditions of Contract.
- vi) “Technical Requirements” means the Technical Requirements in Section VII of the tendering documents.
- vii) “Implementation Schedule” means the Implementation Schedule in Section VII of the tendering documents.
- viii) “Contract Price” means the price or prices defined in Article 2 (Contract Price and Terms of Payment) of the Contract Agreement.
- ix) “Procurement Regulations” refers to the Regulations issued under the Public Procurement and Asset Disposal Act (2015).
- x) “tendering documents” refers to the collection of documents issued by the Procuring Entity to instruct and inform potential suppliers of the processes for tendering, selection of the winning tender, and Contract formation, as well as the contractual conditions governing the relationship between the Procuring Entity and the Supplier. The General and Special Conditions of Contract, the Technical Requirements, and all other documents included in the tendering documents reflect the Procurement Regulations that the Procuring Entity is obligated to follow during procurement and administration of this Contract.

**b) Entities**

- i) “Procuring Entity” means the entity purchasing the Information System, as **specified in the SCC**.
  - ii) “Project Manager” means the person **named as such in the SCC** or otherwise appointed by the Procuring Entity in the manner provided in GCC Clause 18.1 (Project Manager) to perform the duties delegated by the Procuring Entity.
  - iii) “Supplier” means the firm or Joint Venture whose tender to perform the Contract has been accepted by the Procuring Entity and is named as such in the Contract Agreement.
  - iv) “Supplier's Representative” means any person nominated by the Supplier and named as such in the Contract Agreement or otherwise approved by the Procuring Entity in the manner provided in GCC Clause 18.2 (Supplier's Representative) to perform the duties delegated by the Supplier.
  - v) “Subcontractor” means any firm to whom any of the obligations of the Supplier, including preparation of any design or supply of any Information Technologies or other Goods or Services, is sub contracted directly or indirectly by the Supplier.
- “Adjudicator” means the person named in Appendix 2 of the Contract Agreement, appointed by agreement between the Procuring Entity and the Supplier to make a decision on or to settle any dispute between the Procuring Entity and the Supplier referred to him

or her by the parties, pursuant to GCC Clause 43.1 (Adjudication).

**c) Scope**

- i) "Information System," also called "the System," means all the Information Technologies, Materials, and other Goods to be supplied, installed, integrated, and made operational (exclusive of the Supplier's Equipment), together with the Services to be carried out by the Supplier under the Contract.
- ii) "Subsystem" means any subset of the System identified as such in the Contract that may be supplied, installed, tested, and commissioned individually before Commissioning of the entire System.
- iii) "Information Technologies" means all information processing and communications-related hardware, Software, supplies, and consumable items that the Supplier is required to supply and install under the Contract.
- iv) "Goods" means all equipment, machinery, furnishings, Materials, and other tangible items that the Supplier is required to supply or supply and install under the Contract, including, without limitation, the Information Technologies and Materials, but excluding the Supplier's Equipment.
- v) "Services" means all technical, logistical, management, and any other Services to be provided by the Supplier under the Contract to supply, install, customize, integrate, and make operational the System. Such Services may include, but are not restricted to, activity management and quality assurance, design, development, customization, documentation, transportation, insurance, inspection, expediting, site preparation, installation, integration, training, data migration, Pre-commissioning, Commissioning, maintenance, and technical support.
- vi) "The Project Plan" means the document to be developed by the Supplier and approved by the Procuring Entity, pursuant to GCC Clause 19, based on the requirements of the Contract and the Preliminary Project Plan included in the Supplier's tender. The "Agreed Project Plan" is the version of the Project Plan approved by the Procuring Entity, in accordance with GCC Clause 19.2. Should the Project Plan conflict with the Contract in any way, the relevant provisions of the Contract, including any amendments, shall prevail.
- vii) "Software" means that part of the System which are instructions that cause information processing Sub systems to perform in a specific manner or execute specific operations.
- viii) "System Software" means Software that provides the operating and management instructions for the underlying hardware and other components, and is identified as such in Appendix 4 of the Contract Agreement and such other Software as the parties may agree in writing to be Systems Software. Such System Software includes, but is not restricted to, micro-code embedded in hardware (i.e., "firmware"), operating systems, communications, system and network management, and utility software.
- ix) "General-Purpose Software" means Software that supports general-purpose office and software development activities and is identified as such in Appendix 4 of the Contract Agreement and such other Software as the parties may agree in writing to be General-Purpose Software. Such General-Purpose Software may include, but is not restricted to, word processing, spreadsheet, generic database management, and application development software.
- x) "Application Software" means Software formulated to perform specific business or technical functions and interface with the business or technical users of the System and is identified as such in Appendix 4 of the Contract Agreement and such other Software as the parties may agree in writing to be Application Software.
- xi) "Standard Software" means Software identified as such in Appendix 4 of the Contract Agreement and such other Software as the parties may agree in writing to be Standard Software.
- xii) "Custom Software" means Software identified as such in Appendix 4 of the Contract Agreement and such other Software as the parties may agree in writing to be Custom Software.
- xiii) "Source Code" means the database structures, dictionaries, definitions, program source files, and any other symbolic representations necessary for the compilation, execution, and subsequent maintenance of the Software (typically, but not exclusively, required for Custom Software).
- xiv) "Materials" means all documentation in printed or printable form and all instructional and informational aides in any form (including audio, video, and text) and on any medium, provided to the Procuring Entity under the Contract.
- xv) "Standard Materials" means all Materials not specified as Custom Materials.



- xvi) “Custom Materials” means Materials developed by the Supplier at the Procuring Entity's expense under the Contract and identified as such in Appendix 5 of the Contract Agreement and such other Materials as the parties may agree in writing to be Custom Materials. Custom Materials includes Materials created from Standard Materials.
- xvii) “Intellectual Property Rights” means any and all copyright, moral rights, trademark, patent, and other intellectual and proprietary rights, title and interests worldwide, whether vested, contingent, or future, including without limitation all economic rights and all exclusive rights to reproduce, fix, adapt, modify, translate, create derivative works from, extractor re-utilize data from, manufacture, introduce into circulation, publish, distribute, sell, license, sub license, transfer, rent, lease, transmit or provide access electronically, broadcast, display, enter in to computer memory, or otherwise use any portion or copy, in whole or in part, in any form, directly or indirectly, or to authorize or assign others to do so.
- xviii) “Supplier's Equipment” means all equipment, tools, apparatus, or things of every kind required in or for installation, completion and maintenance of the System that are to be provided by the Supplier, but excluding the Information Technologies, or other items forming part of the System.

#### **d) Activities**

- i) “Delivery” means the transfer of the Goods from the Supplier to the Procuring Entity in accordance with the current edition Incoterms specified in the Contract.
- ii) “Installation” means that the System or a Subsystem as specified in the Contract is ready for Commissioning as provided in GCC Clause 26 (Installation).
- iii) “Pre-commissioning” means the testing, checking, and any other required activity that may be specified in the Technical Requirements that are to be carried out by the Supplier in preparation for Commissioning of the System as provided in GCC Clause 26 (Installation).
- iv) “Commissioning” means operation of the System or any Subsystem by the Supplier following Installation, which operation is to be carried out by the Supplier as provided in GCC Clause 27.1 (Commissioning), for the purpose of carrying out Operational Acceptance Test (s).
- v) “Operational Acceptance Tests” means the tests specified in the Technical Requirements and Agreed Project Plan to be carried out to ascertain whether the System, or a specified Sub system, is able to attain the functional and performance requirements specified in the Technical Requirements and Agreed Project Plan, in accordance with the provisions of GCC Clause 27.2 (Operational Acceptance Test).
- vi) “Operational Acceptance” means the acceptance by the Procuring Entity of the System (or any Subsystem(s) where the Contract provides for acceptance of the System in parts), in accordance with GCC Clause 27.3 (Operational Acceptance).

#### **e) Place and Time**

- i) “Supplier's Country” is the country in which the Supplier is legally organized, as named in the Contract Agreement.
- ii) **Unless otherwise specified in the SCC** “Project Site (s)” means the place (s) in the Site Table in the Technical Requirements Section for the supply and installation of the System.
- iii) “Eligible Country” means the countries and territories eligible for participation in procurements.
- iv) “Day” means calendar day of the Gregorian Calendar.
- v) “Week” means seven (7) consecutive Days, beginning the day of the week as is customary in Kenya.
- vi) “Month” means calendar month of the Gregorian Calendar.
- vii) “Year” means twelve (12) consecutive Months.
- viii) “Effective Date” means the date of fulfillment of all conditions specified in Article 3 (Effective Date for Determining Time for Achieving Operational Acceptance) of the Contract Agreement, for the purpose of determining the Delivery, Installation, and Operational Acceptance dates for the System or Sub system(s).
- ix) “Contract Period” is the time period during which this Contract governs the relations and obligations of the Procuring Entity and Supplier in relation to the System, as unless otherwise specified in the SCC, the Contract shall continue in force until the

Information System and all the Services have been provided, unless the Contract is terminated earlier in accordance with the terms set out in the Contract.

- x) “Defect Liability Period” (also referred to as the “Warranty Period”) means the period of validity of the warranties given by the Supplier commencing at date of the Operational Acceptance Certificate of the System or Sub system(s), during which the Supplier is responsible for defects with respect to the System (or the relevant Sub-system[s]) as provided in GCC Clause 29 (Defect Liability).
- xi) “The Coverage Period” means the Days of the Week and the hours of those Days during which maintenance, operational, and/ or technical support services (if any) must be available.
- xii) The Post-Warranty Services Period” means the number of years defined in the SCC (if any), following the expiration of the Warranty Period during which the Supplier may be obligated to provide Software licenses, maintenance, and/ or technical support services for the System, either under this Contractor under separate contract(s).

## **2. Contract Documents**

- 2.1 Subject to Article 1.2 (Order of Precedence) of the Contract Agreement, all documents forming part of the Contract (and all parts of these documents) are intended to be correlative, complementary, and mutually explanatory. The Contract shall be read as a whole.

## **3. Interpretation**

### **3.1 Governing Language**

- 3.1.1 All Contract Documents and related correspondence exchanged between Procuring Entity and Supplier shall be written in **the English Language** of these tendering documents, and the Contract shall be construed and interpreted in accordance with that language.
- 3.1.2 If any of the Contract Documents or related correspondence are prepared in a language other than the English Language under GCC Clause 3.1.1 above, the translation of such documents into the **English** language shall prevail in matters of interpretation. The originating party, with respect to such documents shall bear the costs and risks of such translation.
- 3.2 Singular and Plural The singular shall include the plural and the plural the singular, except where the context otherwise requires.

### **3.3 Headings**

The headings and marginal notes in the GCC are included for ease of reference and shall neither constitute a part of the Contract nor affect its interpretation.

### **3.4 Persons**

Words importing persons or parties shall include firms, corporations, and government entities.

### **3.5 Incoterms**

Unless inconsistent with any provision of the Contract, the meaning of any trade term and the rights and obligations of parties thereunder shall be as prescribed by the Incoterms.

Incoterms means international rules for interpreting trade terms published by the International Chamber of Commerce (latest edition), 38 Cours Albert 1<sup>er</sup>, 75008 Paris, France.

### **3.6 Entire Agreement**

The Contract constitutes the entire agreement between the Procuring Entity and Supplier with respect to the subject matter of Contract and supersedes all communications, negotiations, and agreements (whether written or oral) of parties with respect to the subject matter of the Contract made prior to the date of Contract.



### **3.7 Amendment**

No amendment or other variation of the Contract shall be effective unless it is in writing, is dated, expressly refers to the Contract, and is signed by a duly authorized representative of each party to the Contract.

### **3.8 Independent Supplier**

The Supplier shall be an independent contractor performing the Contract. The Contract does not create any agency, partnership, joint venture, or other joint relationship between the parties to the Contract.

Subject to the provisions of the Contract, the Supplier shall be solely responsible for the manner in which the Contract is performed. All employees, representatives, or Sub contractors engaged by the Supplier in connection with the performance of the Contract shall be under the complete control of the Supplier and shall not be deemed to be employees of the Procuring Entity, and nothing contained in the Contractor in any sub contract awarded by the Supplier shall be construed to create any contractual relationship between any such employees, representatives, or Sub contractors and the Procuring Entity.

### **3.9 Joint Venture**

If the Supplier is a Joint Venture of two or more firms, all such firms shall be jointly and severally bound to the Procuring Entity for the fulfillment of the provisions of the Contract and shall designate one of such firms to act as a leader with authority to bind the Joint Venture. The composition or constitution of the Joint Venture shall not be altered without the prior consent of the Procuring Entity.

### **3.10 Non-waiver**

- 3.10.1 Subject to GCC Clause 3.10.2 below, no relaxation, forbearance, delay, or indulgence by either party in enforcing any of the terms and conditions of the Contractor the granting of time by either party to the other shall prejudice, affect, or restrict the rights of that party under the Contract, nor shall any waiver by either party of any breach of Contract operate as waiver of any subsequent or continuing breach of Contract.
- 3.10.2 Any waiver of a party's rights, powers, or remedies under the Contract must be in writing, must be dated and signed by an authorized representative of the party granting such waiver, and must specify the right and the extent to which it is being waived.

### **3.11 Severability**

If any provision or condition of the Contract is prohibited or rendered invalid or unenforceable, such prohibition, invalidity, or unenforceability shall not affect the validity or enforceability of any other provisions and conditions of the Contract.

### **3.12 Country of Origin**

"Origin" means the place where the Information Technologies, Materials, and other Goods for the System were produced or from which the Services are supplied. Goods are produced when, through manufacturing, processing, Software development, or substantial and major assembly or integration of components, a commercially recognized product results that is substantially different in basic characteristics or in purpose or utility from its components. The Origin of Goods and Services is distinct from the nationality of the Supplier and may be different.

## **4. Notices**

- 4.1 Unless otherwise stated in the Contract, all notices to be given under the Contract shall be in writing and shall be sent, pursuant to GCC Clause 4.3 below, by personal delivery, air mail post, special courier, facsimile, electronic mail, or Electronic Data Interchange (EDI), with the following provisions.
- 4.1.1 Any notice sent by facsimile, electronic mail, or EDI shall be confirmed within two (2) days after dispatch by notice sent by air mail post or special courier, except as otherwise specified in the Contract.
- 4.1.2 Any notice sent by air mail post or special courier shall be deemed (in the absence of evidence of earlier receipt) to have been delivered ten (10) days after dispatch. In proving the fact of dispatch, it shall be sufficient to show that the envelope containing such notice

was properly addressed, stamped, and conveyed to the postal authorities or courier service for transmission by air mail or special courier.

- 4.1.3 Any notice delivered personally or sent by facsimile, electronic mail, or EDI shall be deemed to have been delivered on the date of its dispatch.
- 4.1.4 Either party may change its postal, facsimile, electronic mail, or EDI addresses for receipt of such notices by ten (10) days' notice to the other party in writing.
- 4.2 Notices shall be deemed to include any approvals, consents, instructions, orders, certificates, information and other communication to be given under the Contract.
- 4.3 Pursuant to GCC Clause 18, notices from/to the Procuring Entity are normally given by, or addressed to, the Project Manager, while notices from/to the Supplier are normally given by, or addressed to, the Supplier's Representative, or in its absence its deputy if any. If there is no appointed Project Manager or Supplier's Representative (or deputy), or if their related authority is limited by the SCC for GCC Clauses 18.1 or 18.2.2, or for any other reason, the Procuring Entity or Supplier may give and receive notices at their fall back addresses. The address of the Project Manager and the fall back address of the Procuring Entity are as **specified in the SCC** or as subsequently established/ amended. The address of the Supplier's Representative and the fall back address of the Supplier are as specified in Appendix 1 of the Contract Agreement or as subsequently established/amended.

## **5. Governing Law**

- 5.1 The Contract shall be governed by and interpreted in accordance with the laws of Kenya.
- 5.2 Throughout the execution of the Contract, the Supplier shall comply with the import of goods and services prohibitions in Kenya when
  - a As a matter of law or official regulations, Kenya prohibits commercial relations with that country; or
  - b by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, Kenya prohibits any import of goods from that country or any payments to any country, person, or entity in that country.

## **6 Fraud and Corruption**

- 6.1 The Procuring Entity requires compliance with the laws of Kenya on Anti-Corruption Guidelines and its prevailing sanctions policies and procedures as set forth in its statutes.
- 6.2 The Procuring Entity requires the Suppliers to disclose any commissions or fees that may have been paid or are to be paid to agents or any other party with respect to the tendering process or execution of the Contract. The information disclosed must include at least the name and address of the agent or other party, the amount and currency, and the purpose of the commission, gratuity or fee.

## **B. SUBJECT MATTER OF CONTRACT**

### **7 Scope of the System**

- 7.1 Unless otherwise expressly **limited in the SCC** or Technical Requirements, the Supplier's obligations cover the provision of Information Technologies, Materials and other Goods as well as the performance of all Services required for the design, development, and implementation (including procurement, quality assurance, assembly, associated site preparation, Delivery, Pre-commissioning, Installation, Testing, and Commissioning) of the System, in accordance with the plans, procedures, specifications, drawings, codes, and any other documents specified in the Contract and the Agreed Project Plan.
- 7.2 The Supplier shall, unless specifically excluded in the Contract, perform all such work and/or supply all such items and Materials not specifically mentioned in the Contract but that can be reasonably inferred from the Contract as being required for attaining Operational Acceptance of the System as if such work and/or items and Materials were expressly mentioned in the Contract.
- 7.3 The Supplier's obligations (if any) to provide Goods and Services as implied by the Recurrent Cost tables of the Supplier's tender, such as consumables, spare parts, and

technical services (e.g., maintenance, technical assistance, and operational support), areas **specified in the SCC**, including the relevant terms, characteristics, and timings.

## **8 Time for Commencement and Operational Acceptance**

- 8.1 The Supplier shall commence work on the System with in the period **specified in the SCC**, and without prejudice to GCC Clause 28.2, the Supplier shall there after proceed with the System in accordance with the time schedule specified in the Implementation Schedule and any refinements made in the Agreed Project Plan.
- 8.2 The Supplier shall achieve Operational Acceptance of the System (or Subsystem(s) where a separate time for Operational Acceptance of such Sub system (s) is specified in the Contract) in accordance with the time schedule specified in the Implementation Schedule and any refinements made in the Agreed Project Plan, or within such extended time to which the Supplier shall be entitled under GCC Clause 40 (Extension of Time for Achieving Operational Acceptance).

## **9 Supplier's Responsibilities**

- 9.1 The Supplier shall conduct all activities with due care and diligence, in accordance with the Contract and with the skill and care expected of a competent provider of information technologies, information systems, support, maintenance, training, and other related services, or in accordance with best industry practices. In particular, the Supplier shall provide and employ only technical personnel who are skilled and experienced in the irrespective callings and supervisory staff who are competent to adequately supervise the work at hand.
- 9.2 The Supplier confirms that it has entered into this Contract on the basis of a proper examination of the data relating to the System provided by the Procuring Entity and on the basis of information that the Supplier could have obtained from a visual inspection of the site (if access to the site was available) and of other data readily available to the Supplier relating to the System as at the date twenty-eight (28) days prior to tender submission. The Supplier acknowledges that any failure to acquaint itself with all such data and informationshall not relieve its responsibility for properly estimating the difficulty or cost of successfully performing the Contract.
- 9.3 The Supplier shall be responsible for timely provision of all resources, information, and decision making under its control that are necessary to reach a mutually Agreed Project Plan (pursuant to GCC Clause 19.2) within the time schedule specified in the Implementation Schedule. Failure to provide such resources, information, and decision- making may constitute grounds for termination pursuant to GCC Clause 41.2.
- 9.4 The Supplier shall acquire in its name all permits, approvals, and/or licenses from all local, state, or national government authorities or public service undertakings in Kenya that are necessary for the performance of the Contract, including, without limitation, visas for the Supplier's and Subcontractor's personnel and entry permits for all imported Supplier's Equipment. The Supplier shall acquire all other permits, approvals, and/or licenses that are not the responsibility of the Procuring Entity under GCC Clause 10.4 and that are necessary for the performance of the Contract.
- 9.5 The Supplier shall comply with all laws in force in Kenya. The laws will include all national, provincial, municipal, or other laws that affect the performance of the Contract and are binding upon the Supplier. The Supplier shall indemnify and hold harmless the Procuring Entity from and against any and all liabilities, damages, claims, fines, penalties, and expenses of whatever nature arising or resulting from the violation of such laws by the Supplier or its personnel, including the Sub contractors and their personnel, but without prejudice to GCC Clause 10.1. The Supplier shall not indemnify the Procuring Entity to the extent that such liability, damage, claims, fines, penalties, and expenses were caused or contributed to by a fault of the Procuring Entity.
- 9.6 The Supplier shall, in all dealings with its labor and the labor of its Subcontractorscurrently employed on or connected with the Contract, pay due regard to all recognized festivals, official holidays, religious or other customs, and all local laws and regulations pertaining to the employment of labor.
- 9.7 Any Information Technologies or other Goods and Services that will be incorporated in or be required for the System and other supplies shall have their Origin, as defined in GCC Clause 3.12, in a country that shall be an Eligible Country, as defined in GCC Clause 1.1 (e) (iv).
- 9.8 Pursuant to paragraph 2.2e. of Appendix B to the General Conditions the Supplier shall permit and shall cause its subcontractors and sub-consultants to permit, the PPRA and/or

persons appointed by the PPRA to inspect the Site and/or the accounts and records relating to the procurement process, selection and/or contract execution, and to have such accounts and records audited by auditors appointed by the PPRA if requested by the PPRA. The Supplier's and its Sub contractors' and sub-consultants' attention is drawn to Sub- Clause 6.1 which provides, inter alia, that acts intended to materially impede the exercise of the PPRA's inspection and audit rights constitute a prohibited practice subject to contract termination (as well as to a determination of ineligibility pursuant to the PPRA's prevailing sanctions procedures).

- 9.9 The Supplier shall conform to the sustainable procurement contractual provisions, if and as **specified in the SCC.**
- 9.10 **Unless otherwise specified in the SCC** the Supplier shall have no other Supplier responsibilities.

## **10 Procuring Entity's Responsibilities**

- 10.1 The Procuring Entity shall ensure the accuracy of all information and/or data to be supplied by the Procuring Entity to the Supplier, except when otherwise expressly stated in the Contract.
- 10.2 The Procuring Entity shall be responsible for timely provision of all resources, information, and decision making under its control that are necessary to reach an Agreed Project Plan (pursuant to GCC Clause 19.2) within the time schedule specified in the Implementation Schedule. Failure to provide such resources, information, and decision making may constitute grounds for Termination pursuant to GCC Clause 41.3.1(b).
- 10.3 The Procuring Entity shall be responsible for acquiring and providing legal and physical possession of the site and access to it, and for providing possession of and access to all other are as reasonably required for the proper execution of the Contract.
- 10.4 If requested by the Supplier, the Procuring Entity shall use its best endeavors to assist the Supplier in obtaining in a timely and expeditious manner all permits, approvals, and/or licenses necessary for the execution of the Contract from all local, state, or national government authorities or public service undertakings that such authorities or undertakings require the Supplier or Sub contractors or the personnel of the Supplier or Sub contractors, as the case may be, to obtain.
- 10.5 In such cases where the responsibilities of specifying and acquiring or upgrading telecommunications and/or electric power services falls to the Supplier, as specified in the Technical Requirements, SCC, Agreed Project Plan, or other parts of the Contract, the Procuring Entity shall use its best endeavors to assist the Supplier in obtaining such services in a timely and expeditious manner.
- 10.6 The Procuring Entity shall be responsible for timely provision of all resources, access, and information necessary for the Installation and Operational Acceptance of the System (including, but not limited to, any required telecommunications or electric power services), as identified in the Agreed Project Plan, except where provision of such items is explicitly identified in the Contract as being the responsibility of the Supplier. Delay by the Procuring Entity may result in an appropriate extension of the Time for Operational Acceptance, at the Supplier's discretion.
- 10.7 Unless otherwise specified in the Contractor agreed upon by the Procuring Entity and the Supplier, the Procuring Entity shall provide sufficient, properly qualified operating and technical personnel, as required by the Supplier to properly carry out Delivery, Pre-commissioning, Installation, Commissioning, and Operational Acceptance, at or before the time specified in the Implementation Schedule and the Agreed Project Plan.
- 10.8 The Procuring Entity will designate appropriate staff for the training courses to be given by the Supplier and shall make all appropriate logistical arrangements for such training as specified in the Technical Requirements, SCC, the Agreed Project Plan, or other parts of the Contract.
- 10.9 The Procuring Entity assumes primary responsibility for the Operational Acceptance Test (s) for the System, in accordance with GCC Clause 27.2, and shall be responsible for the continued operation of the System after Operational Acceptance. However, this shall not limit in anyway the Supplier's responsibilities after the date of Operational Acceptance otherwise specified in the Contract.
- 10.10 The Procuring Entity is responsible for performing and safely storing timely and regular backups of its data and Software in accordance with accepted data management principles, except where such responsibility is clearly assigned to the Supplier elsewhere in the Contract.



- 10.11 All costs and expenses involved in the performance of the obligations under this GCC Clause 10 shall be the responsibility of the Procuring Entity, save those to be incurred by the Supplier with respect to the performance of the Operational Acceptance Test (s), in accordance with GCC Clause 27.2.
- 10.12 **Unless otherwise specified in the SCC** the Procuring Entity shall have no other Procuring Entity responsibilities.

## **C. Payment**

### **11 Contract Price**

- 11.1 The Contract Price shall be as specified in Article 2 (Contract Price and Terms of Payment) of the Contract Agreement.
- 11.2 Unless an adjustment clause is **provided for in the SCC**, the Contract Price shall be a firm lump sum not subject to any alteration, except in the event of a Change in the System pursuant to GCC Clause 39 or to other clauses in the Contract;
- 11.3 The Supplier shall be deemed to have satisfied itself as to the correctness and sufficiency of the Contract Price, which shall, except as otherwise provided for in the Contract, cover all its obligations under the Contract.
- 11.4 Where the contract price is different from the corrected tender price, in order to ensure the contractor is not paid less or more relative to the contract price (*which would be the tender price*), payment valuation certificates and variation orders on omissions and additions valued based on rates in the Bill of Quantities or schedule of rates in the Tender, will be adjusted by a plus or minus percentage. The percentage already worked out during tender evaluation is worked out as follows:  $(\text{corrected tender price} - \text{tender price}) / \text{tender price} \times 100$ .

### **12 Terms of Payment**

- 12.1 The Supplier's request for payment shall be made to the Procuring Entity in writing, accompanied by an invoice describing, as appropriate, the System or Subsystem(s), Delivered, Pre-commissioned, Installed, and Operationally Accepted, and by documents submitted pursuant to GCC Clause 22.5 and upon fulfillment of other obligations stipulated in the Contract. The Contract Price shall be paid as **specified in the SCC**.
- 12.2 No payment made by the Procuring Entity herein shall be deemed to constitute acceptance by the Procuring Entity of the System or any Sub system (s).
- 12.3 Payments shall be made promptly by the Procuring Entity, but in no case later than (sixty (60) days after submission of a valid invoice and upon satisfactorily performance of the contractual obligations by the Supplier. In the event that the Procuring Entity fails to make any payment by its respective due date or within the period set forth in the Contract, the Procuring Entity shall pay to the Supplier interest on the amount of such delayed payment at the rate (s) **specified in the SCC** for the period of delay until payment has been made in full, whether before or after judgment or arbitration award.
- 12.4 Payments shall be made in the currency (ies) specified in the Contract Agreement, pursuant to GCC Clause 11. For Goods and Services supplied locally, payments shall be made **as specified in the SCC**.
- 12.5 **Unless otherwise specified in the SCC**, payment of the foreign currency portion of the Contract Price for Goods supplied from outside Kenya shall be made to the Supplier through an irrevocable Form of credit opened by an authorized bank in the Supplier's Country and will be payable on presentation of the appropriate documents. It is agreed that the Form of credit will be subject to Article 10 of the latest revision of *Uniform Customs and Practice for Documentary Credits*, published by the International Chamber of Commerce, Paris.

### **13 Securities**

#### **13.1 Issuance of Securities**

The Supplier shall provide the securities specified below in favor of the Procuring Entity at the times and in the amount, manner, and form specified below.

#### **13.2 Advance Payment Security**

- a) Unless otherwise specified in the SCC, the Supplier shall provide within twenty-eight (28) days of the notification of Contract award an Advance Payment Security in the amount and

currency of the Advance Payment specified in SCC for GCC Clause 12.1 above and valid until the System is Operationally Accepted.

- b) The security shall be in the form provided in the tendering documents or in another form acceptable to the Procuring Entity. The amount of the security shall be reduced in proportion to the value of the System executed by and paid to the Supplier from time to time and shall automatically become null and void when the full amount of the advance payment has been recovered by the Procuring Entity. **Unless otherwise specified in the SCC**, the reduction in value and expiration of the Advance Payment Security are calculated as follows:

$P \cdot a / (100 - a)$ , where “P” is the sum of all payments effected so far to the Supplier (excluding the Advance Payment), and “a” is the Advance Payment expressed as a percentage of the Contract Price pursuant to the SCC for GCC Clause 12.1.

The security shall be returned to the Supplier immediately after its expiration.

### **13.3 Performance Security**

- 13.3.1 **The Supplier shall, within** twenty-eight (28) days of the notification of Contract award, provide a security for the due performance of the Contract in the amount and currency **specified in the SCC**.
- 13.3.2 The security shall be a bank guarantee in the form provided in the Sample Contractual Forms Section of the tendering documents, or it shall be in another form acceptable to the Procuring Entity.
- 13.3.3 The security shall automatically become null and void once all the obligations of the Supplier under the Contract have been fulfilled, including, but not limited to, any obligations during the Warranty Period and any extensions to the period. The security shall be returned to the Supplier no later than twenty-eight (28) days after its expiration.
- 13.3.4 Upon Operational Acceptance of the entire System, the security shall be reduced to the amount specified in the SCC, on the date of the Operational Acceptance, so that the reduced security would only cover the remaining warranty obligations of the Supplier.

## **14 Taxes and Duties**

- 14.1 For Goods or Services supplied from outside and inside Kenya, the Supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside Kenya and inside Kenya, and these duties or taxes shall be made part of the Contract Price in Article 2 of the Contract Agreement and the Price Schedule it refers to, in which case the duties and taxes will be the Supplier's responsibility.
- 14.2 For Goods or Services supplied locally, the Supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted Goods or Services to the Procuring Entity. The only exception are taxes or duties, such as value-added or sales tax or stamp duty as apply to, or are clearly identifiable, on the invoices and provided they apply in Kenya, and only if these taxes, levies and/or duties are also excluded from the Contract Price in Article 2 of the Contract Agreement and the Price Schedule it refers to.
- 14.3 If any tax exemptions, reductions, allowances, or privileges may be available to the Supplier in Kenya, the Procuring Entity shall use its best efforts to enable the Supplier to benefit from any such tax savings to the maximum allowable extent.
- 14.4 For the purpose of the Contract, it is agreed that the Contract Price specified in Article 2 (Contract Price and Terms of Payment) of the Contract Agreement is based on the taxes, duties, levies, and charges prevailing at the date twenty-eight (28) days prior to the date of tender submission in Kenya (also called “Tax” in this GCC Clause 14.4). If any Tax rates are increased or decreased, a new Tax is introduced, an existing Tax is abolished, or any change in interpretation or application of any Tax occurs in the course of the performance of the Contract, which was or will be assessed on the Supplier, its Sub contractors, or their employees in connection with performance of the Contract, an equitable adjustment to the Contract Price shall be made to fully take into account any such change by addition to or reduction from the Contract Price, as the case may be.

## **D. Intellectual Property**

### **15 Copyright**

- 15.1 The Intellectual Property Rights in all Standard Software and Standard Materials shall remain vested in the owner of such rights.
- 15.2 The Procuring Entity agrees to restrict use, copying, or duplication of the Standard Software and Standard Materials in accordance with GCC Clause 16, except those additional copies of Standard Materials may be made by the Procuring Entity for use within the scope of the project of which the System is apart, in the event that the Supplier does not deliver copies within thirty (30) days from receipt of a request for such Standard Materials.
- 15.3** The Procuring Entity's contractual rights to use the Standard Software or elements of the Standard Software may not be assigned, licensed, or otherwise transferred voluntarily except in accordance with the relevant license agreement or **unless otherwise specified in the SCC** to a legally constituted successor organization (e.g., a reorganization of a public entity formally authorized by the government or through a merger or acquisition of a private entity).
- 15.4 **Unless otherwise specified in the SCC**, the Intellectual Property Rights in all Custom Software and Custom Materials specified in Appendices 4 and 5 of the Contract Agreement (if any) shall, at the date of this Contract on creation of the rights (if later than the date of this Contract), vest in the Procuring Entity. The Supplier shall do and execute or arrange for the doing and executing of each necessary act, document, and thing that the Procuring Entity may consider necessary or desirable to perfect the right, title, and interest of the Procuring Entity in and to those rights. In respect of such Custom Software and Custom Materials, the Supplier shall ensure that the holder of an or a right in such an item does not assert it, and the Supplier shall, if requested to do so by the Procuring Entity and where permitted by applicable law, ensure that the holder of such a moral right waives it.
- 15.5 **Unless otherwise specified in the SCC**, escrow arrangements shall NOT be required.

### **16 Software License Agreements**

- 16.1 Except to the extent that the Intellectual Property Rights in the Software vest in the Procuring Entity, the Supplier hereby grants to the Procuring Entity license to access and use the Software, including all inventions, designs, and marks embodied in the Software.

Such license to access and use the Software shall:

- a) be:
  - i. non-exclusive;
  - ii. fully paid up and irrevocable (except that it shall terminate if the Contract terminates under GCC Clauses 41.1 or 41.3);
  - iii. **unless otherwise specified in the SCC** valid throughout Kenya;
  - iv. **unless otherwise specified in the SCC subject** to NO additional restrictions.
- b) Permit the Software to be:
  - i. used or copied for use on or with the computer(s) for which it was acquired (if specified in the Technical Requirements and/or the Supplier's tender), plus a backup computer(s) of the same or similar capacity, if the primary is (are) in operative, and during a reasonable transitional period when use is being transferred between primary and back up;
  - ii. used or copied for use on or transferred to a replacement computer (s), (and use on the original and replacement computer(s) may be simultaneous during a reasonable transitional period) provided that, if the Technical Requirements and/or the Supplier's tender specifies a class of computer to which the license is restricted, the replacement computer (s) is (are) within that class;
  - iii. if the nature of the System is such as to permit such access, accessed from other computers connected to the primary and/or back up computer (s) by means of a local or wide-area network or similar arrangement, and used on or copied for use on those other computers to the extent necessary to that access;
  - iv. reproduced for safe keeping or back up purposes;
  - v. customized, adapted, or combined with other computer software for use by the Procuring Entity, provided that derivative software incorporating any substantial part of the delivered, restricted Software shall be subject to same restrictions as set forth in this Contract;
  - vi. unless otherwise specified in the SCC, disclosed to, and reproduced for use by, support

service suppliers and their sub-contractors, (and the Procuring Entity may sub-license such persons to use and copy for use the Software) to the extent reasonably necessary to the performance of their support service contracts, subject to the same restrictions as a reset forth in this Contract; and

- vii. unless otherwise specified in the SCC disclosed to, and reproduced for use by, NO other parties.
- 16.2 The Supplier has the right to audit the Standard Software to verify compliance with the above license agreements. **Unless otherwise specified in the SCC**, the Procuring Entity will make available to the Supplier, within seven (7) days of a written request, accurate and up-to-date records of the number and location of copies, the number of authorized users, or any other relevant data required to demonstrate use of the Standard Software as per the license agreement. If and only if, expressly agreed in writing between the Procuring Entity and the Supplier, Procuring Entity will allow, under a pre-specified agreed procedure, the execution of embedded software functions under Supplier's control, and unencumbered transmission of resulting information on software usage.

## 17 Confidential Information

- 17.1 Unless otherwise specified in the SCC, the "Receiving Party" (either the Procuring Entity or the Supplier) shall keep confidential and shall not, without the written consent of the other party to this Contract ("the Disclosing Party"), divulge to any third party any documents, data, or other information of a confidential nature ("Confidential Information") connected with this Contract, and furnished directly or indirectly by the Disclosing Party prior to or during performance, or following termination, of this Contract.
- 17.2 For the purposes of GCC Clause 17.1, the Supplier is also deemed to be the Receiving Party of Confidential Information generated by the Supplier itself in the course of the performance of its obligations under the Contract and relating to the businesses, finances, suppliers, employees, or other contacts of the Procuring Entity or the Procuring Entity's use of the System.
- 17.3 Notwithstanding GCC Clauses 17.1 and 17.2:
- 17.4 the Supplier may furnish to its Subcontractor Confidential Information of the Procuring Entity to the extent reasonably required for the Subcontractor to perform its work under the Contract; and
- 17.5 the Procuring Entity may furnish Confidential Information of the Supplier: (i) to its support service suppliers and their subcontractors to the extent reasonably required for them to perform their work under their support service contracts; and (ii) to its affiliates and subsidiaries, in which event the Receiving Party shall ensure that the person to whom it furnishes Confidential Information of the Disclosing Party is aware of and a tenderer by the Receiving Party's obligations under this GCC Clause 17 as if that person were party to the Contract in place of the Receiving Party.
- 17.6 The Procuring Entity shall not, without the Supplier's prior written consent, use any Confidential Information received from the Supplier for any purpose other than the operation, maintenance and further development of the System. Similarly, the Supplier shall not, without the Procuring Entity's prior written consent, use any Confidential Information received from the Procuring Entity for any purpose other than those that are required for the performance of the Contract.
- 17.7 The obligation of a party under GCC Clauses 17.1 through 17.4 above, however, shall not apply to that information which:
- 17.8 Now or hereafter enters the public domain through no fault of the Receiving Party;
- 17.9 can be proven to have been possessed by the Receiving Party at the time of disclosure and that was not previously obtained, directly or indirectly, from the Disclosing Party;
- 17.10 otherwise lawfully becomes available to the Receiving Party from a third party that has no obligation of confidentiality.
- 17.11 The above provisions of this GCC Clause 17 shall not in any way modify any undertaking of confidentiality given by either of the parties to this Contract prior to the date of the Contract in respect of the System or any part thereof.
- 17.12 **Unless otherwise specified in the SCC**, the provisions of this GCC Clause 17 shall survive the termination, for whatever reason, of the Contract for three (3) years.

## E. Supply, Installation, Testing, Commissioning, and Acceptance of the System



## 18 Representatives

### 18.1 Project Manager

If the Project Manager is not named in the Contract, then within fourteen (14) days of the Effective Date, the Procuring Entity shall appoint and notify the Supplier in writing of the name of the Project Manager. The Procuring Entity may from time to time appoint some other person as the Project Manager in place of the person previously so appointed and shall give a notice of the name of such other person to the Supplier without delay. No such appointment shall be made at such a time or in such a manner as to impede the progress of work on the System. Such appointment shall take effect only upon receipt of such notice by the Supplier. **Unless otherwise specified in the SCC** (if any), the Project Manager shall have the authority to represent the Procuring Entity on all day-to-day matters relating to the System or arising from the Contract, and shall normally be the person giving or receiving notices on behalf of the Procuring Entity pursuant to GCC Clause 4.

### 18.2 Supplier's Representative

18.2.1 If the Supplier's Representative is not named in the Contract, then within fourteen (14) days of the Effective Date, the Supplier shall appoint the Supplier's Representative and shall request the Procuring Entity in writing to approve the person so appointed. The request must be accompanied by a detailed curriculum vitae for the nominee, as well as a description of any other System or non-System responsibilities the nominee would retain while performing the duties of the Supplier's Representative. If the Procuring Entity does not object to the appointment within fourteen (14) days, the Supplier's Representative shall be deemed to have been approved. If the Procuring Entity objects to the appointment within fourteen (14) days giving the reason therefor, then the Supplier shall appoint a replacement within fourteen (14) days of such objection in accordance with this GCC Clause 18.2.1.

18.2.2 **Unless otherwise specified in the SCC** (if any), the Supplier's Representative shall have the authority to represent the Supplier on all day-to-day matters relating to the System or arising from the Contract, and shall normally be the person giving or receiving notices on behalf of the Supplier pursuant to GCC Clause 4.

18.2.3 The Supplier shall not revoke the appointment of the Supplier's Representative without the Procuring Entity's prior written consent, which shall not be unreasonably withheld. If the Procuring Entity consents to such an action, the Supplier shall appoint another person of equal or superior qualifications as the Supplier's Representative, pursuant to the procedure set out in GCC Clause 18.2.1.

18.2.4 The Supplier's Representative and staff are obliged to work closely with the Procuring Entity's Project Manager and staff, act within their own authority, and a tenderer by directives issued by the Procuring Entity that are consistent with the terms of the Contract. The Supplier's Representative is responsible for managing the activities of its personnel and any subcontracted personnel.

18.2.5 The Supplier's Representative may, subject to the approval of the Procuring Entity (which shall not be unreasonably withheld), at any time delegate to any person any of the powers, functions, and authorities vested in him or her. Any such delegation may be revoked at any time. Any such delegation or revocation shall be subject to a prior notice signed by the Supplier's Representative and shall specify the powers, functions, and authorities there by delegated or revoked. No such delegation or revocation shall take effect unless and until the notice of it has been delivered.

18.2.6 Any act or exercise by any person of powers, functions and authorities so delegated to him or her in accordance with GCC Clause 18.2.5 shall be deemed to be an act or exercise by the Supplier's Representative.

### 18.3 Objections and Removals

18.3.1 The Procuring Entity may by notice to the Supplier object to any representative or person employed by the Supplier in the execution of the Contract who, in the reasonable opinion of the Procuring Entity, may have behaved inappropriately, be incompetent, or be negligent. The Procuring Entity shall provide evidence of the same, where upon the Supplier shall remove such person from work on the System.

18.3.2 If any representative or person employed by the Supplier is removed in accordance with GCC Clause 18.3.1, the Supplier shall, where required, promptly appoint a replacement.

## 19 Project Plan

- 19.1 In close cooperation with the Procuring Entity and based on the Preliminary Project Plan included in the Supplier's tender, the Supplier shall develop a Project Plan encompassing the activities specified in the Contract. The contents of the Project Plan shall be as **specified in the SCC** and/ or Technical Requirements. Unless otherwise specified in the SCC, within thirty (30) days from the Effective Date of the Contract, the Supplier shall present a Project Plan to the Procuring Entity. The Procuring Entity shall, within fourteen (14) days of receipt of the Project Plan, notify the Supplier of any respects in which it considers that the Project Plan does not adequately ensure that the proposed program of work, proposed methods, and/or proposed Information Technologies will satisfy the Technical Requirements and/or the SCC (in this Clause 19.2 called "non-conformities" below). The Supplier shall, within five (5) days of receipt of such notification, correct the Project Plan and resubmit to the Procuring Entity. The Procuring Entity shall, within five (5) days of resubmission of the Project Plan, notify the Supplier of any remaining non-conformities. This procedure shall be repeated as necessary until the Project Plan is free from non-conformities. When the Project Plan is free from non-conformities, the Procuring Entity shall provide confirmation in writing to the Supplier. This approved Project Plan ("the Agreed Project Plan") shall be contractually binding on the Procuring Entity and the Supplier.
- 19.2 If required, the impact on the Implementation Schedule of modifications agreed during finalization of the Agreed Project Plan shall be incorporated in the Contract by amendment, in accordance with GCC Clauses 39 and 40.
- 19.3 The Supplier shall undertake to supply, install, test, and commission the System in accordance with the Agreed Project Plan and the Contract.
- 19.4 **Unless otherwise specified in the SCC**, the Supplier shall submit to the Procuring Entity Monthly Progress Reports summarizing:
- i) Results accomplished during the prior period;
  - ii) cumulative deviations to date from schedule of progress milestones as specified in the Agreed Project Plan;
  - iii) corrective actions to be taken to return to planned schedule of progress; proposed revisions to planned schedule;
  - iv) other issues and outstanding problems; proposed actions to be taken;
  - v) resources that the Supplier expects to be provided by the Procuring Entity and/ or actions to be taken by the Procuring Entity in the next reporting period;
  - vi) other issues or potential problems the Supplier foresees that could impact on project progress and/or effectiveness.
- 19.5 The Supplier shall submit to the Procuring Entity other (periodic) reports **as specified in the SCC**.

## 20 *Sub-contracting*

- 20.1 Appendix 3 (List of Approved Subcontractors) to the Contract Agreement specifies critical items of supply or services and a list of Subcontractors for each item that are considered acceptable by the Procuring Entity. If no Subcontractors are listed for an item, the Supplier shall prepare a list of Subcontractors it considers qualified and wishes to be added to the list for such items. The Supplier may from time to time propose additions to or deletions from any such list. The Supplier shall submit any such list or any modification to the list to the Procuring Entity for its approval insufficient time so as not to impede the progress of work on the System. The Procuring Entity shall not withhold such approval unreasonably. Such approval by the Procuring Entity of a Subcontractor (s) shall not relieve the Supplier from any of its obligations, duties, or responsibilities under the Contract.
- 20.2 The Supplier may, at its discretion, select and employ Subcontractors for such critical items from those Subcontractors listed pursuant to GCC Clause 20.1. If the Supplier wishes to employ a Subcontractor not so listed, or subcontract an item not so listed, it must seek the Procuring Entity's prior approval under GCC Clause 20.3.
- 20.3 For items for which pre-approved Subcontractor lists have not been specified in Appendix 3 to the Contract Agreement, the Supplier may employ such Subcontractors as it may select, provided: (i) the Supplier notifies the Procuring Entity in writing at least twenty-eight (28) days prior to the proposed mobilization date for such Subcontractor; and (ii) by the end of this period either the Procuring Entity has granted its approval in writing or fails to respond. The Supplier shall not engage any Subcontractor to which the Procuring Entity has objected in writing prior to the end

of the notice period. The absence of a written objection by the Procuring Entity during the above specified period shall constitute formal acceptance of the proposed Subcontractor. Except to the extent that it permits the deemed approval of the Procuring Entity of Subcontractors not listed in the Contract Agreement, nothing in this Clause, however, shall limit the rights and obligations of either the Procuring Entity or Supplier as they are specified in GCC Clauses 20.1 and 20.2, or in Appendix 3 of the Contract Agreement.

## 21 *Design and Engineering*

### 21.1 Technical Specifications and Drawings

21.1.1 The Supplier shall execute the basic and detailed design and the implementation activities necessary for successful installation of the System in compliance with the provisions of the Contractor, where not so specified, in accordance with good industry practice. The Supplier shall be responsible for any discrepancies, errors or omissions in the specifications, drawings, and other technical documents that it has prepared, whether such specifications, drawings, and other documents have been approved by the Project Manager or not, provided that such discrepancies, errors, or omissions are not because of inaccurate information furnished in writing to the Supplier by or on behalf of the Procuring Entity.

21.1.2 The Supplier shall be entitled to disclaim responsibility for any design, data, drawing, specification, or other document, or any modification of such design, drawings, specification, or other documents provided or designated by or on behalf of the Procuring Entity, by giving a notice of such disclaimer to the Project Manager.

### 21.2 Codes and Standards

Wherever references are made in the Contract to codes and standards in accordance with which the Contract shall be executed, the edition or the revised version of such codes and standards current at the date twenty-eight (28) days prior to date of tender submission shall apply. During Contract execution, any changes in such codes and standards shall be applied after approval by the Procuring Entity and shall be treated in accordance with GCC Clause 39.3.

### 21.3 Approval/ Review of Controlling Technical Documents by the Project Manager

Unless otherwise specified in the SCC, there will NO Controlling Technical Documents required. However, if the SCC specifies Controlling Technical Documents, the Supplier shall prepare and furnish such documents for the Project Manager's approval or review.

Any part of the System covered by or related to the documents to be approved by the Project Manager shall be executed only after the Project Manager's approval of these documents.

GCC Clauses 21.3.2 through 21.3.7 shall apply to those documents requiring the Project Manager's approval, but not to those furnished to the Project Manager for its review only.

21.3.2 Within fourteen (14) days after receipt by the Project Manager of any document requiring the Project Manager's approval in accordance with GCC Clause 21.3.1, the Project Manager shall either return one copy of the document to the Supplier with its approval endorsed on the document or shall notify the Supplier in writing of its disapproval of the document and the reasons for disapproval and the modifications that the Project Manager proposes. If the Project Manager fails to take such action within the fourteen (14) days, then the document shall be deemed to have been approved by the Project Manager.

21.3.3 The Project Manager shall not disapprove any document except on the grounds that the document does not comply with some specified provision of the Contract or that it is contrary to good industry practice.

21.3.4 If the Project Manager disapproves the document, the Supplier shall modify the document and resubmit it for the Project Manager's approval in accordance with GCC Clause 21.3.2. If the Project Manager approves the document subject to modification(s), the Supplier shall make the required modification(s), and the document shall then be deemed to have been approved, subject to GCC Clause 21.3.5. The procedure set out in GCC Clauses 21.3.2 through 21.3.4 shall be repeated, as appropriate, until the Project Manager approves such documents.

21.3.5 If any dispute occurs between the Procuring Entity and the Supplier in connection with

or arising out of the disapproval by the Project Manager of any document and/or any modification (s) to a document that cannot be settled between the parties within a reasonable period, then, in case the Contract Agreement includes and names an Adjudicator, such dispute may be referred to the Adjudicator for determination in accordance with GCC Clause 43.1 (Adjudication). If such dispute is referred to an Adjudicator, the Project Manager shall give instructions as to whether and if so, how, performance of the Contract is to proceed. The Supplier shall proceed with the Contract in accordance with the Project Manager's instructions, provided that if the Adjudicator upholds the Supplier's view on the dispute and if the Procuring Entity has not given notice under GCC Clause 43.1.2, then the Supplier shall be reimbursed by the Procuring Entity for any additional costs incurred by reason of such instructions and shall be relieved of such responsibility or liability in connection with the dispute and the execution of the instructions as the Adjudicator shall decide, and the Time for Achieving Operational Acceptance shall be extended accordingly.

21.3.6 The Project Manager's approval, with or without modification of the document furnished by the Supplier, shall not relieve the Supplier of any responsibility or liability imposed upon it by any provisions of the Contract except to the extent that any subsequent failure results from modifications required by the Project Manager or inaccurate information furnished in writing to the Supplier by or on behalf of the Procuring Entity.

21.3.7 The Supplier shall not depart from any approved document unless the Supplier has first submitted to the Project Manager an amended document and obtained the Project Manager's approval of the document, pursuant to the provisions of this GCC Clause 21.3. If the Project Manager requests any change in any already approved document and/or in any document based on such an approved document, the provisions of GCC Clause 39 (Changes to the System) shall apply to such request.

## 22 *Procurement, Delivery, and Transport*

22.1 Subject to related Procuring Entity's responsibilities pursuant to GCC Clauses 10 and 14, the Supplier shall manufacture or procure and transport all the Information Technologies, Materials, and other Goods in an expeditious and orderly manner to the Project Site.

22.2 Delivery of the Information Technologies, Materials, and other Goods shall be made by the Supplier in accordance with the Technical Requirements.

22.3 Early or partial deliveries require the explicit written consent of the Procuring Entity; which consent shall not be unreasonably withheld.

### 22.4 Packaging and Transportation

22.4.1 The Supplier shall provide such packing of the Goods as is required to prevent their damage or deterioration during shipment. The packing, marking, and documentation within and outside the packages shall comply strictly with the Procuring Entity's instructions to the Supplier.

22.4.2 The Supplier will bear responsibility for and cost of transport to the Project Sites in accordance with the terms and conditions used in the specification of prices in the Price Schedules, including the terms and conditions of the associated Inco terms.

22.4.3 **Unless otherwise specified in the SCC**, the Supplier shall be free to use transportation through carriers registered in any eligible country and to obtain insurance from any eligible source country.

**Unless otherwise specified in the SCC**, the Supplier will provide the Procuring Entity with shipping and other documents, as specified below:

22.4.4 For Goods supplied from outside Kenya:

Upon shipment, the Supplier shall notify the Procuring Entity and the insurance company contracted by the Supplier to provide cargo insurance by cable, facsimile, electronic mail, or EDI with the full details of the shipment. The Supplier shall promptly send the following documents to the Procuring Entity by mail or courier, as appropriate, with a copy to the cargo insurance company:

- a Two copies of the Supplier's invoice showing the description of the Goods, quantity, unit price, and total amount;
- b usual transportation documents;



- c insurance certificate;
- d certificate (s) of origin; and
- e estimated time and point of arrival in Kenya and at the site.

25.5.2 For Goods supplied locally (i.e., from within Kenya):

Upon shipment, the Supplier shall notify the Procuring Entity by cable, facsimile, electronic mail, or EDI with the full details of the shipment. The Supplier shall promptly send the following documents to the Procuring Entity by mail or courier, as appropriate:

- a Two copies of the Supplier's invoice showing the Goods' description, quantity, unit price, and total amount;
- b Delivery note, railway receipt, or truck receipt;
- c certificate of insurance;
- d certificate (s) of origin; and
- e estimated time of arrival at the site.

25.6 Customs Clearance

- a) The Procuring Entity will bear responsibility for, and cost of, customs clearance into Kenya in accordance with the particular Incoterm(s) used for Goods supplied from outside Kenya in the Price Schedules referred to by Article 2 of the Contract Agreement.
- b) At the request of the Procuring Entity, the Supplier will make available a representative or agent during the process of customs clearance in Kenya for goods supplied from outside Kenya. In the event of delays in customs clearance that are not the fault of the Supplier:
  - i) the Supplier shall be entitled to an extension in the Time for Achieving Operational Acceptance, pursuant to GCC Clause 40;
  - ii) the Contract Price shall be adjusted to compensate the Supplier for any additional storage charges that the Supplier may incur as a result of the delay.

23 *Product Upgrades*

- 23.1 At any point during performance of the Contract, should technological advances be introduced by the Supplier for Information Technologies originally offered by the Supplier in its tender and still to be delivered, the Supplier shall be obligated to offer to the Procuring Entity the latest versions of the available Information Technologies having equal or better performance or functionality at the same or lesser unit prices, pursuant to GCC Clause 39 (Changes to the System).
- 23.2 At any point during performance of the Contract, for Information Technologies still to be delivered, the Supplier will also pass on to the Procuring Entity any cost reductions and additional and/ or improved support and facilities that it offers to other clients of the Supplier in Kenya, pursuant to GCC Clause 39 (Changes to the System).
- 23.3 During performance of the Contract, the Supplier shall offer to the Procuring Entity all new versions, releases, and updates of Standard Software, as well as related documentation and technical support services, within thirty (30) days of their availability from the Supplier to other clients of the Supplier in Kenya, and no later than twelve (12) months after they are released in the country of origin. In no case will the prices for these Software exceed those quoted by the Supplier in the Recurrent Costs tables in its tender.
- 23.4 **Unless otherwise specified in the SCC**, during the Warranty Period, the Supplier will provide at no additional cost to the Procuring Entity all new versions, releases, and updates for all Standard Software that are used in the System, within thirty (30) days of their availability from the Supplier to other clients of the Supplier in Kenya, and no later than twelve (12) months after they are released in the country of origin of the Software.
- 23.5 The Procuring Entity shall introduce all new versions, releases or updates of the Software within eighteen (18) months of receipt of a production-ready copy of the new version, release, or update, provided that the new version, release, or update does not adversely affect System operation or performance or require extensive reworking of the System. In cases where the new version, release, or update adversely affects

System operation or performance, or requires extensive reworking of the System, the Supplier shall continue to support and maintain the version or release previously in operation for as long as necessary to allow introduction of the new version, release, or update. In no case shall the Supplier stop supporting or maintaining a version or release of the Software less than twenty-four (24) months after the Procuring Entity receives a production-ready copy of a subsequent version, release, or update. The Procuring Entity shall use all reasonable endeavors to implement any new version, release, or update as soon as practicable, subject to the twenty-four-month-long stop date.

## *24 Implementation, Installation, and Other Services*

- 24.1 The Supplier shall provide all Services specified in the Contract and Agreed Project Plan in accordance with the highest standards of professional competence and integrity.
- 24.2 Prices charged by the Supplier for Services, if not included in the Contract, shall be agreed upon in advance by the parties (including, but not restricted to, any prices submitted by the Supplier in the Recurrent Cost Schedules of its Tender) and shall not exceed the prevailing rates charged by the Supplier to other Procuring Entity's in Kenya for similar services.

## *25 Inspections and Tests*

- 25.1 The Procuring Entity or its representative shall have the right to inspect and/or test any components of the System, as specified in the Technical Requirements, to confirm their good working order and/ or conformity to the Contract at the point of delivery and/ or at the Project Site.
- 25.2 The Procuring Entity or its representative shall be entitled to attend any such inspections and/or tests of the components, provided that the Procuring Entity shall bear all costs and expenses incurred in connection with such attendance, including but not limited to all inspection agent fees, travel, and related expenses.
- 25.3 Should the inspected or tested components fail to conform to the Contract, the Procuring Entity may reject the component (s), and the Supplier shall either replace the rejected component (s), or make alterations as necessary so that it meets the Contract requirements free of cost to the Procuring Entity.
- 25.4 The Project Manager may require the Supplier to carry out any inspection and/or test not specified in the Contract, provided that the Supplier's reasonable costs and expenses incurred in the carrying out of such inspection and/ or test shall be added to the Contract Price. Further, if such inspection and/ or test impedes the progress of work on the System and/or the Supplier's performance of its other obligations under the Contract, due allowance will be made in respect of the Time for Achieving Operational Acceptance and the other obligations so affected.
- 25.5 If any dispute shall arise between the parties in connection with or caused by an inspection and/ or with regard to any component to be incorporated in the System that cannot be settled amicably between the parties within a reasonable period of time, either party may invoke the process pursuant to GCC Clause 43 (Settlement of Disputes), starting with referral of the matter to the Adjudicator in case an Adjudicator is included and named in the Contract Agreement.

## *26 Installation of the System*

- 26.1 As soon as the System, or any Subsystem, has, in the opinion of the Supplier, been delivered, Pre- commissioned, and made ready for Commissioning and Operational Acceptance Testing in accordance with the Technical Requirements, the SCC and the Agreed Project Plan, the Supplier shall so notify the Procuring Entity in writing.
- 26.2 The Project Manager shall, within fourteen (14) days after receipt of the Supplier's notice under GCC Clause 26.1, either issue an Installation Certificate in the form specified in the Sample Contractual Forms Section in the tendering documents, stating that the System, or major component or Subsystem (if Acceptance by major component or Sub system is specified pursuant to the SCC for GCC Clause 27.2.1), has achieved Installation by the date of the Supplier's notice under GCC Clause 26.1, or notify the Supplier in writing of any defects and/or deficiencies, including, but not limited to, defects or deficiencies in the interoperability or integration of the various

components and/or Subsystems making up the System. The Supplier shall use all reasonable endeavors to promptly remedy any defect and/ or deficiencies that the Project Manager has notified the Supplier of. The Supplier shall then promptly carry out retesting of the System or Sub system and, when in the Supplier's opinion the System or Sub system is ready for Commissioning and Operational Acceptance Testing, notify the Procuring Entity in writing, in accordance with GCC Clause 26.1. The procedure set out in this GCC Clause shall be repeated, as necessary, until an Installation Certificate is issued.

- 26.3 If the Project Manager fails to issue the Installation Certificate and fails to inform the Supplier of any defects and/or deficiencies within fourteen (14) days after receipt of the Supplier's notice under GCC Clause 26.1, or if the Procuring Entity puts the System or a Subsystem in to production operation, then the System (or Subsystem) shall be deemed to have achieved successful Installation as of the date of the Supplier's notice or repeated notice, or when the Procuring Entity put the System in to production operation, as the case may be.

## 27 *Commissioning and Operational Acceptance*

### 27.1 Commissioning

- 27.1.1 Commissioning of the System (or Subsystem if specified pursuant to the SCC for GCC Clause 27.2.1) shall be commenced by the Supplier:

- a) immediately after the Installation Certificate is issued by the Project Manager, pursuant to GCC Clause 26.2; or
- b) as otherwise specified in the Technical Requirement or the Agreed Project Plan; or
- c) immediately after Installation is deemed to have occurred, under GCC Clause 26.3.

- 27.1.2 The Procuring Entity shall supply the operating and technical personnel and all materials and information reasonably required to enable the Supplier to carry out its obligations with respect to Commissioning. Production use of the System or Subsystem(s) shall not commence prior to the start of formal Operational Acceptance Testing.

### 27.2 Operational Acceptance Tests

- 27.2.1 The Operational Acceptance Tests (and repeats of such tests) shall be the primary responsibility of the Procuring Entity (in accordance with GCC Clause 10.9), but shall be conducted with the full cooperation of the Supplier during Commissioning of the System (or major components or Subsystem[s]), to ascertain whether the System (or major component or Subsystem[s]) conforms to the Technical Requirements and meets the standard of performance quoted in the Supplier's tender, including, but not restricted to, the functional and technical performance requirements. **Unless otherwise specified in the SCC**, the Operational Acceptance Tests during Commissioning will be conducted as specified in the Technical Requirements and/ or the Agreed Project Plan. At the Procuring Entity's discretion, Operational Acceptance Tests may also be performed on replacement Goods, upgrades and new version releases, and Goods that are added or field-modified after Operational Acceptance of the System.

- 27.2.2 If for reasons attributable to the Procuring Entity, the Operational Acceptance Test of the System (or Subsystem[s] or major components, pursuant to the SCC for GCC Clause 27.2.1) cannot be successfully completed within ninety (90) days from the date of Installation or any other period agreed upon in writing by the Procuring Entity and the Supplier, the Supplier shall be deemed to have fulfilled its obligations with respect to the technical and functional aspects of the Technical Specifications, SCC and/ or the Agreed Project Plan, and GCC Clause 28.2 and 28.3 shall not apply.

### 27.3 Operational Acceptance

- 27.3.1 Subject to GCC Clause 27.4 (Partial Acceptance) below, Operational Acceptance shall occur in respect of the System, when

- a) the Operational Acceptance Tests, as specified in the Technical Requirements, and/or SCC and/or the Agreed Project Plan have been successfully completed; or
- b) the Operational Acceptance Tests have not been successfully completed or have not been carried out for reasons that are attributable to the Procuring Entity within the period from the date of Installation or any other agreed-upon period as specified in GCC Clause 27.2.2 above; or

- c the Procuring Entity has put the System into production or use for sixty (60) consecutive days. If the System is put into production or use in this manner, the Supplier shall notify the Procuring Entity and document such use.
- 27.3.2 At any time after any of the events set out in GCC Clause 27.3.1 have occurred, the Supplier may give a notice to the Project Manager requesting the issue of an Operational Acceptance Certificate.
- 27.3.3 After consultation with the Procuring Entity, and within fourteen (14) days after receipt of the Supplier's notice, the Project Manager shall:
  - a Issue an Operational Acceptance Certificate; or
  - b Notify the Supplier in writing of any defect or deficiencies or other reason for the failure of the Operational Acceptance Tests; or
  - c Issue the Operational Acceptance Certificate, if the situation covered by GCC Clause 27.3.1 (b) arises.
- 27.3.4 The Supplier shall use all reasonable endeavors to promptly remedy any defect and/or deficiencies and/or other reasons for the failure of the Operational Acceptance Test that the Project Manager has notified the Supplier of. Once such remedies have been made by the Supplier, the Supplier shall notify the Procuring Entity, and the Procuring Entity, with the full cooperation of the Supplier, shall use all reasonable endeavors to promptly carry out retesting of the System or Sub system. Upon the successful conclusion of the Operational Acceptance Tests, the Supplier shall notify the Procuring Entity of its request for Operational Acceptance Certification, in accordance with GCC Clause 27.3.3. The Procuring Entity shall then issue to the Supplier the Operational Acceptance Certification in accordance with GCC Clause 27.3.3 (a), or shall notify the Supplier of further defects, deficiencies, or other reasons for the failure of the Operational Acceptance Test. The procedure set out in this GCC Clause 27.3.4 shall be repeated, as necessary, until an Operational Acceptance Certificate is issued.
- 27.3.5 If the System or Subsystem fails to pass the Operational Acceptance Test(s) in accordance with GCC Clause 27.2, the neither:
  - a The Procuring Entity may consider terminating the Contract, pursuant to GCC Clause 41.2.2; or
  - b If the failure to achieve Operational Acceptance within the specified time period is a result of the failure of the Procuring Entity to fulfill its obligations under the Contract, then the Supplier shall be deemed to have fulfilled its obligations with respect to the relevant technical and functional aspects of the Contract, and GCC Clauses 30.3 and 30.4 shall not apply.
- 27.3.6 If within fourteen (14) days after receipt of the Supplier's notice the Project Manager fails to issue the Operational Acceptance Certificate or fails to inform the Supplier in writing of the justifiable reasons why the Project Manager has not issued the Operational Acceptance Certificate, the System or Subsystem shall be deemed to have been accepted as of the date of the Supplier's said notice.
- 27.4 Partial Acceptance
  - 27.4.1 If so specified in the SCC for GCC Clause 27.2.1, Installation and Commissioning shall be carried out individually for each identified major component or Subsystem (s) of the System. In this event, the provisions in the Contract relating to Installation and Commissioning, including the Operational Acceptance Test, shall apply to each such major component or Subsystem individually, and Operational Acceptance Certificate (s) shall be issued accordingly for each such major component or Subsystem of the System, subject to the limitations contained in GCC Clause 27.4.2.
  - 27.4.2 The issuance of Operational Acceptance Certificates for individual major components or Subsystems pursuant to GCC Clause 27.4.1 shall not relieve the Supplier of its obligation to obtain an Operational Acceptance Certificate for the System as an integrated whole (if so specified in the SCC for GCC Clauses 12.1 and 27.2.1) once all major components and Subsystems have been supplied, installed, tested, and commissioned.
  - 27.4.3 In the case of minor components for the System that by their nature do not require Commissioning or an Operational Acceptance Test (e.g., minor fittings, furnishings or site works, etc.), the Project Manager shall issue an Operational Acceptance Certificate within fourteen (14) days after the fittings and/or furnishings have been delivered and/or installed or the site works have been completed. The Supplier shall, however,



use all reasonable endeavors to promptly remedy any defects or deficiencies in such minor components detected by the Procuring Entity or Supplier.

*F. Guarantees and Liabilities*

**28 Operational Acceptance Time Guarantee**

- 28.1 The Supplier guarantees that it shall complete the supply, Installation, Commissioning, and achieve Operational Acceptance of the System (or Subsystems, pursuant to the SCC for GCC Clause 27.2.1) within the time periods specified in the Implementation Schedule and/or the Agreed Project Plan pursuant to GCC Clause 8.2, or within such extended time to which the Supplier shall be entitled under GCC Clause 40 (Extension of Time for Achieving Operational Acceptance).
- 28.2 **Unless otherwise specified in the SCC**, if the Supplier fails to supply, install, commission, and achieve Operational Acceptance of the System (or Subsystems pursuant to the SCC for GCC Clause 27.2.1) within the time for achieving Operational Acceptance specified in the Implementation Schedule or the Agreed Project Plan, or any extension of the time for achieving Operational Acceptance previously granted under GCC Clause 40 (Extension of Time for Achieving Operational Acceptance), the Supplier shall pay to the Procuring Entity liquidated damages at the rate of one half of one percent per week as a percentage of the Contract Price (exclusive of Recurrent Costs if any), or the relevant part of the Contract Price if a Subsystem has not achieved Operational Acceptance. The aggregate amount of such liquidated damages shall in no event exceed the amount often (10) percent of the Contract Price (exclusive of Recurrent Costs if any). Once the Maximum is reached, the Procuring Entity may consider termination of the Contract, pursuant to GCC Clause 41.2.2.
- 28.3 **Unless otherwise specified in the SCC**, liquidated damages payable under GCC Clause 28.2 shall apply only to the failure to achieve Operational Acceptance of the System (and Subsystems) as specified in the Implementation Schedule and/or Agreed Project Plan. This Clause 28.3 shall not limit, however, any other rights or remedies the Procuring Entity may have under the Contract for other delays.
- 28.4 If liquidated damages are claimed by the Procuring Entity for the System (or Subsystem), the Supplier shall have no further liability whatsoever to the Procuring Entity in respect to the Operational Acceptance time guarantee for the System (or Subsystem). However, the payment of liquidated damages shall not in any way relieve the Supplier from any of its obligations to complete the System or from any other of its obligations and liabilities under the Contract.

*29 Defect Liability*

- 29.1 The Supplier warrants that the System, including all Information Technologies, Materials, and other Goods supplied and Services provided, shall be free from defects in the design, engineering, Materials, and workmanship that prevent the System and/or any of its components from fulfilling the Technical Requirements or that limit in a material fashion the performance, reliability, or extensibility of the System and/or Subsystems. **Unless otherwise specified in the SCC**, there will be NO exceptions and/or limitations to this warranty with respect to Software (or categories of Software). Commercial warranty provisions of products supplied under the Contract shall apply to the extent that they do not conflict with the provisions of this Contract.
- 29.2 The Supplier also warrants that the Information Technologies, Materials, and other Goods supplied under the Contract are new, unused, and incorporate all recent improvements in design that materially affect the System's or Subsystem's ability to fulfill the Technical Requirements.
- 29.3 **Unless otherwise specified in the SCC**, the Supplier warrants that : (i) all Goods components to be incorporated into the System form part of the Supplier's and/or Subcontractor's current product lines, and (ii) they have been previously released to the market.
- 29.4 **Unless otherwise specified in the SCC**, the Warranty Period shall commence from the date of Operational Acceptance of the System (or of any major component or Subsystem for which separate Operational Acceptance is provided for in the Contract) and shall extend for thirty-six (36) months.
- 29.5 If during the Warranty Period any defect as described in GCC Clause 29.1 should be found in the design, engineering, Materials, and workmanship of the Information

Technologies and other Goods supplied or of the Services provided by the Supplier, the Supplier shall promptly, in consultation and agreement with the Procuring Entity regarding appropriate remedying of the defects, and at its sole cost, repair, replace, or otherwise make good (as the Supplier shall, at its discretion, determine) such defect as well as any damage to the System caused by such defect. Any defective Information Technologies or other Goods that have been replaced by the Supplier shall remain the property of the Supplier.

- 29.6 The Supplier shall not be responsible for the repair, replacement, or making good of any defect, or of any damage to the System arising out of or resulting from any of the following causes:
- a) Improper operation or maintenance of the System by the Procuring Entity;
  - b) Normal wear and tear;
  - c) use of the System with items not supplied by the Supplier, unless otherwise identified in the Technical Requirements, or approved by the Supplier; or
  - d) modifications made to the System by the Procuring Entity, or a third party, not approved by the Supplier.
- 29.7 The Supplier's obligations under this GCC Clause 29 shall not apply to:
- a) any materials that are normally consumed in operation or have a normal life shorter than the Warranty Period; or
  - b) any designs, specifications, or other data designed, supplied, or specified by or on behalf of the Procuring Entity or any matters for which the Supplier has disclaimed responsibility, in accordance with GCC Clause 21.1.2.
- 29.8 The Procuring Entity shall give the Supplier a notice promptly following the discovery of such defect, stating the nature of any such defect together with all available evidence. The Procuring Entity shall afford all reasonable opportunity for the Supplier to inspect any such defect. The Procuring Entity shall afford the Supplier all necessary access to the System and the site to enable the Supplier to perform its obligations under this GCC Clause 29.
- 29.9 The Supplier may, with the consent of the Procuring Entity, remove from the site any Information Technologies and other Goods that are defective, if the nature of the defect, and/or any damage to the System caused by the defect, is such that repairs cannot be expeditiously carried out at the site. If the repair, replacement, or making good is of such a character that it may affect the efficiency of the System, the Procuring Entity may give the Supplier notice requiring that tests of the defective part be made by the Supplier immediately upon completion of such remedial work, where upon the Supplier shall carry out such tests.

If such part fails the tests, the Supplier shall carry out further repair, replacement, or making good (as the case maybe) until that part of the System passes such tests. The tests shall be agreed upon by the Procuring Entity and the Supplier.

- 29.10 **Unless otherwise specified in the SCC**, the response times and repair/replacement times for Warranty Defect Repair are specified in the Technical Requirements. Nevertheless, if the Supplier fails to commence the work necessary to remedy such defect or any damage to the System caused by such defect within two weeks the Procuring Entity may, following notice to the Supplier, proceed to do such work or contract a third party (or parties) to do such work, and the reasonable costs incurred by the Procuring Entity in connection with such work shall be paid to the Procuring Entity by the Supplier or may be deducted by the Procuring Entity from any monies due the Supplier or claimed under the Performance Security.
- 29.11 If the System or Subsystem cannot be used by reason of such defect and/or making good of such defect, the Warranty Period for the System shall be extended by a period equal to the period during which the System or Subsystem could not be used by the Procuring Entity because of such defect and/or making good of such defect.
- 29.12 Items substituted for defective parts of the System during the Warranty Period shall be covered by the Defect Liability Warranty for the remainder of the Warranty Period applicable for the part replaced or three (3) months, whichever is greater. For reasons of information security, the Procuring Entity may choose to retain physical possession of any replaced defective information storage devices.
- 29.13 At the request of the Procuring Entity and without prejudice to any other rights and remedies that the Procuring Entity may have against the Supplier under the Contract, the Supplier will offer all possible assistance to the Procuring Entity to seek

warranty services or remedial action from any subcontracted third-party producers or licensor of Goods included in the System, including without limitation assignment or transfer in favor of the Procuring Entity of the benefit of any warranties given by such producers or licensors to the Supplier.

### 30 *Functional Guarantees*

- 30.1 The Supplier guarantees that, once the Operational Acceptance Certificate(s) has been issued, the System represents a complete, integrated solution to the Procuring Entity's requirements set forth in the Technical Requirements and it conforms to all other aspects of the Contract. The Supplier acknowledges that GCC Clause 27 regarding Commissioning and Operational Acceptance govern show technical conformance of the System to the Contract requirements will be determined.
- 30.2 If, for reasons attributable to the Supplier, the System does not conform to the Technical Requirements or does not conform to all other aspects of the Contract, the Supplier shall at its cost and expense make such changes, modifications, and/or additions to the System as may be necessary to conform to the Technical Requirements and meet all functional and performance standards. The Supplier shall notify the Procuring Entity upon completion of the necessary changes, modifications, and/or additions and shall request the Procuring Entity to repeat the Operational Acceptance Tests until the System achieves Operational Acceptance.
- 30.3 If the System (or Subsystem[s]) fails to achieve Operational Acceptance, the Procuring Entity may consider termination of the Contract, pursuant to GCC Clause 41.2.2, and forfeiture of the Supplier's Performance Security in accordance with GCC Clause 13.3 in compensation for the extra costs and delays likely to result from this failure.

### 31 *Intellectual Property Rights Warranty*

- 31.1 The Supplier here by represents and warrants that:
- a) The System as supplied, installed, tested, and accepted;
  - b) Use of the System in accordance with the Contract; and
  - c) Copying of the Software and Materials provided to the Procuring Entity in accordance with the Contract do not and will not infringe any Intellectual Property Rights held by any third party and that it has all necessary rights or at its sole expense shall have secured in writing all transfer so frights and other consents necessary to make the assignments, licenses, and other transfers of Intellectual Property Rights and the warranties set forth in the Contract, and for the Procuring Entity to own or exercise all Intellectual Property Rights as provided in the Contract. Without limitation, the Supplier shall secure all necessary written agreements, consents, and transfers of rights from its employees and other persons or entities whose services are used for development of the System.

### 32 *Intellectual Property Rights Indemnity*

- 32.1 The Supplier shall indemnify and hold harmless the Procuring Entity and its employees and officers from and against any and all losses, liabilities, and costs (including losses, liabilities, and costs incurred in defending a claim alleging such a liability), that the Procuring Entity or its employees or officers may suffer as a result of any infringement or alleged infringement of any Intellectual Property Rights by reason of:
- a) Installation of the System by the Supplier or the use of the System, including the Materials, in the country where the site is located;
  - b) copying of the Software and Materials provided by the Supplier in accordance with the Agreement; and
  - c) sale of the products produced by the System in any country, except to the extent that such losses, liabilities, and costs a rise as a result of the Procuring Entity's breach of GCC Clause 32.2.
- 32.2 Such indemnity shall not cover any use of the System, including the Materials, other than for the purpose indicated by or to be reasonably inferred from the Contract, any infringement resulting from the use of the System, or any products of the System produced there by in association or combination with any other goods or services not

supplied by the Supplier, where the infringement arises because of such association or combination and not because of use of the System in its own right.

32.3 Such indemnities shall also not apply if any claim of infringement:

- a) Is asserted by apparent, subsidiary, or affiliate of the Procuring Entity's organization;
- b) Is a direct result of a design mandated by the Procuring Entity's Technical Requirements and the possibility of such infringement was duly noted in the Supplier's Tender; or
- c) Results from the alteration of the System, including the Materials, by the Procuring Entity or any persons other than the Supplier or a person authorized by the Supplier.

32.4 If any proceedings are brought or any claim is made against the Procuring Entity arising out of the matters referred to in GCC Clause 32.1, the Procuring Entity shall promptly give the Supplier notice of such proceedings or claims, and the Supplier may at its own expense and in the Procuring Entity's name conduct such proceedings or claim and any negotiations for the settlement of any such proceedings or claim.

If the Supplier fails to notify the Procuring Entity within twenty-eight (28) days after receipt of such notice that it intends to conduct any such proceedings or claim, then the Procuring Entity shall be free to conduct the same on its own behalf. Unless the Supplier has so failed to notify the Procuring Entity within the twenty-eight (28) days, the Procuring Entity shall make no admission that may be prejudicial to the defense of any such proceedings or claim. The Procuring Entity shall, at the Supplier's request, afford all available assistance to the Supplier in conducting such proceedings or claim and shall be reimbursed by the Supplier for all reasonable expenses incurred in so doing.

32.5 The Procuring Entity shall indemnify and hold harmless the Supplier and its employees, officers, and Subcontractors from and against any and all losses, liabilities, and costs (including losses, liabilities, and costs incurred in defending a claim alleging such a liability) that the Supplier or its employees, officers, or Subcontractors may suffer as a result of any infringement or alleged infringement of any Intellectual Property Rights arising out of or in connection with any design, data, drawing, specification, or other documents or materials provided to the Supplier in connection with this Contract by the Procuring Entity or any persons (other than the Supplier) contracted by the Procuring Entity, except to the extent that such losses, liabilities, and costs arise as a result of the Supplier's breach of GCC Clause 32.8.

32.6 Such indemnity shall not cover

- a) any use of the design, data, drawing, specification, or other documents or materials, other than for the purpose indicated by or to be reasonably inferred from the Contract;
- b) any infringement resulting from the use of the design, data, drawing, specification, or other documents or materials, or any products produced thereby, in association or combination with any other Goods or Services not provided by the Procuring Entity or any other person contracted by the Procuring Entity, where the infringement arises because of such association or combination and not because of the use of the design, data, drawing, specification, or other documents or materials in its own right.

32.7 Such indemnities shall also not apply:

- a) If any claim of infringement is asserted by apparent, subsidiary, or affiliate of the Supplier's organization;
- b) to the extent that any claim of infringement is caused by the alteration, by the Supplier, or any persons contracted by the Supplier, of the design, data, drawing, specification, or other documents or materials provided to the Supplier by the Procuring Entity or any persons contracted by the Procuring Entity.

32.8 If any proceedings are brought or any claim is made against the Supplier arising out of the matters referred to in GCC Clause 32.5, the Supplier shall promptly give the Procuring Entity notice of such proceedings or claims, and the Procuring Entity may at its own expense and in the Supplier's name conduct such proceedings or claim and any negotiations for the settlement of any such proceedings or claim. If the Procuring Entity fails to notify the Supplier within twenty-eight (28) days after receipt of such



notice that it intends to conduct any such proceedings or claim, then the Supplier shall be free to conduct the same on its own behalf. Unless the Procuring Entity has so failed to notify the Supplier within the twenty-eight (28) days, the Supplier shall make no admission that may be prejudicial to the defense of any such proceedings or claim. The Supplier shall, at the Procuring Entity's request, afford all available assistance to the Procuring Entity in conducting such proceedings or claim and shall be reimbursed by the Procuring Entity for all reasonable expenses incurred in so doing.

### 33 *Limitation of Liability*

- 33.1 Provided the following does not exclude or limit any liabilities of either party in ways not permitted by applicable law:
- a) the Supplier shall not be liable to the Procuring Entity, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the Supplier to pay liquidated damages to the Procuring Entity; and
  - b) the aggregate liability of the Supplier to the Procuring Entity, whether under the Contract, in tort or otherwise, shall not exceed the total Contract Price, provided that this limitation shall not apply to any obligation of the Supplier to indemnify the Procuring Entity with respect to intellectual property rights infringement.

### *G. Risk Distribution*

#### **34 Transfer of Ownership**

- 34.1 With the exception of Software and Materials, the ownership of the Information Technologies and other Goods shall be transferred to the Procuring Entity at the time of Delivery or otherwise under terms that may be agreed upon and specified in the Contract Agreement.
- 34.2 Ownership and the terms of usage of the Software and Materials supplied under the Contract shall be governed by GCC Clause 15 (Copyright) and any elaboration in the Technical Requirements.
- 34.3 Ownership of the Supplier's Equipment used by the Supplier and its Subcontractors in connection with the Contract shall remain with the Supplier or its Subcontractors.

### 35 *Care of the System*

- 35.1 The Procuring Entity shall be come responsible for the care and custody of the System or Subsystems upon their Delivery. The Procuring Entity shall make good at its own cost any loss or damage that may occur to the System or Subsystems from any cause from the date of Delivery until the date of Operational Acceptance of the System or Subsystems, pursuant to GCC Clause 27 (Commissioning and Operational Acceptance), except such loss or damage arising from acts or omissions of the Supplier, its employees, or subcontractors.
- 35.2 If any loss or damage occurs to the System or any part of the System by reason of:
- a) (in so far as they relate to the country where the Project Site is located) nuclear reaction, nuclear radiation, radioactive contamination, a pressure wave caused by aircraft or other aerial objects, or any other occurrences that an experienced contractor could not reasonably foresee, or if reasonably foreseeable could not reasonably make provision for or insure against, in so far as such risks are not normally insurable on the insurance market and are mentioned in the general exclusions of the policy of insurance taken out under GCC Clause 37;
  - b) Any use not in accordance with the Contract, by the Procuring Entity or any third party;
  - c) Any use of or reliance upon any design, data, or specification provided or designated by or on behalf of the Procuring Entity, or any such matter for which the Supplier has disclaimed responsibility in accordance with GCC Clause 21.1.2, the Procuring Entity shall pay to the Supplier all sums payable in respect of the System or Subsystems that have achieved Operational Acceptance, notwithstanding that the same be lost, destroyed, or damaged. If the Procuring Entity requests the Supplier in writing to make good any loss or damage to the

System thereby occasioned, the Supplier shall make good the same at the cost of the Procuring Entity in accordance with GCC Clause 39. If the Procuring Entity does not request the Supplier in writing to make good any loss or damage to the System there by occasioned, the Procuring Entity shall either request a change in accordance with GCC Clause 39, excluding the performance of that part of the System there by lost, destroyed, or damaged, or, where the loss or damage affects a substantial part of the System, the Procuring Entity shall terminate the Contract pursuant to GCC Clause 41.1.

- 35.3 The Procuring Entity shall be liable for any loss of or damage to any Supplier's Equipment which the Procuring Entity has authorized to locate within the Procuring Entity's premises for use in fulfillment of Supplier's obligations under the Contract, except where such loss or damage arises from acts or omissions of the Supplier, its employees, or subcontractors.

### *36 Loss of or Damage to Property; Accident or Injury to Workers; Indemnification*

- 36.1 The Supplier and each and every Subcontractor shall abide by the job safety, insurance, customs, and immigration measures prevalent and laws in force in Kenya.
- 36.2 Subject to GCC Clause 36.3, the Supplier shall indemnify and hold harmless the Procuring Entity and its employees and officers from and against any and all losses, liabilities and costs (including losses, liabilities, and costs incurred in defending a claim alleging such a liability) that the Procuring Entity or its employees or officers may suffer as a result of the death or injury of any person or loss of or damage to any property (other than the System, whether accepted or not) arising in connection with the supply, installation, testing, and Commissioning of the System and by reason of the negligence of the Supplier or its Subcontractors, or their employees, officers or agents, except any injury, death, or property damage caused by the negligence of the Procuring Entity, its contractors, employees, officers, or agents.
- 36.3 If any proceedings are brought or any claim is made against the Procuring Entity that might subject the Supplier to liability under GCC Clause 36.2, the Procuring Entity shall promptly give the Supplier notice of such proceedings or claims, and the Supplier may at its own expense and in the Procuring Entity's name conduct such proceedings or claim and any negotiations for the settlement of any such proceedings or claim. If the Supplier fails to notify the Procuring Entity within twenty-eight (28) days after receipt of such notice that it intends to conduct any such proceedings or claim, then the Procuring Entity shall be free to conduct the same on its own behalf. Unless the Supplier has so failed to notify the Procuring Entity within the twenty-eight (28) day period, the Procuring Entity shall make no admission that may be prejudicial to the defense of any such proceedings or claim. The Procuring Entity shall, at the Supplier's request, afford all available assistance to the Supplier in conducting such proceedings or claim and shall be reimbursed by the Supplier for all reasonable expenses incurred in so doing.
- 36.4 The Procuring Entity shall indemnify and hold harmless the Supplier and its employees, officers, and Subcontractors from any and all losses, liabilities, and costs (including losses, liabilities, and costs incurred in defending a claim alleging such a liability) that the Supplier or its employees, officers, or Subcontractors may suffer as a result of the death or personal injury of any person or loss of or damage to property of the Procuring Entity, other than the System not yet achieving Operational Acceptance, that is caused by fire, explosion, or any other perils, in excess of the amount recoverable from insurances procured under GCC Clause 37 (Insurances), provided that such fire, explosion, or other perils were not caused by any act or failure of the Supplier.
- 36.5 If any proceedings are brought or any claim is made against the Supplier that might subject the Procuring Entity to liability under GCC Clause 36.4, the Supplier shall promptly give the Procuring Entity notice of such proceedings or claims, and the Procuring Entity may at its own expense and in the Supplier's name conduct such proceedings or claim and any negotiations for the settlement of any such proceedings or claim. If the Procuring Entity fails to notify the Supplier within twenty-eight (28) days after receipt of such notice that it intends to conduct any such proceedings or claim, then the Supplier shall be free to conduct the same on its own behalf. Unless the Procuring Entity has so failed to notify the Supplier within the twenty-eight (28) days, the Supplier shall make no admission that may be prejudicial to the defense of any such proceedings or claim. The Supplier shall, at the Procuring Entity's request, afford all

available assistance to the Procuring Entity in conducting such proceedings or claim and shall be reimbursed by the Procuring Entity for all reasonable expenses incurred in so doing.

- 36.6 The party entitled to the benefit of an indemnity under this GCC Clause 36 shall take all reasonable measures to mitigate any loss or damage that has occurred. If the party fails to take such measures, the other party's liabilities shall be correspondingly reduced.

### 37 *Insurances*

- 37.1 The Supplier shall at its expense take out and maintain in effect, or cause to be taken out and maintained in effect, during the performance of the Contract, the insurance set forth below. The identity of the insurers and the form of the policies shall be subject to the approval of the Procuring Entity, who should not unreasonably withhold such approval.

a) **Cargo Insurance During Transport**

as applicable, 110 percent of the price of the Information Technologies and other Goods in a freely convertible currency, covering the Goods from physical loss or damage during shipment through receipt at the Project Site.

b) **Installation "All Risks" Insurance**

as applicable, 110 percent of the price of the Information Technologies and other Goods covering the Goods at the site from all risks of physical loss or damage (excluding only perils commonly excluded under "all risks" insurance policies of this type by reputable insurers) occurring prior to Operational Acceptance of the System.

c) **Third-Party Liability Insurance**

On terms as **specified in the SCC**, covering bodily injury or death suffered by third parties (including the Procuring Entity's personnel) and loss of or damage to property (including the Procuring Entity's property and any Subsystems that have been accepted by the Procuring Entity) occurring in connection with the supply and installation of the Information System.

d) **Automobile Liability Insurance**

In accordance with the statutory requirements prevailing in Kenya, covering use of all vehicles used by the Supplier or its Subcontractors (whether or not owned by them) in connection with the execution of the Contract.

e) **Other Insurance (if any), as specified in the SCC.**

- 37.2 The Procuring Entity shall be named as co-insured under all insurance policies taken out by the Supplier pursuant to GCC Clause 37.1, except for the Third-Party Liability, and the Supplier's Subcontractors shall be named as co-insured under all insurance policies taken out by the Supplier pursuant to GCC Clause 37.1 except for Cargo Insurance During Transport. All insurer's rights of subrogation against such co-insured for losses or claims arising out of the performance of the Contract shall be waived under such policies.
- 37.3 The Supplier shall deliver to the Procuring Entity certificates of insurance (or copies of the insurance policies) as evidence that the required policies are in full force and effect.
- 37.4 The Supplier shall ensure that, where applicable, its Subcontractor(s) shall take out and maintain in effect adequate insurance policies for their personnel and vehicles and for work executed by them under the Contract, unless such Subcontractors are covered by the policies taken out by the Supplier.
- 37.5 If the Supplier fails to take out and/or maintain in effect the insurance referred to in GCC Clause 37.1, the Procuring Entity may take out and maintain in effect any such insurance and may from time to time deduct from any amount due to the Supplier under the Contract any premium that the Procuring Entity shall have paid to the insurer or may otherwise recover such amount as a debt due from the Supplier.
- 37.6 Unless otherwise provided in the Contract, the Supplier shall prepare and conduct all and any claims made under the policies affected by it pursuant to this GCC Clause 37, and all monies payable by any insurers shall be paid to the Supplier. The Procuring

Entity shall give to the Supplier all such reasonable assistance as may be required by the Supplier in connection with any claim under the relevant insurance policies. With respect to insurance claims in which the Procuring Entity's interest is involved, the Supplier shall not give any release or make any compromise with the insurer without the prior written consent of the Procuring Entity. With respect to insurance claims in which the Supplier's interest is involved, the Procuring Entity shall not give any release or make any compromise with the insurer without the prior written consent of the Supplier.

### 38 *Force Majeure*

- 38.1 "Force Majeure" shall mean any event beyond the reasonable control of the Procuring Entity or of the Supplier, as the case may be, and which is unavoidable notwithstanding the reasonable care of the party affected and shall include, without limitation, the following:
- a) war, hostilities, or war like operations (whether a state of war be declared or not), invasion, act of foreign enemy, and civil war;
  - b) rebellion, revolution, insurrection, mutiny, usurpation of civil or military government, conspiracy, riot, civil commotion, and terrorist acts;
  - c) confiscation, nationalization, mobilization, commandeering or requisition by or under the order of any government or de jure or de facto authority or ruler, or any other act or failure to act of any local state or national government authority;
  - d) strike, sabotage, lockout, embargo, import restriction, port congestion, lack of usual means of public transportation and communication, industrial dispute, shipwreck, shortage or restriction of power supply, epidemics, quarantine, and plague;
  - e) earthquake, landslide, volcanic activity, fire, flood or inundation, tidal wave, typhoon or cyclone, hurricane, storm, lightning, or other inclement weather condition, nuclear and pressure waves, or other natural or physical disaster;
  - f) failure, by the Supplier, to obtain the necessary export permit (s) from the governments of the Country(s) of Origin of the Information Technologies or other Goods, or Supplier's Equipment provided that the Supplier has made all reasonable efforts to obtain the required export permit(s), including the exercise of due diligence in determining the eligibility of the System and all of its components for receipt of the necessary export permits.
- 38.2 If either party is prevented, hindered, or delayed from or in performing any of its obligations under the Contract by an event of Force Majeure, then it shall notify the other in writing of the occurrence of such event and the circumstances of the event of Force Majeure within fourteen (14) days after the occurrence of such event.
- 38.3 The party who has given such notice shall be excused from the performance or punctual performance of its obligations under the Contract for so long as the relevant event of Force Majeure continues and to the extent that such party's performance is prevented, hindered, or delayed. The Time for Achieving Operational Acceptance shall be extended in accordance with GCC Clause 40 (Extension of Time for Achieving Operational Acceptance).
- 38.4 The party or parties affected by the event of Force Majeure shall use reasonable efforts to mitigate the effect of the event of Force Majeure upon its or their performance of the Contract and to fulfill its or their obligations under the Contract, but without prejudice to either party's right to terminate the Contract under GCC Clause 38.6.
- 38.5 No delay or nonperformance by either party to this Contract caused by the occurrence of any event of Force Majeure shall:
- a) Constitute a default or breach of the Contract;
  - b) (subject to GCC Clauses 35.2, 38.3, and 38.4) give rise to any claim for damages or additional cost or expense occasioned by the delay or nonperformance, if, and to the extent that, such delay or non-performance is caused by the occurrence of an event of Force Majeure.
- 38.6 If the performance of the Contract is substantially prevented, hindered, or delayed for a single period of more than sixty (60) days or an aggregate period of more than one hundred and twenty (120) days on account of one or more events of Force Majeure during the time period covered by the Contract, the parties will attempt to develop a mutually satisfactory solution, failing which, either party may terminate the Contract by giving a notice to the other.



- 38.7 In the event of termination pursuant to GCC Clause 38.6, the rights and obligations of the Procuring Entity and the Supplier shall be as specified in GCC Clauses 41.1.2 and 41.1.3.
- 38.8 Notwithstanding GCC Clause 38.5, Force Majeure shall not apply to any obligation of the Procuring Entity to make payments to the Supplier under this Contract.

#### *H. Change in Contract Elements*

### **39 Changes to the System**

#### **39.1 Introducing a Change**

- 39.1.1 Subject to GCC Clauses 39.2.5 and 39.2.7, the Procuring Entity shall have the right to propose, and subsequently require, the Project Manager to order the Supplier from time to time during the performance of the Contract to make any change, modification, addition, or deletion to, in, or from the System (interchangeably called "Change"), provided that such Change falls within the general scope of the System, does not constitute unrelated work, and is technically practicable, taking into account both the state of advancement of the System and the technical compatibility of the Change envisaged with the nature of the System as originally specified in the Contract.
- 39.1.2 A Change may involve, but is not restricted to, the substitution of updated Information Technologies and related Services in accordance with GCC Clause 23 (Product Upgrades).
- 39.1.3 The Supplier may from time to time during its performance of the Contract propose to the Procuring Entity (with a copy to the Project Manager) any Change that the Supplier considers necessary or desirable to improve the quality or efficiency of the System. The Procuring Entity may at its discretion approve or reject any Change proposed by the Supplier.
- 39.1.4 Notwithstanding GCC Clauses 39.1.1 and 39.1.2, no change made necessary because of any default of the Supplier in the performance of its obligations under the Contract shall be deemed to be a Change, and such change shall not result in any adjustment of the Contract Price or the Time for Achieving Operational Acceptance.
- 39.1.5 The procedure on how to proceed with and execute Changes is specified in GCC Clauses 39.2 and 39.3, and further details and sample forms are provided in the Sample Contractual Forms Section in the tendering documents.
- 39.1.6 Moreover, the Procuring Entity and Supplier will agree, during development of the Project Plan, to a date prior to the scheduled date for Operational Acceptance, after which the Technical Requirements for the System shall be "frozen." Any Change initiated after this time will be dealt with after Operational Acceptance.
- 39.2 Changes Originating from Procuring Entity
- 39.2.4 If the Procuring Entity proposes a Change pursuant to GCC Clauses 39.1.1, it shall send to the Supplier a "Request for Change Proposal," requiring the Supplier to prepare and furnish to the Project Manager as soon as reasonably practicable a "Change Proposal," which shall include the following:
- a Brief description of the Change;
  - b Impact on the Time for Achieving Operational Acceptance;
  - c Detailed estimated cost of the Change;
  - d Effect on Functional Guarantees (if any);
  - e Effect on any other provisions of the Contract.
- 39.2.5 Prior to preparing and submitting the "Change Proposal," the Supplier shall submit to the Project Manager a "Change Estimate Proposal," which shall be an estimate of the cost of preparing the Change Proposal, plus a first approximation of the suggested approach and cost for implementing the changes. Upon receipt of the Supplier's Change Estimate Proposal, the Procuring Entity shall do one of the following:
- a accept the Supplier's estimate with instructions to the Supplier to proceed with the preparation of the Change Proposal;
  - b advise the Supplier of any part of its Change Estimate Proposal that is unacceptable and request the Supplier to review its estimate;
  - c advise the Supplier that the Procuring Entity does not intend to proceed with the Change.
- 39.2.6 Upon receipt of the Procuring Entity's instruction to proceed under GCC Clause

39.2.2 (a), the Supplier shall, with proper expedition, proceed with the preparation of the Change Proposal, in accordance with GCC Clause 39.2.1. The Supplier, at its discretion, may specify a validity period for the Change Proposal, after which if the Procuring Entity and Supplier has not reached agreement in accordance with GCC Clause 39.2.6, then GCC Clause 39.2.7 shall apply.

39.2.7 The pricing of any Change shall, as far as practicable, be calculated in accordance with the rates and prices included in the Contract. If the nature of the Change is such that the Contract rates and prices are inequitable, the parties to the Contract shall agree on other specific rates to be used for valuing the Change.

39.2.8 If before or during the preparation of the Change Proposal it becomes apparent that the aggregate impact of compliance with the Request for Change Proposal and with all other Change Orders that have already become binding upon the Supplier under this GCC Clause 39 would be to increase or decrease the Contract Price as originally set forth in Article 2 (Contract Price) of the Contract Agreement by more than fifteen (15) percent, the Supplier may give a written notice of objection to this Request for Change Proposal prior to furnishing the Change Proposal. If the Procuring Entity accepts the Supplier's objection, the Procuring Entity shall withdraw the proposed Change and shall notify the Supplier in writing of its acceptance.

The Supplier's failure to so object to a Request for Change Proposal shall neither affect its right to object to any subsequent requested Changes or Change Orders, nor affect its right to take into account, when making such subsequent objection, the percentage increase or decrease in the Contract Price that any Change not objected to by the Supplier represents.

39.2.9 Upon receipt of the Change Proposal, the Procuring Entity and the Supplier shall mutually agree upon all matters contained in the Change Proposal. Within fourteen (14) days after such agreement, the Procuring Entity shall, if it intends to proceed with the Change, issue the Supplier a Change Order. If the Procuring Entity is unable to reach a decision within fourteen (14) days, it shall notify the Supplier with details of when the Supplier can expect a decision. If the Procuring Entity decides not to proceed with the Change for whatever reason, it shall, within the said period of fourteen (14) days, notify the Supplier accordingly. Under such circumstances, the Supplier shall be entitled to reimbursement of all costs reasonably incurred by it in the preparation of the Change Proposal, provided that these do not exceed the amount given by the Supplier in its Change Estimate Proposal submitted in accordance with GCC Clause 39.2.2.

39.2.10 If the Procuring Entity and the Supplier cannot reach agreement on the price for the Change, an equitable adjustment to the Time for Achieving Operational Acceptance, or any other matters identified in the Change Proposal, the Change will not be implemented. However, this provision does not limit the rights of either party under GCC Clause 6 (Settlement of Disputes).

39.3 Changes Originating from Supplier

If the Supplier proposes a Change pursuant to GCC Clause 39.1.2, the Supplier shall submit to the Project Manager a written "Application for Change Proposal," giving reasons for the proposed Change and including the information specified in GCC Clause 39.2.1. Upon receipt of the Application for Change Proposal, the parties shall follow the procedures outlined in GCC Clauses 39.2.6 and 39.2.7. However, should the Procuring Entity choose not to proceed or the Procuring Entity and the Supplier cannot come to agreement on the change during any validity period that the Supplier may specify in its Application for Change Proposal, the Supplier shall not be entitled to recover the costs of preparing the Application for Change Proposal, unless subject to an agreement between the Procuring Entity and the Supplier to the contrary.

39.4 Value engineering. The Supplier may prepare, at its own cost, a value engineering proposal at any time during the performance of the Contract.

39.2.1 The value engineering proposal shall, at a minimum, include the following;

- (a) The proposed change (s), and a description of the difference to the existing Contract requirements;
- (b) a full cost/benefit analysis of the proposed change(s) including a description and estimate of costs (including life cycle costs) the Procuring Entity may incur in implementing the value engineering proposal; and

- (c) a description of any effect(s) of the change on performance/ functionality.
- 39.2.2 The Procuring Entity may accept the value engineering proposal if the proposal demonstrates benefits that:
  - a) accelerates the delivery period; or
  - b) reduces the Contract Price or the life cycle costs to the Procuring Entity; or
  - c) improves the quality, efficiency, safety or sustainability of the systems; or
  - d) yields any other benefits to the Procuring Entity, without compromising the necessary functions of the systems.
- 39.2.3 If the value engineering proposal is approved by the Procuring Entity and results in:
  - a) a reduction of the Contract Price; the amount to be paid to the Supplier shall be the percentage specified in the **SCC** of the reduction in the Contract Price; or
  - b) an increase in the Contract Price; but results in a reduction in life cycle costs due to any benefit described in
    - (a) to (d) above, the amount to be paid to the Supplier shall be the full increase in the Contract Price.

#### 40 *Extension of Time for Achieving Operational Acceptance*

- 40.1 The time(s) for achieving Operational Acceptance specified in the Schedule of Implementation shall be extended if the Supplier is delayed or impeded in the performance of any of its obligations under the Contract by reason of any of the following:
  - a) Any Change in the System as provided in GCC Clause 39 (Change in the Information System);
  - b) Any occurrence of Force Majeure as provided in GCC Clause 38 (Force Majeure);
  - c) Default of the Procuring Entity; or Any other matter specifically mentioned in the Contract; by such period as shall be fair and reasonable in all the circumstances and as shall fairly reflect the delay or impediment sustained by the Supplier.
- 40.2 Except where otherwise specifically provided in the Contract, the Supplier shall submit to the Project Manager a notice of a claim for an extension of the time for achieving Operational Acceptance, together with particulars of the event or circumstance justifying such extension as soon as reasonably practicable after the commencement of such event or circumstance. As soon as reasonably practicable after receipt of such notice and supporting particulars of the claim, the Procuring Entity and the Supplier shall agree upon the period of such extension. In the event that the Supplier does not accept the Procuring Entity's estimate of a fair and reasonable time extension, the Supplier shall be entitled to refer the matter to the provisions for the Settlement of Disputes pursuant to GCC Clause 43.
- 40.3 The Supplier shall at all times use its reasonable efforts to minimize any delay in the performance of its obligations under the Contract.

#### 41 *Termination*

- 41.1 Termination for Procuring Entity's Convenience
  - 41.1.1 The Procuring Entity may at any time terminate the Contract for any reason by giving the Supplier a notice of termination that refers to this GCC Clause 41.1.
  - 41.1.2 Upon receipt of the notice of termination under GCC Clause 41.1.1, the Supplier shall either as soon as reasonably practical or upon the date specified in the notice of termination
    - a) cease all further work, except for such work as the Procuring Entity may specify in the notice of termination for the sole purpose of protecting that part of the System already executed, or any work required to leave the site in a clean and safe condition;
    - b) terminate all subcontracts, except those to be assigned to the Procuring Entity pursuant to GCC Clause (d) (ii) below;
    - c) Remove all Supplier's Equipment from the site, repatriate the Supplier's and its Sub contractors' personnel from the site, remove from the site any wreckage, rubbish, and debris of any kind;
    - d) In addition, the Supplier, subject to the payment specified in GCC Clause 41.1.3, shall

- i) deliver to the Procuring Entity the parts of the System executed by the Supplier up to the date of termination;
- ii) to the extent legally possible, assign to the Procuring Entity all right, title, and benefit of the Supplier to the System, or Subsystem, as at the date of termination, and, as may be required by the Procuring Entity, in any subcontracts concluded between the Supplier and its Subcontractors;
- iii) deliver to the Procuring Entity all nonproprietary drawings, specifications, and other documents prepared by the Supplier or its Subcontractors as of the date of termination in connection with the System.

41.1.3 In the event of termination of the Contract under GCC Clause 41.1.1, the Procuring Entity shall pay to the Supplier the following amounts:

- a) The Contract Price, properly attributable to the parts of the System executed by the Supplier as of the date of termination;
- b) The costs reasonably incurred by the Supplier in the removal of the Supplier's Equipment from the site and in the repatriation of the Supplier's and its Subcontractors' personnel;
- c) any amount to be paid by the Supplier to its Subcontractors in connection with the termination of any subcontracts, including any cancellation charges;
- d) costs incurred by the Supplier in protecting the System and leaving the site in a clean and safe condition pursuant to GCC Clause 41.1.2(a); and
- e) the cost of satisfying all other obligations, commitments, and claims that the Supplier may in good faith have undertaken with third parties in connection with the Contract and that are not covered by GCC Clauses 41.1.3 (a) through (d) above.

#### 41.2 Termination for Supplier's Default

41.2.1 The Procuring Entity, without prejudice to any other rights or remedies it may possess, may terminate the Contract forth within the following circumstances by giving a notice of termination and its reasons there for to the Supplier, referring to this GCC Clause 41.2:

- a) If the Supplier becomes bankrupt or insolvent, has a receiving order issued against it, compounds with its creditors, or, if the Supplier is a corporation, a resolution is passed or order is made for its winding up (other than a voluntary liquidation for the purposes of amalgamation or reconstruction), a receiver is appointed over any part of its undertaking or assets, or if the Supplier takes or suffers any other analogous action in consequence of debt;
- b) If the Supplier assigns or transfers the Contractor any right or interest, there in violation of the provision of GCC Clause 42 (Assignment); or If the Supplier, in the judgment of the Procuring Entity has engaged in Fraud and Corruption, as defined in paragraph 2.2a. of the Appendix to the GCC, in competing for or in executing the Contract, including but Not limited to willful misrepresentation of facts concerning ownership of Intellectual Property Rights in, or proper authorization and/or licenses from the owner to offer, the hardware, software, or materials provided under this Contract.

#### 41.2.2 If the Supplier:

- a) Has abandoned or repudiated the Contract;
- b) Has without valid reason failed to commence work on the System promptly;
- c) Persistently fails to execute the Contract in accordance with the Contract or persistently neglects to carry out its obligations under the Contract without just cause;
- d) Refuses or is unable to provide sufficient Materials, Services, or labor to execute and complete the System in the manner specified in the Agreed Project Plan furnished under GCC Clause 19 at rates of progress that give reasonable assurance to the Procuring Entity that the Supplier can attain Operational Acceptance of the System by the Time for Achieving Operational Acceptance as extended; then the Procuring Entity may, without prejudice to any other rights it may possess under the Contract, give a notice to the Supplier stating the nature of the default and requiring the Supplier to remedy the same. If the Supplier fails to remedy or to take



steps to remedy the same within fourteen (14) days of its receipt of such notice, then the Procuring Entity may terminate the Contract forthwith by giving a notice of termination to the Supplier that refers to this GCC Clause 41.2.

41.2.3 Upon receipt of the notice of termination under GCC Clauses 41.2.1 or 41.2.2, the Supplier shall, either immediately or upon such date as is specified in the notice of termination:

- a) cease all further work, except for such work as the Procuring Entity may specify in the notice of termination for the sole purpose of protecting that part of the System already executed or any work required to leave the site in a clean and safe condition;
- b) terminate all subcontracts, except those to be assigned to the Procuring Entity pursuant to GCC Clause (d) below;
- c) deliver to the Procuring Entity the parts of the System executed by the Supplier up to the date of termination;
- d) to the extent legally possible, assign to the Procuring Entity all right, title and benefit of the Supplier to the System or Subsystems as at the date of termination, and, as may be required by the Procuring Entity, in any subcontracts concluded between the Supplier and its Subcontractors;
- e) deliver to the Procuring Entity all drawings, specifications, and other documents prepared by the Supplier or its Subcontractors as at the date of termination in connection with the System.

41.2.4 The Procuring Entity may enter upon the site, expel the Supplier, and complete the System itself or by employing any third party. Upon completion of the System or at such earlier date as the Procuring Entity thinks appropriate, the Procuring Entity shall give notice to the Supplier that such Supplier's Equipment will be returned to the Supplier at or near the site and shall return such Supplier's Equipment to the Supplier in accordance with such notice. The Supplier shall thereafter without delay and at its cost remove or arrange removal of the same from the site.

41.2.5 Subject to GCC Clause 41.2.6, the Supplier shall be entitled to be paid the Contract Price attributable to the portion of the System executed as at the date of termination and the costs, if any, incurred in protecting the System and in leaving the site in a clean and safe condition pursuant to GCC Clause 41.2.3 (a). Any sums due the Procuring Entity from the Supplier accruing prior to the date of termination shall be deducted from the amount to be paid to the Supplier under this Contract.

41.2.6 If the Procuring Entity completes the System, the cost of completing the System by the Procuring Entity shall be determined. If the sum that the Supplier is entitled to be paid, pursuant to GCC Clause 41.2.5, plus the reasonable costs incurred by the Procuring Entity in completing the System, exceeds the Contract Price, the Supplier shall be liable for such excess. If such excess is greater than the sums due the Supplier under GCC Clause 41.2.5, the Supplier shall pay the balance to the Procuring Entity, and if such excess is less than the sums due the Supplier under GCC Clause 41.2.5, the Procuring Entity shall pay the balance to the Supplier. The Procuring Entity and the Supplier shall agree, in writing, on the computation described above and the manner in which any sums shall be paid.

### 41.3 Termination by Supplier

#### 41.3.1 If:

- a) the Procuring Entity has failed to pay the Supplier any sum due under the Contract within the specified period, has failed to approve any invoice or supporting documents without just cause **pursuant to the SCC**, or commits a substantial breach of the Contract, the Supplier may give a notice to the Procuring Entity that requires payment of such sum, with interest on this sum as stipulated in GCC Clause 12.3, requires approval of such invoice or supporting documents, or specifies the breach and requires the Procuring Entity to remedy the same, as the case may be. If the Procuring Entity fails to pay such sum together with such interest, fails to approve such invoice or supporting documents or give its reasons for withholding such approval, fails to remedy the breach or take steps to remedy the breach within fourteen

(14) days after receipt of the Supplier's notice; or

- b) the Supplier is unable to carry out any of its obligations under the Contract for any reason attributable to the Procuring Entity, including but not limited to the Procuring Entity's failure to provide possession of or access to the site or other

areas or failure to obtain any governmental permit necessary for the execution and/or completion of the System; then the Supplier may give a notice to the Procuring Entity of such events, and if the Procuring Entity has failed to pay the outstanding sum, to approve the invoice or supporting documents, to give its reasons for withholding such approval, or to remedy the breach within twenty-eight (28) days of such notice, or if the Supplier is still unable to carry out any of its obligations under the Contract for any reason attributable to the Procuring Entity within twenty-eight (28) days of the said notice, the Supplier may by a further notice to the Procuring Entity referring to this GCC Clause 41.3.1, forth with terminate the Contract.

41.3.2 The Supplier may terminate the Contract immediately by giving a notice to the Procuring Entity to that effect, referring to this GCC Clause 41.3.2, if the Procuring Entity becomes bankrupt or insolvent, has a receiving order issued against it, compounds with its creditors, or, being a corporation, if a resolution is passed or order is made for its winding up (other than a voluntary liquidation for the purposes of amalgamation or reconstruction), a receiver is appointed over any part of its undertaking or assets, or if the Procuring Entity takes or suffers any other analogous action in consequence of debt.

41.3.3 If the Contract is terminated under GCC Clauses 41.3.1 or 41.3.2, then the Supplier shall immediately:

- a) Cease all further work, except for such work as may be necessary for the purpose of protecting that part of the System already executed, or any work required to leave the site in a clean and safe condition;
- b) Terminate all subcontracts, except those to be assigned to the Procuring Entity pursuant to Clause 41.3.3
- (d) (ii);
- c) remove all Supplier's Equipment from the site and repatriate the Supplier's and its Subcontractor's personnel from the site.
- d) In addition, the Supplier, subject to the payment specified in GCC Clause 41.3.4, shall:
  - i) deliver to the Procuring Entity the parts of the System executed by the Supplier up to the date of termination; to the extent legally possible, assign to the Procuring Entity all right, title, and benefit of the Supplier to the System, or Subsystems, as of the date of termination, and, as may be required by the Procuring Entity, in any subcontracts concluded between the Supplier and its Subcontractors;
  - ii) to the extent legally possible, deliver to the Procuring Entity all drawings, specifications, and other documents prepared by the Supplier or its Subcontractors as of the date of termination in connection with the System.

41.3.4 If the Contract is terminated under GCC Clauses 41.3.1 or 41.3.2, the Procuring Entity shall pay to the Supplier all payments specified in GCC Clause 41.1.3 and reasonable compensation for all loss, except for loss of profit, or damage sustained by the Supplier arising out of, in connection with, or in consequence of such termination.

41.3.5 Termination by the Supplier pursuant to this GCC Clause 41.3 is without prejudice to any other rights or remedies of the Supplier that may be exercised in lieu of or in addition to rights conferred by GCC Clause 41.3.

41.4 In this GCC Clause 41, the expression "portion of the System executed" shall include all work executed, Services provided, and all Information Technologies, or other Goods acquired (or subject to a legally binding Obligation to purchase) by the Supplier and used or intended to be used for the purpose of the System, up to and including the date of termination.

**41.5** In this GCC Clause 41, in calculating any monies due from the Procuring Entity to the Supplier, account shall be taken of any sum previously paid by the Procuring Entity to the Supplier under the Contract, including any advance payment paid **pursuant to the SCC.**

42.1 Neither the Procuring Entity nor the Supplier shall, without the express priorwritten consent of the other, assign to any third party the Contractor any part thereof, or any right, benefit, obligation, or interest there in or there under, except that the Supplier shall be entitled to assign either absolutely or by way of charge any monies due and payable to it or that may become due and payable to it under the Contract.

## I. Settlement of Disputes

### 43 Settlement of Disputes

#### 43.1 Adjudication

43.1.1 If any dispute of any kind what so ever shall arise between the Procuring Entity and the Supplier in connection with or arising out of the Contract, including without prejudice to the generality of the foregoing, any question regarding its existence, validity, or termination, or the operation of the System (whether during the progress of implementation or after its achieving Operational Acceptance and whether before or after the termination, abandonment, or breach of the Contract), the parties shall seek to resolve any such dispute **by mutual consultation**. If the parties fail to resolve such a dispute by mutual consultation within fourteen (14) days after one party has notified the other in writing of the dispute, then, if the Contract Agreement in Appendix 2 includes and names an Adjudicator, the dispute shall, within another fourteen (14) days, be referred in writing by either party to the Adjudicator, with a copy to the other party. If there is no Adjudicator specified in the Contract Agreement, the mutual consultation period stated above shall last twenty-eight (28) days (instead of fourteen), upon expiry of which either party may move to thenotification of arbitration pursuant to GCC Clause 43.2.1.

43.1.2 The Adjudicator shall give his or her decision in writing to both parties within twenty-eight (28) days of the dispute being referred to the Adjudicator. If the Adjudicator has done so, and no notice of intention to commence arbitration has been given by either the Procuring Entity or the Supplier within fifty-six (56) days of such reference, the decision shall become final and binding upon the Procuring Entity and the Supplier. Any decision that has become final and binding shall be implemented by the parties forth with.

43.1.3 The Adjudicator shall be paid an hourly fee at the rate specified in the Contract Agreement plus reasonable expenditures incurred in the execution of duties as Adjudicator, and these costs shall be divided equally between the Procuring Entity and the Supplier.

43.1.4 Should the Adjudicator resign or die, or should the Procuring Entity and the Supplier agree that the Adjudicator is not fulfilling his or her functions in accordance with the provisions of the Contract, a new Adjudicator shall be jointly appointed by the Procuring Entity and the Supplier. Failing agreement between the two within twenty-eight (28) days, the new Adjudicator shall be appointed at the request of either party by the Appointing Authority **specified in the SCC**, or, if no Appointing Authority is **specified in SCC**, the Contract shall, from this point onward and until the parties may otherwise agree on an Adjudicator or an Appointing Authority, be implemented as if there is no Adjudicator.

#### 43.2 Arbitration

##### 43.2.1 If

- a) the Procuring Entity or the Supplier is dissatisfied with the Adjudicator's decision and acts before this decision has become final and binding pursuant to GCC Clause 43.1.2, or
- b) the Adjudicator fails to give a decision within the allotted time from referral of the dispute pursuant to GCC Clause 43.1.2, and the Procuring Entity or the Supplier acts within the following fourteen (14) days, or
- c) in the absence of an Adjudicator from the Contract Agreement, the mutual consultation pursuant to GCC Clause 43.1.1 expires without resolution of the dispute and the Procuring Entity or the Supplier acts within the following fourteen (14) days, then either the Procuring Entity or the Supplier may act to give notice

to the other party, with a copy for information to the Adjudicator in case an Adjudicator had been involved, of its intention to commence arbitration, as provided below, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given.

43.2.2 Any dispute in respect of which a notice of intention to commence arbitration has been given, in accordance with GCC Clause 43.2.1, shall be finally settled by arbitration. Arbitration may be commenced prior to or after Installation of the Information System.

**43.2.3** Arbitration proceedings shall be conducted in accordance with the rules of procedure **specified in the SCC.**

43.3 Notwithstanding any reference to the Adjudicator or arbitration in this clause,

- a) The parties shall continue to perform their respective obligations under the Contract unless they otherwise agree;
- b) The Procuring Entity shall pay the Supplier any monies due the Supplier.



## SECTION VII - SPECIAL CONDITIONS OF CONTRACT

### *Special Conditions of Contract*

The following Special Conditions of Contract (SCC) shall supplement or amend the General Conditions of Contract (GCC). Whenever there is a conflict, the provisions of the SCC shall prevail over those in the General Conditions of Contract. For the purposes of clarity, any referenced GCC clause numbers are indicated in the left column of the SCC.

#### *A. Contract and Interpretation*

##### **1. Definitions (GCC Clause 1)**

GCC 1.1 (b) (i)	The Procuring Entity is: <b>Insurance Regulatory Authority</b>
GCC 1.1 (b) (ii)	The Project Manager is: <b>Mr. Felix Chelimo</b>
GCC 1.1 (e) (ix)	<b>There are no Special Conditions associated with GCC 1.1 (e) (x).</b>  <b>[Note: The GCC default specifies the Contract Period as when all the Supplier's obligations are completed. If there is a reason to set a hard-and-fast calendar date for the Contract Period to end, then specify here]</b>
GCC 1.1 (e) (xii)	The Post-Warranty Services Period is <b>[insert: number of months]</b> starting with the completion of the Warranty Period.

##### **2. Notices (GCC Clause 4)**

GCC 4.3	<p>Address of the Project Manager: <b>Mr. Felix Chelimo, P.O. Box 43505 – 00100 Nairobi. Email: <a href="mailto:procurement@ira.go.ke">procurement@ira.go.ke</a></b></p> <p>Fallback address of the Procuring Entity: <b>[ as appropriate, insert: personal delivery, postal, facsimile, email, and/or EDI addresses.]</b></p> <p><b>[Note: If the Procuring Entity wishes to use Electronic Data Interchange (EDI) to communicate with the Supplier, it should specify the standards and protocols (for example ANSI A1 or ISO EDIFACT). The details may then be revised at Contract finalization. If so, add the following text.]</b></p> <p>For Electronic Data Interchange (EDI) the Procuring Entity and Supplier will use the following standards, protocols, addresses, and procedures: <b>[ insert: standards, protocols, addresses; also describe: any relevant procedures]</b></p>
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#### **B. Subject Matter of Contract**

##### **3. Scope of the System (GCC Clause 7)**

GCC 7.3	<p>The Supplier's obligations under the Contract will include the following recurrent cost items, as identified in the Recurrent Cost tables in the Supplier's Tender:</p> <p><b>[specify: the recurrent cost items/services that are included in the Contract; also provide cross reference to the place in the</b></p>
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	<p><b>Technical Requirements where each item/service is specified in detail.]</b></p> <p><b>[Note:</b> <i>The requirements in terms of recurrent cost items should be defined here, reflected in the Recurrent Cost Table for the Warranty period, and elaborated in the Technical Requirements. See also notes to SCC Clause 29.4 regarding services that are not typically included in commercial warranties.</i></p> <p><i>If the Procuring Entity expects that wear and tear on System components will necessitate routine replacement of such components, and if Procuring Entity technical staff will perform these repair and replacement tasks, the Procuring Entity may wish to consider adding the following clause to the SCC that obligates the Supplier to stock and/or provide certain spare parts.]</i></p> <p>The Supplier agrees to supply spare parts required for the operation and maintenance of the System, as stated below, for <b>[ insert: number of years]</b> years beginning with Operational Acceptance. Moreover, the price of such spare parts shall be those specified in the spare parts price schedule submitted by the Supplier as part of its Tender. These prices shall include the purchase price for such spare parts and other costs and expenses (including the Supplier's fees) relating to the supply of spare parts.</p> <p><b>[list the spare parts needs, or reference the line items in the Spare Parts Price Schedule in the Supplier's Tender, if the Supplier is the source of the identity of the spares, i.e., reflecting its own understanding of its own technologies.]</b></p> <p><b>[Note:</b> <i>The need to ensure the availability of spare parts sources, above and beyond those the Supplier would routinely and implicitly need to perform under its defect liability and/or maintenance responsibilities, generally is not a major issue for the Information Technologies available in the market today. A System is likely to become obsolete long before it begins to develop physical defects.]</i></p>
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#### 4. Time for Commencement and Operational Acceptance (GCC Clause 8)

GCC 8.1	The Supplier shall commence work on the System within: <b>[ insert: number of days]</b> days from the Effective Date of the Contract.
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#### 5. Supplier's Responsibilities (GCC Clause 9)

#### C. PAYMENT

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#### 6. Contract Price (GCC Clause 11)

GCC 11.2	Adjustments to the Contract Price shall be as follows: <b>[ state: "not applicable" or specify: the items, adjustment formula or formulas, and the relevant price indices].</b>
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## 7. Terms of Payment (GCC Clause 12)

GCC 12.1	<p>Subject to the provisions of GCC Clause 12 (Terms of Payment), the Procuring Entity shall pay the Contract Price to the Supplier according to the categories and in the manner specified below. Only the categories Advance Payment and Complete System Integration relate to the entire Contract Price. In other payment categories, the term "total Contract Price" means the total cost of goods or services under the specific payment category. Within each such category, the Contract Implementation Schedule may trigger pro-rata payments for the portion of the total Contract Price for the category corresponding to the goods or services actually Delivered, Installed, or Operationally Accepted, at unit prices and in the currencies specified in the Price Schedules of the Contract Agreement.</p> <p>(a) Advance Payment</p> <p>twenty percent (20%) of the entire Contract Price, exclusive of all Recurrent Costs, shall be paid against receipt of a claim accompanied by the Advance Payment Security specified in GCC Clause 13.2.</p> <p>(b) Information Technologies, Materials, and other Goods, with the exception of Custom Software and Custom Materials:</p> <p>sixty percent (60%) of the total or pro-rata Contract Price for this category against Delivery</p> <p>ten percent (10%) of the same price against Installation</p> <p>ten percent (10%) of the same price against Operational Acceptance.</p> <p>(c) Custom Software and Custom Materials:</p> <p>sixty percent (60%) of the total or pro-rata Contract Price for this category against Installation</p>
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	<p>twenty percent (20%) of the same price against Operational Acceptance.</p> <p>(d) Services other than Training:</p> <p>eighty percent (80%) of the pro-rata Contract Price for services performed will be paid monthly in arrears, on submission and Procuring Entity's approval of invoices:</p> <p>(e) Training</p> <p>thirty percent (30%) of the total Contract Price for training services at the start of the full training program</p> <p>fifty percent (50%) of the pro-rata Contract Price for training services performed will be paid monthly in arrears, on submission and approval of appropriate invoices.</p> <p>(f) Complete System Integration</p> <p>ten percent (10%) of the entire Contract Price, exclusive of all Recurrent Costs, as final payment against Operational Acceptance of the System as an integrated whole.</p> <p>(g) Recurrent Costs one hundred percent (100%) of the price of the services actually delivered will be paid quarterly in arrears, on submission and Procuring Entity's approval of invoices.</p>
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GCC 12.3	The Procuring Entity shall pay to the Supplier interest on the delayed payments at a rate of: [ <b><i>insert: “%” per annum</i></b> ].
GCC 12.4	The Supplier will invoice the Procuring Entity in the currency used in the Contract Agreement and the Price Schedules it refers to, for Goods and Services supplied locally, and the conversion between this currency and Kenya shillings for payment purposes - in case the two currencies are different - will be made as of the actual payment date using the exchange rate found in [ <b><i>insert: source of exchange rate</i></b> ].

## 8. Securities (GCC Clause 13)

GCC 13.3.1	The Performance Security shall be denominated in [ <b><i>insert currency</i></b> ] for an amount equal to [ <b><i>insert: number</i></b> ] percent of the Contract Price, excluding any Recurrent Costs.
GCC 13.3.4	During the Warranty Period (i.e., after Operational Acceptance of the System), the Performance Security shall be reduced to [ <b><i>insert: number</i></b> ] percent of the Contract Price, excluding any Recurrent Costs.

## D. Intellectual Property

## 9. Copyright (GCC Clause 15)

GCC 15.3	<b><i>There are no Special Conditions of Contract applicable to GCC Clause 15.3</i></b>
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GCC 15.4	<p><b><i>There are no Special Conditions of Contract applicable to GCC Clause 15.4</i></b></p> <p><i>The Supplier's rights in relation to the Custom Software may:</i></p> <ul style="list-style-type: none"> <li><i>• Be limited to use in order to support the Procuring Entity; or</i></li> <li><i>• Extend to commercial exploitation by re-licensing to third-party customers.</i></li> </ul> <p><i>If the Supplier's rights extend to commercial exploitation, they may be limited as follows:</i></p> <ul style="list-style-type: none"> <li><i>• There may be an interim period, designed to protect the Procuring Entity's competitive edge, during which the Supplier is not permitted to exploit commercially; and/or</i></li> </ul>
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- The Supplier may be prohibited from licensing the Custom Software to certain categories of customer (for example, direct competitors of the Procuring Entity) or in certain territories (for example, Kenya), either for a limited period or indefinitely; and/or
- The Supplier may be required to pay royalties to the Procuring Entity when it licenses third parties to use the Custom Software.

The Procuring Entity's rights in relation to the Custom Software may also be restricted to "user" rights or extended to commercial exploitation. If the Procuring Entity is to be treated as a mere user of the Custom Software, it might accept restrictions on use similar to those imposed in relation to the Standard Software (indeed, the default position in the GCC is that the Custom Software will be licensed to the Procuring Entity on exactly the same terms as the Standard Software if the Intellectual Property Rights in the Custom Software does not vest in the Procuring Entity). It may, however, also expect to have access to, and a right to use, CASE files and Source Code to the Custom Software (whereas, at best, Source Code to the Standard Software is likely to be deposited in escrow).

If the Procuring Entity is to be permitted to exploit the Custom Software commercially, its exploitation rights may be limited in similar ways to the ways in which the Procuring Entity's own usage rights to the Custom Software may be limited.

It may be appropriate to apply different arrangements to various elements of the Custom Software, according to their commercial sensitivity and potential for exploitation and the degree of competitive advantage that they afford to the Procuring Entity.

The various possible arrangements can be achieved by a variety of contractual mechanisms. Ownership of Intellectual Property Rights in the Custom Software may vest the Supplier or the Procuring Entity, with the owner of those rights granting an appropriate license to the other party. This license may be subject to various degrees of exclusivity, depending on the desired commercial outcome (for example, the Supplier may own the Intellectual Property Rights in the Custom Software by granting to the Procuring Entity a license that is exclusive, in relation to exploitation in Kenya, for two years).

If an exclusive license is to be granted, competition law issues will need to be considered in some jurisdictions.

Each is sufficiently different as to render virtually all sample text inappropriate in numerous cases. Accordingly, the Procuring Entity of

	<p><i>Custom Software will, in most instances, require the services of an appropriately skilled lawyer to draft SCC for the rights and obligations regarding Custom Software (more particularly, the variety of rights and obligations that potentially apply to different items of CustomSoftware).]</i></p>
GCC 15.5	<p><b><i>There are no Special Conditions of Contract applicable to GCC Clause 15.5</i></b></p> <p><b><i>[Note:</i></b> Special software escrow arrangements are generally needed in relation to Contracts for the supply of Software, particularly Application Software, where there is concern about the ability of the Supplier to provide ongoing support throughout the life of the System. The protection provided by an escrow arrangement, however, should be weighed against the costs of administering it. The actual language of the escrow contract will vary depending on the laws of the country in which the escrow deposit is to be made (which may be Kenya or another country with a suitable legal regime) and the escrow agent selected (escrow agents generally have their own standard form contracts). Provisions may cover:</p> <ul style="list-style-type: none"> <li><i>(i) the Supplier’s obligations to deliver the Source Code to the escrow agent and make replacement deposits to ensure that theSource Code is up to date;</i></li> <li><i>(ii) the Supplier’s warranties that the Source Code is at all times capable of being used to generate the latest version of the executable code to the relevant Software in use by the Procuring Entity and suitable to enable the Procuring Entity to support and develop the Software;</i></li> <li><i>(iii) the escrow agent’s obligations to keep the Source Code secure and confidential;</i></li> <li><i>(iv) the escrow agent’s obligations in relation to verification of the Source Code (to ensure that it is Source Code and that it is capable of generating the executable code);</i></li> <li><i>(v) the obligations of the Supplier and the Procuring Entity in relation to payment of the escrow agent’s fee;</i></li> <li><i>(vi) the escrow agent’s right and obligation to release the Source Code to the Procuring Entity in certain specified “release events”(e.g., bankruptcy or insolvency of the Supplier or the Supplier’s failure to make deposits or to support the Software);</i></li> <li><i>(vii) limitations and exclusions of the escrow agent’s liability;</i></li> <li><i>(viii) the circumstances in which the escrow arrangement will terminate, and what will happen to the deposited Source Code on termination; and</i></li> <li><i>(ix) confidentiality undertakings to be given by the Procuring Entity on release of the Source Code.]</i></li> </ul>



## 10. Software License Agreements (GCC Clause 16)

<p>GCC 16.1 (a) (iv)</p>	<p><b><i>There are no Special Conditions of Contract applicable to GCC Clause 16.1 (a) (iv)</i></b></p> <p><b><i>[Note: In the interest of soliciting lower Tender prices, Procuring Entities may wish to consider defining limitations in the use of the software. For example:</i></b></p> <ul style="list-style-type: none"> <li><i>(a) restrictions on the number of records in particular categories that may be held by the System;</i></li> <li><i>(b) restrictions on the numbers of transactions in particular categories that may be processed by the System in any day, week, month, or other specified period;</i></li> <li><i>(c) restrictions on the number of persons who may be authorized to use the System at any time;</i></li> <li><i>(d) restrictions on the number of persons who may access the System simultaneously at any time; or</i></li> <li><i>(e) restrictions on the number of workstations that may be connected to the System at any time.</i></li> </ul> <p><i>Note that, from the point of view of the Procuring Entity, if restrictions of any of these kinds (or any similar kind) are to be imposed and there is a real likelihood that the limits may be reached, it would be better to specify additional license fees that are payable when the limits are reached rather than imposing an absolute prohibition on exceeding the limits.]</i></p>
<p>GCC 16.1 (b) (vi)</p>	<p><b><i>There are no Special Conditions of Contract applicable to GCC Clause 16.1 (b) (vi)</i></b></p> <p><i>[Note: The Procuring Entity may also wish to specify, for example, that such entities shall be not direct competitors of the Supplier.]</i></p>
<p>GCC 16.1 (b) (vii)</p>	<p><b><i>There are no Special Conditions of Contract applicable to GCC Clause 16.1 (b) (vii)</i></b></p> <p><i>[Note: The Procuring Entity may, for example, wish to specify the members of the Procuring Entity's business group that are not direct competitors of the Supplier and that the Procuring Entity must obtain and provide the Supplier written evidence from such parties that such parties will adhere by the terms of the Contract as if they were party to the Contract.]</i></p>
<p>GCC 16.2</p>	<p><b><i>There are no Special Conditions of Contract applicable to GCC Clause 16.2</i></b></p> <p><i>[Note: If on-site audits are acceptable, the Procuring Entity may specify conditions on the duration and number of audits per year; the hours or days during which audits may be conducted; the categories of software subject to audit; the procedures for access to Procuring Entity's hardware or software; the number and affiliation of individual auditors; the timing and terms of advance notice; the indemnity by Supplier for losses, liabilities, and costs incurred by the Procuring Entity as a direct result of the audit; etc.].</i></p>

## 11. Confidential Information (GCC Clause 17)

GCC 17.1	<p><b><i>There are no Special Conditions of Contract applicable to GCC Clause 17.1</i></b></p> <p><i>[Note: The Procuring Entity may wish to give members of its business group or related agencies, for example, access to certain specific types of technical and / or financial information it obtains or develops with respect to the Supplier and its Information Technologies. The SCC covering such an exemption should define the individuals covered and generally provide that the Procuring Entity will ensure that such parties are aware of and will adhere by the Procuring Entity's obligations under GCC Clause 17 as if such party were a party to the Contract in place of the Procuring Entity.</i></p> <p><b><i>if necessary and appropriate, specify: persons, topics, and conditions for which the confidentiality clause does not apply.]</i></b></p>
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## E. Supply, Installation, Testing, Commissioning, and Acceptance of the System

## 12. Representatives (GCC Clause 18)

GCC 18.1	<p><b><i>There are no Special Conditions of Contract applicable to GCC Clause 18.1</i></b></p> <p><i>[Note: If appropriate specify additional powers or limitations.]</i></p> <p>The Procuring Entity's Project Manager shall have the following additional powers and / or limitations to his or her authority to represent the Procuring Entity in matters relating to the Contract <b><i>[ state necessary and appropriate clauses]</i></b>.</p>
GCC 18.2.2	<p><b><i>There are no Special Conditions of Contract applicable to GCC Clause 18.2.2</i></b></p> <p><i>[Note: If appropriate specify additional powers or limitations.]</i></p> <p>The Supplier's Representative shall have the following additional powers and / or limitations to his or her authority to represent the Supplier in matters relating to the Contract <b><i>[ state necessary and appropriate clauses]</i></b>.</p> <p><i>[Note: Any additional powers or limitations of the Supplier's Representative will, of necessity, be subject to discussions at Contract finalization and the SCC amended accordingly.]</i></p>

## 13. Project Plan (GCC Clause 19)

GCC 19.1	<p>Chapters in the Project Plan shall address the following subject:</p> <p><b><i>(a) Project Organization and Management Sub-Plan, including management authorities, responsibilities, and contacts, as well as task, time and resource-bound schedules (in GANTT format);</i></b></p>
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	<p><b>(b) Implementation Sub-Plan;</b></p> <p><b>(c) Training Sub-Plan;</b></p> <p><b>(d) Testing and Quality Assurance Sub-Plan;</b></p> <p><b>(e) Warranty Defect Repair and Technical Support Service Sub-Plan</b></p> <p><b>Further details regarding the required contents of each of the above chapters are contained in the Technical Requirements, (insert: reference)].</b></p>
GCC 19.6	<p><b>The Supplier shall submit to the Procuring Entity:</b></p> <p><b>(i) monthly inspection and quality assurance reports</b></p> <p><b>(ii) monthly training participants test results</b></p> <p><b>(iii) monthly log of service calls and problem resolutions</b></p>

#### **14. Design and Engineering (GCC Clause 21)**

GCC 21.3.1	<p><b>There are no Special Conditions of Contract applicable to GCC Clause 21.3.1.</b></p> <p><b>[Note: If necessary and appropriate, specify the Controlling Technical Documents (i.e., document that must be approved by the Procuring Entity's Project Manager before any relevant downstream work can be undertaken by the Supplier).]</b></p> <p><b>[The Supplier shall prepare and furnish to the Project Manager the following documents for which the Supplier must obtain the Project Manager's approval before proceeding with work on the System or any Subsystem covered by the documents. [ state "none" or specify, for example:</b></p> <p><b>(*) detailed site surveys;</b></p> <p><b>(*) final Subsystem configurations;</b></p> <p><b>(*) etc.</b></p>
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#### **15. Product Upgrades (GCC Clause 23)**

GCC 23.4	<p><b>There are no Special Conditions of Contract applicable to GCC Clause 23.4.</b></p> <p><b>[Note: Mandating that all new versions, releases, and updates of Standard Software will be passed on for free during the Warranty Period is a comprehensive requirement, the benefits of which must be balanced against the perceived costs in the mind of the successful Tenderer at the time of tender submission. To require the Supplier to provide for free only new releases and updates, but agreeing that it would be reimbursed for the supply of complete new versions might be more cost-effective. For example, this may be particularly appropriate when the Procuring Entity would not benefit from</b></p>
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	<i>costs of migrating its business applications to an entirely new version of the underlying database system if such a version came out during a three Warranty Period. Another approach may be to shorten the time period during which updates, etc., would have to be supplied for free, for example, to only the first year of the Warranty Period; or alternatively, a narrower set of Standard Software could be covered.]</i>
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## 16. Inspections and Tests (GCC Clause 25)

GCC 25	<p><b><i>There are no Special Conditions of Contract applicable to GCC Clause 25.</i></b></p> <p><i>[Note: Procuring Entity's may wish to consider employing qualified inspectors to inspect and certify the Information Technologies, Materials, and other Goods prior to shipment. This can minimize the number of cases where the Procuring Entity receives shipped goods that do not conform to the Technical Requirements and shorten the repair or replacement time.]</i></p>
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## 17. Commissioning and Operational Acceptance (GCC Clause 27)

GCC 27.2.1	<p><b><i>There are no Special Conditions of Contract applicable to GCC Clause 27.2.1.</i></b></p> <p><i>[Note: Few aspects of Information Technology procurement are more critical to the successful implementation of a System than the specification of Operational Acceptance Tests. It is imperative that the Procuring Entity prepare the specification for these tests as carefully as the overall specification of the System itself. The description should be sufficiently comprehensive, unambiguous, and verifiable to result in proper operation of the System with minimal confusion or controversy between the Procuring Entity and its management, the Supplier, and any users.</i></p> <p><i>In addition, where the Contract covers the Installation and acceptance testing of a number of Subsystems, the nature of the acceptance tests required for each Subsystem, and for the final tests to be carried out on the entire System once all Subsystems have been completed, needs to be clearly specified here and/or in the Technical Requirements and which party bears responsibility for correcting any defects discovered during the final tests of the entire System needs to be identified.]</i></p>

## F. Guarantees and Liabilities

## 18. Operational Acceptance Time Guarantee (GCC Clause 28)

GCC 28.2	<p><b><i>There are no Special Conditions of Contract applicable to GCC Clause 28.2.</i></b></p> <p><b><i>[Note:</i></b> Typical percentages are, respectively, one half of one percent (0.5%) per week and ten percent (10%) of the total. In some instances, the Procuring Entity may wish to consider specifying liquidated damages on a daily basis. If so, specify this in the SCC].</p>
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GCC 28.3	<p><b>There are no Special Conditions of Contract applicable to GCC Clause 28.3.</b></p> <p><i>[Note: Establishing more milestones for liquidated damages may provide a somewhat greater degree of control and assurances regarding the pace of the implementation of the System. However, this will come at a price of increased complexity of Contract management and increased perceptions of financial risks on the part of Tenderers. This most likely will lead to higher tender prices. In most cases, Operational Acceptance should be the most appropriate financial control for ensuring the timeliness of implementation, since it captures the impact of earlier delays and is, in the final analysis, the milestone that truly matters. Whatever milestones are selected, it is critical that the Implementation Schedule precisely specify what Subsystems or other components are covered and when the milestone is set. These, of course, can be refined and revised through the Agreed Project Plan.]</i></p>
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## 19. Defect Liability (GCC Clause 29)

GCC 29.1	<p><b>There are no Special Conditions of Contract applicable to GCC Clause 29.1.</b></p> <p><i>[Note: Software is never completely error or “bug” free. Thus, the Procuring Entity may wish to refine or to limit the Supplier’s warranty obligations. Properly done, this can reduce Tenderer’s perceptions of financial risk and help lower tender prices. However, the Procuring Entity should balance the potential savings against the risks to reliable and effective operation of the System and the related costs to the Procuring Entity. These tradeoffs are very specific to the type of the System and its uses. These tradeoffs are also changing very rapidly with technological development. The Procuring Entity should consult experts in the relevant areas for an up-to-date assessment of the risks and the most appropriate text to express any such exceptions and limitations.]</i></p>
GCC 29.4	<p><b>There are no Special Conditions of Contract applicable to GCC Clause 29.4.</b></p> <p><b>[Note:</b> When defining the Warranty period, Procuring Entity should be careful to recognize that services such as resident engineer support, new software releases and end-user help desk support are not typically included in commercial warranties and should be priced separately in the Recurrent Cost Table].</p>
GCC 29.10	<p><b>There are no Special Conditions of Contract applicable to GCC Clause 29.10</b></p> <p><b>[Note:</b> Typically, the Procuring Entity should develop a set of response times for different degrees of seriousness of the defects and/or categories of IT and/or specific Subsystems. The most appropriate and economical set of response times are highly dependent on the specific System, its use, and the relevant conditions in Kenya.</p> <p>The GCC specifies that the Supplier must commence work on warranty defects within a maximum of two weeks; else the Procuring Entity may contract-in such services at the Supplier’s expense. The Procuring Entity may wish to shorten or lengthen this period in the SCC. The time specified must strike a reasonable balance between the response time the typical qualified Supplier can physically achieve and the importance of maintaining continued</p>

	System operation. If too short a time period is specified, Suppliers will need to protect themselves by adding a contingency to their tender prices.]
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## 20. Functional Guarantees (GCC Clause 30)

GCC 30	<p><b><i>There are no Special Conditions of Contract applicable to GCC Clause 30.</i></b></p> <p><i>[Note: In the event that Information Systems and Technologies would have to conform to other calendar system(s), here would be the place to specify related requirements in addition to, or in variation of, the requirements in GCC clause 30.2.]</i></p>
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## G. Risk Distribution

## 21. Insurances (GCC Clause 37)

GCC 37.1 (c)	<p>The Supplier shall obtain Third-Party Liability Insurance in the amount of <b><i>[ insert: monetary value]</i></b> with deductible limits of no more than <b><i>[ insert: monetary value]</i></b>. The insured Parties shall be <b><i>[ list insured parties]</i></b>. The Insurance shall cover the period from <b><i>[ insert: beginning date, relative to the Effective Date of the Contract]</i></b> until <b><i>[ insert: expiration date, relative to the Effective Date of the Contract or its completion ]</i></b>.</p>
GCC 37.1 (e)	<p><b><i>There are no Special Conditions of Contract applicable to GCC Clause 37.1 (e).</i></b></p> <p><b><i>[Note: Many countries have statutory requirements for various insurances. These should be reviewed with the Procuring Entity's legal department.</i></b></p> <p><i>For example:</i></p> <p><i>The Supplier shall obtain Worker's Compensation Insurance in accordance with the statutory requirements of [ insert: Kenya]. Specifically: [ insert: requirements]. The Insurance shall cover the period from [ insert: beginning date, relative to the Effective Date of the Contract] until [ insert: expiration date, relative to the Effective Date of the Contract or its completion].</i></p> <p><i>The Supplier shall obtain Employer's Liability Insurance in accordance with the statutory requirements of [ insert: Kenya]. Specifically: [ insert: requirements]. The Insurance shall cover the period from [ insert: beginning date, relative to the Effective Date of the Contract] until [ insert: expiration date, relative to the Effective Date of Contract or its completion ].</i></p>

**22. Changes to the System (GCC Clause 39)**

GCC 39.4.3	<b>Value Engineering</b>  If the value engineering proposal is approved by the Procuring Entity the amount to be paid to the Supplier shall be_% (insert appropriate percentage. The percentage is normally up to 50%) of the reduction in the Contract Price.
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**I. Settlement of Disputes****23. Settlement of Disputes (GCC Clause 43)**

GCC 43.1.4	The Appointing Authority for the Adjudicator is: <b><i>[ insert: the name of an impartial international technical organization in the information technology sector, or, if no Adjudicator is used in this Contract Agreement or no organization has been identified and agreed to serve as Appointing Authority for the Adjudicator, state “not applicable.”].</i></b>
GCC 43.2.3	<p>If the Supplier is from outside Kenya arbitration proceedings shall be conducted in accordance with the rules of arbitration of <i>[select one of the following: UNCITRAL / the International Chamber of Commerce (ICC) / the Arbitration Institute of the Stockholm Chamber of Commerce / the London Court of International Arbitration]</i>. These rules, in the version in force at the time of the request for arbitration, will be deemed to form part of this Contract.</p> <p>If the Supplier is a national of Kenya, any dispute between the Procuring Entity and a Supplier arising in connection with the present Contract shall be referred to arbitration in accordance with the laws of Kenya.</p>

## **SECTION VIII - CONTRACT FORMS**

Notes to the Procuring Entity on preparing the Contract Forms.

*Performance Security:* Pursuant to GCC Clause 13.3, the successful Tenderer is required to provide the Performance Security within twenty-eight (28) days of notification of Contract award.

*Advance Payment Security:* Pursuant to Clause 13.2, the successful Tenderer is required to provide a bank guarantee securing the Advance Payment, if the SCC related to GCC Clause 12.1 provides for an Advance Payment.

*Installation and Operational Acceptance Certificates:* Recommended formats for these certificates are included in this SPD. Unless the Procuring Entity has good reason to require procedures that differ from those recommended, or to require different wording in the certificates, the procedures and forms shall be included unchanged. If the Procuring Entity wishes to amend the recommended procedures and/ or certificates, it may do so before release of the tendering document to potential Tenderers.

*Change Order Procedures and Forms:* Similar to the Installation and Operational Acceptance Certificates, the Change Estimate Proposal, Estimate Acceptance, Change Proposal, Change Order, and related Forms should be included in the tendering document unaltered. If the Procuring Entity wishes to amend the recommended procedures and/ or certificates, it may do so before release of the tendering document.

*Notes to Tenderers on working with the Sample Contractual Forms*

The following forms are to be completed and submitted by the successful Tenderer following notification of award: (i) Contract Agreement, with all Appendices; (ii) Performance Security; and (iii) Advance Payment Security.

*Contract Agreement:* In addition to specifying the parties and the Contract Price, the Contract Agreement is where the:

(i) Supplier Representative; (ii) if applicable, agreed Adjudicator and his/her compensation; and (iii) the List of Approved Subcontractors are specified. In addition, modifications to the successful Tenderer's Tender Price Schedules are attached to the Agreement. These contain corrections and adjustments to the Supplier's tender prices to correct errors, adjust the Contract Price to reflect - if applicable - any extensions to tender validity beyond the last day of original tender validity plus 56 days, etc.

*Performance Security:* Pursuant to GCC Clause 13.3, the successful Tenderer is required to provide the Performance Security in the form contained in this section of these tendering documents and in the amount specified in accordance with the SCC.

*Advance Payment Security:* Pursuant to GCC Clause 13.2, the successful Tenderer is required to provide a bank guarantee for the full amount of the Advance Payment - if an Advance Payment is specified in the SCC for GCC Clause

12.1 - in the form contained in this section of these tendering documents or another form acceptable to the Procuring Entity. If a Tenderer wishes to propose a different Advance Payment Security form, it should submit a copy to the Procuring Entity promptly for review and confirmation of acceptability before the tender submission deadline.



The Procuring Entity and Supplier will use the following additional forms during Contract implementation to formalize or certify important Contract events: (i) the Installation and Operational Acceptance Certificates; and (ii) the various Change Order forms. These and the procedures for their use during performance of the Contract are included in the tendering documents for the information of Tenderers.

1. Notification of Intention to Award

[This Notification of Intention to Award shall be sent to each Tenderer that submitted a Tender.]

**[Send this Notification to the Tenderer's Authorized Representative named in the Tenderer Information Form]**

**1) For the attention of Tenderer's Authorized Representative Name:**  
..... **[insert Authorized Representative's name]**

Address: ..... *[insert Authorized Representative's Address]*

Telephone/Fax numbers: ..... *[insert Authorized Representative's telephone/fax numbers]*

Email Address: ..... *[insert Authorized Representative's email address]*

[IMPORTANT: insert the date that this Notification is transmitted to all participating Tenderers. The Notification must be sent to all Tenderers simultaneously. This means on the same date and as close to the same time as possible.]

**DATE OF TRANSMISSION:** .....This Notification is sent by: *[email/fax]* on *[date]* (local time) **Notification of Intention to Award**

**[Procuring Entity]**.....*[insert the name of the Procuring Entity]*

**Project** ..... *[insert name of project]*

**Contract title** ..... *[insert the name of the contract]*

**Country:**..... *[insert country where ITT is issued]*

**ITT No:**..... *[insert ITT reference number from Procurement Plan]*

This Notification of Intention to Award (Notification) notifies you of our decision to award the above contract. The transmission of this Notification begins the Standstill Period. During the Standstill Period you may:

- a) Request a debriefing in relation to the evaluation of your Tender, and/ or
- b) Submit a Procurement-related Complaint in relation to the decision to award the contract.

**i) The successful Tenderer**

<b>Name:</b>	<i>[insert name of successful Tenderer]</i>
<b>Address:</b>	<i>[insert address of the successful Tenderer]</i>
<b>Contract price:</b>	<i>[insert contract price of the successful Tenderer]</i>
<b>Total combined score:</b>	<i>[insert the total combined score of the successful Tenderer]</i>

- 2) *Other Tenderers* [INSTRUCTIONS: insert names of all Tenderers that submitted a Tender. If the Tender's price was evaluated include the evaluated price as well as the Tender price as read out.]

Name of Tenderer	Technical Score (If applicable)	Tender price	Evaluated Tender Cost	Combined Score (if applicable)
[insert name]	[insert Technical score]	[insert Tender price]	[insert evaluated cost]	[insert combined score]
[insert name]	[insert Technical score]	[insert Tender price]	[insert evaluated cost]	[insert combined score]
[insert name]	[insert Technical score]	[insert Tender price]	[insert evaluated cost]	[insert combined score]
[insert name]	[insert Technical score]	[insert Tender price]	[insert evaluated cost]	[insert combined score]
[insert name]	[insert Technical score]	[insert Tender price]	[insert evaluated cost]	[insert combined score]

- 3) Reason/s why your Tender was unsuccessful [Delete if the combined score already reveals the reason]

***[INSTRUCTIONS; State the reason/s why this Tenderer's Tender was unsuccessful. Do NOT include: (a) a point by point comparison with another Tenderer's Tender or (b) information that is marked confidential by the Tenderer in its Tender.]***

- 4) How to request a debriefing

**DEADLINE: The deadline to request a debriefing expires at midnight on [insert date] (local time).**

You may request a debriefing in relation to the results of the evaluation of your Tender. If you decide to request a debriefing your written request must be made within three (3) Business Days of receipt of this Notification of Intention to Award.

Provide the contract name, reference number, name of the Tenderer, contact details; and address the request for debriefing as follows:

**Attention:** [insert full name of person, if applicable] **Title/position:** \_\_\_\_\_ [insert title/position]

**Agency:** [insert name of Procuring Entity] **Email address:** \_\_\_\_\_ [insert email address] **Fax number:** \_\_\_\_\_ [insert fax number] **delete if not used**

If your request for a debriefing is received within the 3 Business Days deadline, we will provide the debriefing within five (5) Business Days of receipt of your request. If we are unable to provide the debriefing within this period, the Standstill Period shall be extended by five (5) Business Days after the date that the debriefing is provided. If this happens, we will notify you and confirm the date that the extended Standstill Period will end.

The debriefing may be in writing, by phone, video conference call or in person. We shall promptly advise you in writing how the debriefing will take place and confirm the date and time.

If the deadline to request a debriefing has expired, you may still request a debriefing. In this case, we will provide the debriefing as soon as practicable, and normally no later than fifteen (15) Business Days from the date of publication of the Contract Award Notice.

#### 5) How to make a complaint

**DEADLINE: The deadline for submitting a Procurement-related Complaint challenging the decision to award the contract expires on midnight, [insert date] (local time).**

Provide the contract name, reference number, name of the Tenderer, contact details; and address the Procurement- related Complaint as follows:

**Attention:** [insert full name of person, if applicable] **Title/position:** \_\_\_\_\_[insert title/position]

**Agency:** [insert name of Procuring Entity] **Email address:** \_\_\_\_\_[insert email address]

At this point in the procurement process, you may submit a Procurement-related Complaint challenging the decision to award the contract. You do not need to have requested, or received, a debriefing before making this complaint. Your complaint must be submitted within the Standstill Period and received by us before the Standstill Period ends. Further information:

For more information refer to the Public Procurement and Disposals Act 2015 and its Regulations available from the Website [info@ppra.go.ke](mailto:info@ppra.go.ke) or [complaints@ppra.go.ke](mailto:complaints@ppra.go.ke).

In summary, there are four essential requirements:

1. You must be an 'interested party'. In this case, that means a Tenderer who submitted a Tender in this procurement, and is the recipient of a Notification of Intention to Award.
2. The complaint can only challenge the decision to award the contract.
3. You must submit the complaint within the deadline stated above.
4. You must include, in your complaint, all of the information required by the Procurement Regulations (as described in Annex III).

**DEADLINE: The Standstill Period is due to end at midnight on *[insert date]* (local time).**

The Standstill Period lasts ten (10) Business Days after the date of transmission of this Notification of Intention to Award.

The Standstill Period may be extended. This may happen where we are unable to provide a debriefing within the five (5) Business Day deadline. If this happens we will notify you of the extension.

If you have any questions regarding this Notification please do not hesitate to contact us. On behalf of the Procuring Entity:

*Signature:*\_\_\_\_\_

*Name:*\_\_\_\_\_

*Title/position:*\_\_\_\_\_

*Telephone:*\_\_\_\_\_

*Email:*\_\_\_\_\_

## 2 REQUEST FOR REVIEW

### FORM FOR REVIEW (r.203(1))

#### PUBLIC PROCUREMENT ADMINISTRATIVE REVIEW BOARD

APPLICATION NO..... OF.....20.....

BETWEEN

..... APPLICANT

AND

.....RESPONDENT (Procuring Entity)

Request for review of the decision of the..... (Name of the Procuring Entity of .....dated the...day of .....20.....in the matter of Tender No.....of .....20.... for ..... (Tender description).

#### REQUEST FOR REVIEW

I/We....., the above-named Applicant(s), of address: Physical address..... P. O. Box No..... Tel. No..... Email ....., hereby request the Public Procurement Administrative Review Board to review the whole/part of the above-mentioned decision on the following grounds, namely:

1.

2.

By this memorandum, the Applicant requests the Board for an order/orders that:

1.

2.

SIGNED ..... (Applicant) Dated on..... day of ...../ ...20.....

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FOR OFFICIAL USE ONLY Lodged with the Secretary Public Procurement Administrative Review Board on.....day of .....20.....

**SIGNED**

**Board Secretary**

### 3. Letter of Award

\_\_\_\_\_ )

To: \_\_\_\_\_

This is to notify you that your Tender dated\_\_\_\_for execution of the\_ for the Contract Price in the aggregate of\_\_\_\_\_, as corrected and modified in accordance with the Instructions to Tenderers is here by accepted by our Agency.

You are requested to furnish the Performance Security within 28 days in accordance with the Conditions of Contract, using for that purpose one of the Performance Security Forms included in Section X, - Contract Forms, of the Tendering Document.

Authorized Signature:\_\_\_\_\_Name and Title of Signatory:\_\_\_\_\_Name of Agency:\_\_\_\_\_

Attachment: Contract Agreement

### 4. Contract Agreement

THIS CONTRACT AGREEMENT is made on the .....**[insert: ordinal]** day of **[insert: month]**, **[insert: year]**. BETWEEN (1) ..... **[insert: Name of Procuring Entity]**, a **[insert: description of type of legal entity, for example, an agency of the Department of.....]** of the Government of Kenya, or corporation incorporated under the laws of Kenya and having its principal place of business at **[insert: address of Procuring Entity]** (here in after called “the Procuring Entity”), and (2).....**[insert: name of Supplier]**, a corporation incorporated under the laws of **[insert: country of Supplier]** and having its principal place of business at **[insert: address of Supplier]** (here in after called “the Supplier”).

WHEREAS the Procuring Entity desires to engage the Supplier to supply, install, achieve Operational Acceptance of, and support the following Information System **[insert: brief description of the Information System]** (“the System”), and the Supplier has agreed to

such engagement upon and subject to the terms and conditions appearing below in this Contract Agreement.

NOW IT IS HERE BY AGREED as follows:

#### Article 1. Contract Documents

##### 4. Contract Documents (Reference GCC Clause 1.1(a) (ii))

The following documents shall constitute the Contract between the Procuring Entity and the Supplier, and each shall be read and construed as an integral part of the Contract:

- a) This Contract Agreement and the Appendices attached to the Contract Agreement
- b) Special Conditions of Contract
- c) General Conditions of Contract
- d) Technical Requirements (including Implementation Schedule)
- e) The Supplier's tender and original Price Schedules
- f) **[Add here: any other documents]**

##### 1.2 Order of Precedence (Reference GCC Clause 2)

In the event of any ambiguity or conflict between the Contract Documents listed above, the order of precedence shall be the order in which the Contract Documents are listed in Article 1.1 (Contract Documents) above, provided that Appendix 7 shall prevail over all provisions of the Contract Agreement and the other Appendices attached to the Contract Agreement and all the other Contract Documents listed in Article 1.1 above.

##### 1.3 Definitions (Reference GCC Clause 1)

Capitalized words and phrases used in this Contract Agreement shall have the same meanings as prescribed to them in the General Conditions of Contract.

#### Article 2.

##### Contract Price and Terms of Payment

- 2.1 Contract Price (Reference GCC Clause 1.1(a)(viii) and GCC Clause 11) The Procuring Entity here by agrees to pay to the Supplier the Contract Price in consideration of the performance by the Supplier of its obligations under the Contract. The Contract Price shall be the aggregate of: [ **insert: amount of foreign currency A in words**], [ **insert: amount in figures**], plus [ **insert: amount of foreign currency B in words**], [ **insert: amount in figures**], plus [ **insert: amount of foreign currency C in words**], [ **insert: amount in figures**], [ **insert: amount of local currency in words**], [ **insert: amount in figures**], as specified in the Grand Summary Price Schedule.



The Contract Price shall be understood to reflect the terms and conditions used in the specification of prices in the detailed price schedules, including the terms and conditions of the associated incoterms, and the taxes, duties and related levies if and as identified.

### Article 3.

#### Effective Date for Determining Time for Operational Acceptance

##### 3.1 Effective Date (Reference GCC Clause 1.1(e) (ix))

The time allowed for supply, installation, and achieving Operational Acceptance of the System shall be determined from the date when all of the following conditions have been fulfilled:

- a) This Contract Agreement has been duly executed for and on behalf of the Procuring Entity and the Supplier;
- b) The Supplier has submitted to the Procuring Entity the performance security and the advance payment security, in accordance with GCC Clause 13.2 and GCC Clause 13.3;
- c) The Procuring Entity has paid the Supplier the advance payment, in accordance with GCC Clause 12; Each party shall use its best efforts to fulfill the above conditions for which it is responsible as soon as practicable.

##### 3.2 If the conditions listed under 3.1 are not fulfilled within two (2) months from the date of this Contract Agreement because of reasons not attributable to the Supplier, the parties shall discuss and agree on an equitable adjustment to the Contract Price and the Time for Achieving Operational Acceptance and/or other relevant conditions of the Contract.

### Article 4. Appendixes

##### 4.1 The Appendixes listed below shall be deemed to form an integral part of this Contract Agreement.

##### 4.2 Reference in the Contract to any Appendix shall mean the Appendixes listed below and attached to this Contract Agreement, and the Contract shall be read and construed accordingly.

## APPENDIXES

Appendix 1. Supplier's Representative

Appendix 2. Adjudicator *[If there is no Adjudicator, state “not applicable”]*

Appendix 3. List of Approved Subcontractors

Appendix 4. Categories of Software

Appendix 5. Custom Materials

Appendix 6. Revised Price Schedules (if any)

Appendix 7. Minutes of Contract Finalization Discussions and Agreed-to Contract Amendments

IN WITNESS WHEREOF the Procuring Entity and the Supplier have caused this Agreement to be duly executed by their duly authorized representatives the day and year first above written.

i) *For and on behalf of the Procuring Entity*

Signed:

in the capacity of ***[insert: title or other appropriate designation]***

in the presence of \_\_\_\_\_

ii) *For and on behalf of the Supplier*

Signed:

in the capacity of ***[insert: title or other appropriate designation]***

in the presence of \_\_\_\_\_

5. Appendices

a) *Appendix 1. Supplier's Representative*

In accordance with GCC Clause 1.1 (b) (iv), the Supplier's Representative is:

Name: .....[ *insert: name and provide title and address further below, or state "to be nominated within fourteen (14) days of the Effective Date"*]

Title:.....[ *if appropriate, insert: title*]

In accordance with GCC Clause 4.3, the Supplier's addresses for notices under the Contract are:

Address of the Supplier's Representative: .....[ ***as appropriate, insert: personal delivery, postal, cable, facsimile, electronic mail, and/or EDI addresses.***]

Fallback address of the Supplier: .....[ ***as appropriate, insert: personal delivery, postal, cable, facsimile, electronic mail, and/or EDI addresses.***]

b) **Appendix**

2. **Adjudicator** in accordance with GCC Clause 1.1 (b) (vi), the agreed-upon Adjudicator is:

Name: ..... [ ***insert: name*** ] Title:

..... [ ***insert: title*** ] Address:

.....[ ***insert: postal address*** ] Telephone:

..... [ ***insert: telephone*** ] in accordance with GCC

Clause 43.1.3, the agreed-upon fees and reimbursable expenses are: Hourly Fees:

..... [ ***insert: hourly fees*** ] Reimbursable Expenses:

.....[ ***list: reimbursables*** ]

Pursuant to GCC Clause 43.1.4, if at the time of Contract signing, agreement has not been reached between the Procuring Entity and the Supplier, an Adjudicator will be appointed by the Appointing Authority named in the SCC.

**d) Appendix 3. List of Approved Subcontractors**

The Procuring Entity has approved use of the following Subcontractors nominated by the Supplier for carrying out the item or component of the System indicated. Where more than one Subcontractor is listed, the Supplier is free to choose between them, but it must notify the Procuring Entity of its choice sufficiently in advance of the time when the subcontracted work needs to commence to give the Procuring Entity reasonable time for review. In accordance with GCC Clause 20.1, the Supplier is free to submit proposals for Subcontractors for additional items from time to time. No subcontracts shall be placed with any such Subcontractors for additional items until the Subcontractors have been approved in writing by the Procuring Entity and their names have been added to this list of Approved Subcontractors, subject to GCC Clause 20.3.

[ specify: item, approved Subcontractors, and their place of registration that the Supplier proposed in the corresponding attachment to its tender and that the Procuring Entity approves that the Supplier engage during the performance of the Contract. Add additional pages as necessary.]

<i>Item</i>	<b>Approved Subcontractors</b>	<b>Place of Registration</b>

**d) Appendix 4. Categories of Software**

The following table assigns each item of Software supplied and installed under the Contract to one of the three categories: (i) System Software, (ii) General-Purpose Software, or (iii) Application Software; and to one of the two categories: (i) Standard Software or (ii) Custom Software.

	(Select one per item)			(select one per item)	
Software Item	System Software	General-Purpose Software	Application Software	Standard Software	Custom Software

**e) Appendix 5. Custom Materials**

The follow table specifies the Custom Materials the Supplier will provide under the Contract.

Custom Materials

**f) Appendix 6. Revised Price Schedules**

The attached Revised Price Schedules (if any) shall form part of this Contract Agreement and, where differences exist, shall supersede the Price Schedules contained in the Supplier'sTender. These Revised Price Schedules reflect any corrections or adjustments to the Supplier'stender price, pursuant to the ITT Clauses 30.3 and 38.2.

**g) Appendix 7. Minutes of Contract Finalization Discussions and Agreed-to ContractAmendments**

The attached Contract amendments (if any) shall form part of this Contract Agreement and, where differences exist, shall supersede the relevant clauses in the GCC, SCC, Technical Requirements, or other parts of this Contract as defined in GCC Clause 1.1 (a) (ii).

## 6 Performance and Advance Payment Security Forms

### 5.1 Performance Security Form (Demand Bank Guarantee)

*[The bank, as requested by the successful Tenderer, shall fill in this form in accordance with the instructions indicated] [Guarantor Form head or SWIFT identifier code]*  
.....

**[insert: Bank's Name, and Address of Issuing Branch or Office]**

**Beneficiary:** ..... **[insert: Name and Address of Procuring Entity]**

**Date:** ..... **[insert: date]**

**PERFORMANCE GUARANTEE No.:** ..... **[insert: Performance Guarantee Number]** **Guarantor:** ..... *[Insert name and address of place of issue, unless indicated in the Form head.]*

We have been informed that on **[insert: date of award]** you awarded Contract No. **[insert: Contract number]** for **[insert: title and/or brief description of the Contract]** (hereinafter called "the Contract") to **[insert: complete name of Supplier which in the case of a joint venture shall be in the name of the joint venture]** (hereinafter called "the Applicant"). Furthermore, we understand that, according to the conditions of the Contract, a performance guarantee is required.

At the request of the Applicant, we as Guarantor here by irrevocably undertake to pay you any sum(s) not exceeding **[insert: amount(s)<sup>1</sup> in figures and words]** such sum being payable in the types and proportions of currencies which the Contract Price is payable upon receipt by us of the Beneficiary's statement, whether in the demand itself or in a separate signed document accompanying or identifying the demand, stating that the Applicant is in breach of its obligation(s) under the contract without the Beneficiary needing to prove or to show grounds or reasons for their demand or the sum specified there in.

On the date of your issuing, to the Supplier, the Operational Acceptance Certificate for the System, the value of this guarantee will be reduced to any sum(s) not exceeding..... **[insert: amount(s) 4 in figures and words]**. This remaining guarantee shall expire no later than..... **[insert: number and select: of months/of years (of the Warranty Period that needs to be covered by the remaining guarantee)]** from the date of the Operational Acceptance Certificate for the System<sup>2</sup>, and any demand for payment under it must be received by us at this office on or before that date.

This guarantee is subject to the Uniform Rules for Demand Guarantees, (URDG) 2010 Revision, ICC Publication No. 758, except that the supporting statement under 15 (a) is hereby excluded.

---

*[Signature(s)]*

Note: All italicized text (including footnotes) is for use in preparing this form and shall be deleted from the final product.

---

<sup>1</sup>*The bank shall insert the amount(s) specified and denominated in the SCC for GCC Clauses 13.3.1 and 13.3.4 respectively, either in the currency(ies) of the Contract or a freely convertible currency acceptable to the Procuring Entity.*

<sup>2</sup>*In this sample form, the formulation of this paragraph reflects the usual SCC provisions for GCC Clause 13.3. However, if the SCC for GCC Clauses 13.3.1 and*

*13.3.4 varies from the usual provisions, the paragraph, and possibly the previous paragraph, need to be adjusted to precisely reflect the provisions specified in the SCC.*



## 5.2 Advance Payment Security

### *Demand Bank Guarantee*

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*[Guarantor Form head or SWIFT identifier code]*

**Beneficiary:** ..... *[insert: Name and Address of Procuring Entity]*

**Date** ..... *[insert date of issue]*

**ADVANCE PAYMENT GUARANTEE No.:** ..... *[insert: Advance Payment Guarantee Number]*

**Guarantor:** ..... *[Insert name and address of place of issue, unless indicated in the Form head]*

We have been informed that on.....*[insert: date of award]* you awarded Contract No. *[insert: Contract number]* for .....*[insert: title and/or brief description of the Contract]* (here in after called "the Contract") to *[insert: complete name of Supplier, which in the case of a joint venture shall be the name of the joint venture]* (here in after called" the Applicant").

Furthermore, we understand that, according to the conditions of the Contract, an advance payment in the sum of *[insert: amount in numbers and words, for each currency of the advance payment]* is to be made to the Supplier against an advance payment guarantee.

At the request of the Applicant, we as Guarantor, here by irrevocably undertake to pay the Beneficiary any sum or sums not exceeding in total an amount of.....

*[Insert amount in figures] ( ) [insert amount in words]*<sup>1</sup> upon receipt by us of the Beneficiary's complying demand supported by the Beneficiary's statement, whether in the demand itself or in a separate signed document accompanying or identifying the demand, stating either that the Applicant:

- (a) Has used the advance payment for purposes other than toward delivery of Goods; or
- (b) has failed to repay the advance payment in accordance with the Contract conditions, specifying the amount which the Applicant has failed to repay.

A demand under this guarantee may be presented as from the presentation to the Guarantor of a certificate from the Beneficiary's bank stating that the advance payment referred to above has been credited to the Applicant on its account

number.....*[insert number]*at.....*[insert name and address of Applicant's bank]*.

The maximum amount of this guarantee shall be progressively reduced by the amount of the advance payment repaid by the Applicant as specified in copies of interim statements or payment certificates which shall be presented to us. This guarantee shall expire, at the latest, upon our receipt of a copy of the interim payment certificate indicating that ninety

(90) percent of the Accepted Contract Amount, has been certified for payment, or on the.....*[insert day]* day of.....*[insert month]*, 2 *[insert year]*, whichever is earlier. Consequently, any demand for payment under this guarantee must be received by us at this office on or before that date.

This guarantee is subject to the Uniform Rules for Demand Guarantees (URDG) 2010 Revision, ICC Publication No.758, except that the supporting statement under Article 15(a) is hereby excluded.

---

*[signature(s)]*

Note: All italicized text (including footnotes) is for use in preparing this form and shall be deleted from the final product.

## 7. **Installation and Acceptance Certificates** *(insert format)*

### Installation Certificate

Date: ..... ***[insert: date]***

ITT: ..... ***[insert: title and number of ITT]***

Contract: ..... ***[insert: name and number of Contract]***

To: ..... ***[insert: name and address of Supplier]***

Dear Sir or Madam:

Pursuant to GCC Clause 26 (Installation of the System) of the Contract entered into between yourselves and the ..... ***[insert: name of Procuring Entity]*** (hereinafter the "Procuring Entity") dated ..... ***[insert: date of Contract]***, relating to the ..... ***[insert: brief description of the Information System]***, we hereby notify you that the System (or a Subsystem or major component thereof) was deemed to have been correctly installed on the date specified below.

1. Description of the System (or relevant Subsystem or major component: ..... ***[insert: description]***

2. Date ..... of ..... Installation: ..... ***[insert: date]***

Notwithstanding the above, you are required to complete the outstanding items listed in the attachment to this certificate as soon as practicable. This Form shall not relieve you of your obligation to achieve Operational Acceptance of the System in accordance with the Contract nor of your obligations during the Warranty Period.

For and on behalf of the Procuring Entity

Signed: .....

Date: .....

in the capacity of: ..... [  
***state: "Project Manager" or***

state the title of a higher-level authority in the Procuring Entity's organization]

## 6.2 Operational Acceptance Certificate

Date: ..... *[insert: date]*

ITT: ..... *[insert: title and number of ITT]*

Contract: ..... *[insert: name of System or Subsystem and number of Contract]*

To: ..... *[insert: name and address of Supplier]*

Dear Sir or Madam:

Pursuant to GCC Clause 27 (Commissioning and Operational Acceptance) of the Contract entered into between yourselves and the.....***[insert: name of Procuring Entity]*** (hereinafter the “Procuring Entity”) dated..... ***[ insert: date of Contract]***, relating to the.....***[insert: brief description of the Information System]***, we hereby notify you the System (or the Subsystem or major component identified below) successfully completed the Operational Acceptance Tests specified in the Contract. In accordance with the terms of the Contract, the Procuring Entity here by takes over the System (or the Subsystem or major component identified below), together with the responsibility for care and custody and the risk of loss thereof on the date mentioned below.

1. Description of the System (or Subsystem or major component):  
.....***[insert: description]***
2. Date of Operational Acceptance:.....***[insert: date]***

This Form shall not relieve you of your remaining performance obligations under the Contract nor of your obligations during the Warranty Period.

For and on behalf of the Procuring Entity

Signed: .....

Date: .....

in the capacity of: .....***[state: “Project Manager” or higher-level authority in the Procuring Entity's organization]***

## **7. Change Order Procedures and Forms**

Date: ..... [ *insert: date*]

ITT: ..... [ *insert: title and number of ITT*]

Contract: ..... [ *insert: name or System or Subsystem and number of Contract*]

### *General*

This section provides samples of procedures and forms for carrying out changes to the System during the performance of the Contract in accordance with GCC Clause 39 (Changes to the System) of the Contract.

### *Change Order Log*

The Supplier shall keep an up-to-date Change Order Log to show the current status of Requests for Change and Change Orders authorized or pending. Changes shall be entered regularly in the Change Order Log to ensure that the log is kept up-to-date. The Supplier shall attach a copy of the current Change Order Log in the monthly progress report to be submitted to the Procuring Entity.

### *References to Changes*

- 1) Request for Change Proposals (including Application for Change Proposals) shall be serially numbered CR-nnn.
- 2) Change Estimate Proposals shall be numbered CN-nnn.
- 3) Estimate Acceptances shall be numbered CA-nnn.
- 4) Change Proposals shall be numbered CP-nnn.
- 5) Change Orders shall be numbered CO-nnn. On all forms, the numbering shall be determined by the original CR-nnn.

### *Annexes*

- |     |                                      |
|-----|--------------------------------------|
| 7.1 | Request for Change Proposal Form     |
| 7.2 | Change Estimate Proposal Form        |
| 7.3 | Estimate Acceptance Form             |
| 7.4 | Change Proposal Form                 |
| 7.5 | Change Order Form                    |
| 7.6 | Application for Change Proposal Form |

## 7.1 Request for Change Proposal Form

(Procuring Entity's Form head)

Date: ..... *[insert: date]*

ITT: ..... *[insert: title and number of ITT]*

Contract: ..... *[insert: name of System or Subsystem or number of Contract]*

To: ..... *[insert: name of Supplier and address]*

Attention: ..... *[insert: name and title]*

Dear Sir or Madam:

With reference to the above-referenced Contract, you are requested to prepare and submit a Change Proposal for the Change noted below in accordance with the following instructions within **[ insert: number]** days of the date of this Form.

1. Title of Change: **[insert: title]**
2. Request for Change No./Rev.: **[insert: number]**
3. **Originator of Change:** [select Procuring Entity / Supplier (by Application for Change Proposal), and add: name of originator]
4. Brief Description of Change: **[insert: description]**
5. System (or Subsystem or major component affected by requested Change): **[insert: description]**
6. Technical documents and/ or drawings for the request of Change: Document or Drawing No. Description
7. Detailed conditions or special requirements of the requested Change: **[insert: description]**
8. Procedures to be followed:
  - a) Your Change Proposal will have to show what effect the requested Change will have on the Contract Price.
  - b) Your Change Proposal shall explain the time it will take to complete the requested Change and the impact, if any, it will have on the date when Operational Acceptance of the entire System agreed in the Contract.
  - c) If you believe implementation of the requested Change will have a negative impact on the quality, operability, or integrity of the System, please provide a detailed explanation, including other approaches that might achieve the same impact as the requested Change.
  - d) You should also indicate what impact the Change will have on the number and mix of staff needed by the Supplier to perform the Contract.

e) You shall not proceed with the execution of work related to the requested Change until we have accepted and confirmed the impact it will have on the Contract Price and the Implementation Schedule in writing.

- 9 As next step, please respond using the Change Estimate Proposal form, indicating how much it will cost you to prepare a concrete Change Proposal that will describe the proposed approach for implementing the Change, all its elements, and will also address the points in paragraph 8 above pursuant to GCC Clause 39.2.1. Your Change Estimate Proposal should contain a first approximation of the proposed approach, and implications for schedule and cost, of the Change.

For and on behalf of the Procuring Entity

Signed: .....

Date: .....

in the capacity of: .....[ **state: “Project Manager” or higher-level authority in the Procuring Entity's organization**]

## 7.2 Change Estimate Proposal Form

(Supplier's Form head)

Date: .....[insert: date]

ITT: ..... [ insert: title and number of ITT]

Contract: .....[insert: name of System or Subsystem and number of Contract]

To: .....[insert: name of Procuring Entity and address]

Attention:.....[insert: name and title]

Dear Sir or Madam:

With reference to your Request for Change Proposal, we are pleased to notify you of the approximate cost of preparing the below-referenced Change in accordance with GCC Clause 39.2.1 of the Contract. We acknowledge that your agreement to the cost of preparing the Change Proposal, in accordance with GCC Clause 39.2.2, is required before we proceed to prepare the actual Change Proposal including a detailed estimate of the cost of implementing the Change itself.

1. Title of Change: .....[insert: title]

2. Request for Change No./Rev.: ..... [insert: number]

3. Brief Description of Change (including proposed implementation approach):  
.....[insert: description]

4. Schedule Impact of Change (initial estimate):.....[insert: description]

5. Initial Cost Estimate for Implementing the Change: .....[insert: initial cost estimate]

6. Cost for Preparation of Change Proposal: .....[insert: cost in the currencies of the Contract], as detailed below in the breakdown of prices, rates, and quantities.



For and on behalf of the Supplier Signed: .....

Date: .....

in the capacity of: .....[state: "Supplier's Representative" or other higher-level  
authority in the Supplier's organization]

### 7.3 Estimate Acceptance Form

(Procuring Entity's Form head) Date:.....*[insert: date]*

ITT. .... *[insert: title and number of ITT]*

Contract:..... *[insert: name of System or Subsystem and number of Contract]*

To: .....*[insert: name of Supplier and address]* Attention:  
.....*[insert: name and title]* Dear Sir or Madam:

We hereby accept your Change Estimate and agree that you should proceed with the preparation of a formal Change Proposal.

1. Title of Change: *[insert: title]*
2. Request for Change No./ Rev.: *[insert: request number /revision]*
3. Change Estimate Proposal No./ Rev.: *[insert: proposal number/ revision]*
4. Estimate Acceptance No./ Rev.: *[insert: estimate number/ revision]*
5. Brief Description of Change: *[insert: description]*
6. Other Terms and Conditions:

In the event that we decide not to order the Change referenced above, you shall be entitled to compensation for the cost of preparing the Change Proposal up to the amount estimated for this purpose in the Change Estimate Proposal, in accordance with GCC Clause 39 of the General Conditions of Contract.

For and on behalf of the Procuring Entity

Signed: .....

Date: .....

in the capacity of: .....*[state: "Project Manager" or higher-level authority in the Procuring Entity's organization]*

## 7.4 Change Proposal Form

(Supplier's Form head)

Date: ..... *[insert: date]*

ITT: ..... *[insert: title and number of ITT]*

Contract: ..... *[insert: name of System or Subsystem and number of Contract]*

To: ..... *[insert: name of Procuring Entity and address]*

Attention: ..... ***[insert: name and title]***

Dear Sir or Madam:

In response to your Request for Change Proposal No. *[insert: number]*, we here by submit our proposal as follows:

1. Title of Change: *[insert: name]*
2. Change Proposal No./ Rev.: *[insert: proposal number / revision]*
3. Origin at or of Change: *[select: Procuring Entity / Supplier; and add: name]*
4. Brief Description of Change: *[insert: description]*
5. Reasons for Change: *[insert: reason]*
6. The System Subsystem, major component, or equipment that will be affected by the requested Change: *[insert: description]*
7. Technical documents and/ or drawings for the requested Change: Document or Drawing No. Description
8. Estimate of the increase/ decrease to the Contract Price resulting from the proposed Change: *[insert: amount in currencies of Contract]*, as detailed below in the breakdown of prices, rates, and quantities. Total lump sum cost of the Change:

Cost to prepare this Change Proposal (i. e., the amount payable if the Change is not accepted, limited as provided by GCC Clause 39.2.6):

9. Additional Time for Achieving Operational Acceptance required due to the Change: *[insert: amount in days/ weeks]*
10. Effect on the Functional Guarantees: *[insert: description]*
11. Effect on the other terms and conditions of the Contract: ***[insert: description]***
12. Validity of this Proposal: for a period of ..... *[insert: number]* days after receipt of this Proposal by the Procuring Entity
13. Procedures to be followed:
  - a) You are requested to notify us of your acceptance, comments, or rejection of this detailed Change Proposal within ..... *[insert: number]* days from your receipt of this Proposal.

- b) The amount of any increase and / or decrease shall be taken into account in the adjustment of the Contract Price.

For and on behalf of the Supplier

Signed: .....

Date: .....

in the capacity of: ..... *[state: "Supplier's Representative" or other higher-level authority in the Supplier's organization]*

## 7.5 Change Order Form

(Procuring Entity's Form head)

Date: ..... **[insert: date]**

ITT: ..... **[insert: title and number of ITT]**

Contract: ..... **[insert: name of System or Subsystem and number of Contract]**

To:..... **[insert: name of Supplier and address]**

Attention: ..... **[insert: name and title]**

Dear Sir or Madam:

We hereby approve the Change Order for the work specified in Change Proposal No. **[insert: number]**, and agree to adjust the Contract Price, Time for Completion, and/ or other conditions of the Contract in accordance with GCC Clause 39 of the Contract.

1. Title of Change: **[insert: name]**
2. Request for Change No./ Rev.: **[insert: request number/ revision]**
3. Change Order No./ Rev.: **[insert: order number/ revision]**
4. Origin at or of Change: **[select: Procuring Entity / Supplier; and add: name]**
5. Authorized Price for the Change: Ref. No.: **[insert: number]** Date: **[insert: date]**  
[ insert: amount in foreign currency A] **plus** [ insert: amount in foreign currency B]  
**plus** [ insert: amount in foreign currency C] **plus** [ insert: amount in local currency]
6. Adjustment of Time for Achieving Operational Acceptance: **[insert: amount and description of adjustment]**
7. Other effects, if any: **[state: “none” or insert description]**

For and on behalf of the Procuring Entity

Signed: .....

Date: .....

in the capacity of: ..... **[state: “Project Manager” or higher-level authority in the Procuring Entity's organization]**

For and on behalf of the Supplier

Signed: .....

Date: .....in the capacity of: ..... **[ state “Supplier's Representative” or higher-level authority inthe Supplier's organization]**

## 7.6 Application for Change Proposal Form

(Supplier's Form head)

Date: .....[insert: date]

ITT: ..... [insert: title and number of ITT]

Contract: .....[ insert: name of System or Subsystem and number of Contract]

To: ..... [insert: name of Procuring Entity and address]

Attention: ..... [insert: name and title]

Dear Sir or Madam:

We hereby propose that the below-mentioned work be treated as a Change to the System.

1. Title of Change: ..... [insert: name]
2. Application for Change Proposal No./ Rev.: .....[insert: number/ revision] dated: [insert: date]
3. Brief Description of Change:.....[insert: description]
4. Reasons for Change: ..... [insert: description]
5. Order of Magnitude Estimation: .....[insert: amount in currencies of the Contract]
6. Schedule Impact of Change:.....[insert: description]
7. Effect on Functional Guarantees, if any: ..... [insert: description]
8. Appendix:.....[insert: titles (if any); otherwise state "none"]

For and on behalf of the Supplier

Signed: .....

Date: .....

in the capacity of: .....[state: "Supplier's Representative" or higher-level authority in the Supplier's organization]

## 7.7 BENEFICIAL OWNERSHIP DISCLOSURE FORM

### **INSTRUCTIONS TO TENDERERS: DELETE THIS BOX ONCE YOU HAVE COMPLETED THE FORM**

*This Beneficial Ownership Disclosure Form ("Form") is to be completed by the successful tenderer. In case of joint venture, the tenderer must submit a separate Form for each member. The beneficial ownership information to be submitted in this Form shall be current as of the date of its submission.*

*For the purposes of this Form, a Beneficial Owner of a Tenderer is any natural person who ultimately owns or controls the Tenderer by meeting one or more of the following conditions:*

- *Directly or indirectly holding 25% or more of the shares.*
- *Directly or indirectly holding 25% or more of the voting*
- *Directly or indirectly having the right to appoint a majority of the board of directors or equivalent*

Tender Reference No.: \_\_\_\_\_ [insert identification

no] Name of the Assignment: \_\_\_\_\_ [insert name of the

assignment] to: \_\_\_\_\_ [insert complete name of Procuring Entity]

In response to your notification of award dated \_\_\_\_\_ [insert date of notification of award] to furnish additional information on beneficial ownership: [select one option as applicable and delete the options that are not applicable]

I) We hereby provide the following beneficial ownership information.

Details of beneficial ownership

<b>Identity of Beneficial Owner</b>	<b>Directly or indirectly holding 25% or more of the shares (Yes / No)</b>	<b>Directly or indirectly holding 25 % or more of the Voting Rights (Yes / No)</b>	<b>Directly or indirectly having the right to appoint a majority of the board of the directors or an equivalent governing body of the Tenderer (Yes / No)</b>
<i>[include full name (last, middle, first), nationality, country of residence]</i>			

OR

ii) We declare that there is no Beneficial Owner meeting one or more of the following conditions: directly or indirectly holding 25% or more of the shares. Directly or indirectly holding 25% or more of the voting rights. Directly or indirectly having the right to appoint a majority of the board of directors or equivalent governing body of the Tenderer.

OR

*We declare that we are unable to identify any Beneficial Owner meeting one or more of the following conditions. [If this option is selected, the Tenderer shall provide explanation on why it is unable to identify any Beneficial Owner]*

*Directly or indirectly holding 25% or more of the shares. Directly or indirectly holding 25% or more of the voting rights.*

*Directly or indirectly having the right to appoint a majority of the board of directors or equivalent governing body of the Tenderer]"*

*Name of the Tenderer .....\*[insert complete name of the Tenderer]\_\_\_\_\_*

*Name of the person duly authorized to sign the Tender on behalf of the Tenderer: \*\* [insert complete name of person duly authorized to sign the Tender]*

*Title of the person signing the Tender: ..... [insert complete title of the person signing the Tender]*

*Signature of the person named above: ..... [insert signature of person whose name and capacity are shown above]*

*Date signed ..... [insert date of signing] day of .....[Insert month], [insert year]*