



# **KenGen**

KENYA ELECTRICITY GENERATING COMPANY PLC

**KGN~GDD~064~2019**

**TENDER FOR SUPPLY, INSTALLATION & COMMISSIONING  
OF FIBER OPTIC CABLE AT GEOTHERMAL DEVELOPMENT  
DIVISION.**

**(Reserved for Youth Enterprise)**

Kenya Electricity Generating Company PLC,  
Stima Plaza Phase III, Kolobot Road, Parklands,  
P.O. Box 47936,  
Nairobi, Kenya.  
[www.kengen.co.ke](http://www.kengen.co.ke)

April 2019

## EXECUTIVE ORDER NO. 2 OF 2018

### Following the Executive Order No.2 of 2018 issued by The Presidency

1. **THAT** effective the 1<sup>st</sup> of July 2018, all Public Procuring Entities shall maintain and continuously **update and publicize** (through the websites of the Public Procuring Entity, e-Citizen, Public Procurement Regulatory Authority platforms, public notice boards and/or official government publications):
  - Full Particulars of the awarded Bidder (Supplier, Contractor or Consultant);
  - Specification of goods and services, scope and schedule of works and contract value;
  - Technical and financial capacity of the awarded bidder (Supplier, Contractor or Consultant) and summary of reasons for the award;
  - Award Date and Contract Period;
  - Current market price of the specific goods, works or service, as well as price guidelines as published by the Public Procurement Regulatory Authority with regard to that specific item (*where applicable*);
2. In furtherance to above, the list of the awarded suppliers/contracts/consultants shall include the following information:
  - Name of Supplier
  - Registration Details (ID/Registration/Incorporation Number
  - PIN Number
  - List of Directors, Shareholders and Beneficial Owners (in case of a company)
  - Name of Proprietor (for sole Proprietor and Business name)
  - Name of Partners (for Partnerships)
  - Business Contacts Information (telephone and email address)
  - Postal address
  - Physical address
  - Tax Compliance Status
  - Business Permit/License Number
  - County of operation

**In compliance to the executive order, the above details shall form part of mandatory requirement in the tender documents submitted.**

## GUIDELINES TO PREPARATION OF BID DOCUMENT

In preparing the bid document in response to the tender, bidders are advised to note the following:

1. **Section I – Invitation to Tender.** This section gives guidelines on how and where to seek further clarification pertaining to the tender document; the form and amount of Tender Security required; where and when the tenders should be submitted; and place where tenders will be opened.

2. **Section II – Instruction to Tenderers.** This section guides tenderers on how to prepare their bid and how the tendering process will be carried out up to the award stage including notification of award to the successful bidder. **“Appendix to Instruction to Tenderers”** customizes clauses under Section II. **Wherever there is a conflict between the provisions of the Instructions to Tenderers under Section II and the provisions of the appendix, the provisions of the appendix prevail.**

3. **Evaluation Criteria:** This gives information on how the tender will be evaluated. Tenderers should be able to evaluate their bids before submission to determine in advance whether they meet the requirement of the bid or not. Through the evaluation criteria bidders will be able to note all the required documents that should be attached to the bid document.

### Checklist of Document Forming the Bid

No.	Documents forming part of the bid	Remarks																								
1	The main sections of the tender document that includes Section I – Invitation to Tender; Section II – Instruction to Tenderers, including Appendix to Instruction to Tenderers; and Section III – General Conditions of the Contract, including Special Conditions of Contract	These Sections remain as they are in the tender document.																								
2	Duly filed mandatory business questionnaire with particulars of the supplier ,contractor and consultant and shall include: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">i.</td><td>Name of supplier</td></tr> <tr><td style="text-align: center;">ii.</td><td>Registration details (ID/Registration/Incorporation Number )</td></tr> <tr><td style="text-align: center;">iii.</td><td>PIN Number</td></tr> <tr><td style="text-align: center;">iv.</td><td>List of directors, shareholders and beneficial owners(in case of a company)</td></tr> <tr><td style="text-align: center;">v.</td><td>Name of proprietor (for sole proprietor and business name)</td></tr> <tr><td style="text-align: center;">vi.</td><td>Name of partners (for partnerships)</td></tr> <tr><td style="text-align: center;">vii.</td><td>Business contact information (Telephone and Email Address)</td></tr> <tr><td style="text-align: center;">viii.</td><td>Postal Address</td></tr> <tr><td style="text-align: center;">ix.</td><td>Physical address</td></tr> <tr><td style="text-align: center;">x.</td><td>Tax compliance status</td></tr> <tr><td style="text-align: center;">xi.</td><td>Business permit /License number</td></tr> <tr><td style="text-align: center;">xii.</td><td>County of operations</td></tr> </table>	i.	Name of supplier	ii.	Registration details (ID/Registration/Incorporation Number )	iii.	PIN Number	iv.	List of directors, shareholders and beneficial owners(in case of a company)	v.	Name of proprietor (for sole proprietor and business name)	vi.	Name of partners (for partnerships)	vii.	Business contact information (Telephone and Email Address)	viii.	Postal Address	ix.	Physical address	x.	Tax compliance status	xi.	Business permit /License number	xii.	County of operations	
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4	Duly filled priced schedules	Prices quoted to be inclusive of taxes																								
5	Duly filled and signed Form of Tender in the format provided in the tender document																									
6	Duly filled and signed declaration form in the form provided																									
7	Bid document to be <b>serialized/paginated</b> on all pages																									
8	Bidders are advised to use KenGen’ s tender document or ensure to align their bid to it																									
9	Confirmation of a bid submission Original and Copy																									

## SECTION I

### INVITATION TO TENDER

The Company invites sealed tenders from eligible candidates for the “**Tender for Supply, Installation and Commissioning of Fiber Optic Cable at Geothermal Development Division**” whose specifications are detailed in the Tender Document.

Interested eligible candidates may obtain further information from and inspect the Tender Documents during official working hours starting at the date of advert at the office of:

Supply Chain Director  
Tel: (254) (020) 3666000  
Email: [tenders@kengen.co.ke](mailto:tenders@kengen.co.ke); [WNYangweso@kengen.co.ke](mailto:WNYangweso@kengen.co.ke)

Where the tender document may be collected upon payment of a non-refundable fee of **KShs. 1, 000.00** paid in cash or through a bankers cheque at any KenGen finance office. The document can also be viewed and downloaded from the website [www.kengen.co.ke](http://www.kengen.co.ke). Bidders who download the tender document from the website **are advised to forward their particulars to facilitate any subsequent tender clarifications and addenda**. Downloaded documents are free of charge.

Bidders are advised from time to time to be checking the website for any uploaded further information on this tender.

There shall be a **Mandatory site visit on 16th May 2019 starting at 10.00 a.m.** at Geothermal Plaza in Olkaria-Naivasha. The assembly point will be at **Geothermal Plaza – Olkaria at 10.00 AM. Bidders will proceed to site after pre-bid conference.**

Unless otherwise stated, tenders MUST be accompanied by a security in the format and amount specified in the tender documents and must be submitted in a plain sealed envelope and **MARKED “KGN-GDD-064-2019-TENDER FOR SUPPLY, INSTALLATION & COMMISSIONING OF FIBER OPTIC CABLE AT GEOTHERMAL DEVELOPMENT DIVISION”** and addressed to:

**Company Secretary & Legal Affairs Director  
Kenya Electricity Generating Company PLC  
10<sup>th</sup> Floor, Pension Plaza Phase II  
Kolobot Road, Parklands  
P O Box 47936 - 00100  
NAIROBI, KENYA**

On or before: **(27<sup>th</sup> May 2019 at 10.00 a.m.)**

Tenders will be opened on **(27<sup>th</sup> May 2019 at 10.30 a.m.)** in the presence of tenderers' representative who choose to attend at the KenGen Pension Plaza 2, Tender Opening Room, Ground Floor.

***N/B: KenGen adheres to high standards of integrity in its business operations.  
Report any unethical behavior immediately to the provided anonymous hotline service.***

- 1) Call Toll Free: 0800722626
- 2) Free Fax: 00800 007788
- 3) Email: [kengen@tip-offs.com](mailto:kengen@tip-offs.com)
- 4) Website: [www.tip-offs.com](http://www.tip-offs.com)

### **SUPPLY CHAIN DIRECTOR**

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Tender for Supply, Installation and Commissioning of Fiber Optic Cable at Geothermal Development Division

## SECTION II

### INSTRUCTIONS TO TENDERERS

1. General
  - 1.1 The Employer as defined in the Appendix to Conditions of Contract invites tenders for Works Contract as described in the tender documents. The successful Tenderer will be expected to complete the Works by the Intended Completion Date specified in the said Appendix.
  - 1.2 Tenderers shall include the following information and documents with their tenders, unless otherwise stated:
    - (a) Copies of certificates of registration, and principal place of business;
    - (b) Total monetary value of construction work performed for each of the last five years;
    - (c) Experience in works of a similar nature and size for each of the last five years, and clients who may be contacted for further information on these contracts;
    - (d) Major items of construction equipment owned;
    - (e) Qualifications and experience of key site management and technical personnel proposed for the Contract;
    - (f) Reports on the financial standing of the Tenderer, such as profit and loss statements and auditor's reports for the last five years;
    - (g) Authority to seek references from the Tenderer's bankers.
  - 1.3 The Tenderer shall bear all costs associated with the preparation and submission of his tender, and the Employer will in no case be responsible or liable for those costs.
  - 1.4 The Tenderer, at the Tenderer's own responsibility and risk, is encouraged to visit and examine the Site of the Works and its surroundings, and obtain all information that may be necessary for preparing the tender and entering into a contract for construction of the Works. The costs of visiting the Site shall be at the Tenderer's own expense.
  - 1.5 The procurement entity's employees, committee members, board members and their relative (spouse and children) are not eligible to participate in the tender.
  - 1.6 The price to be charged for the tender document shall not exceed Kshs.1,000/= Downloaded documents will be free of charge. Bidders who download documents shall promptly notify the Procuring Entity.
  - 1.7 The procuring entity shall allow the tenderer to **review** the tender document free of charge before purchase.

## 2. Tender Documents

- 2.1 The complete set of tender documents comprises the documents listed here below and any addenda issued in accordance with clause 2.4 here below:-

- (a) These instructions to Tenderers
- (b) Form of Tender
- (c) Conditions of Contract and Appendix to Conditions of Contract
- (d) Specifications
- (e) Drawings
- (f) Bills of Quantities/Schedule of Rates (whichever is applicable)
- (g) Other materials required to be filled and submitted in accordance with these Instructions and Conditions

2.2 The Tenderer shall examine all instructions, forms and specifications in the tender documents. Failure to furnish all information required by the tender documents may result in rejection of his tender.

2.3 A prospective Tenderer making inquiries of the tendering documents may notify the Employer in writing at the address indicated in the letter of invitation to tender. The Employer will respond to any request for clarification received earlier than seven [7] days prior to the deadline for submission of tenders. Copies of the Employer's response will be forwarded to all persons issued with tendering documents, including a description of the inquiry, but without identifying its source.

2.4 Before the deadline for submission of tenders, the Employer may modify the tendering documents by issuing addenda. Any addendum thus issued shall be part of the tendering documents and shall be communicated in writing to all Tenderers. Prospective Tenderers shall acknowledge receipt of each addendum in writing to the Employer.

2.5 To give prospective Tenderers reasonable time in which to take an addendum into account in preparing their tenders, the Employer shall extend, as necessary, the deadline for submission of tenders in accordance with clause 4.2 here below.

### 3. Preparation of Tenders

3.1 All documents relating to the tender and any correspondence shall be in English Language.

3.2 The tender submitted by the Tenderer shall comprise the following:-

- (a) The Tender;
- (b) Tender Security;
- (c) Priced Bill of Quantities/Schedule of Rates for lump-sum Contracts
- (d) Any other materials required to be completed and submitted by Tenderers.

3.3 The Tenderer shall fill in rates and prices for all items of the Works described in the Bill of Quantities/Schedule of Rates. Items for which no rate or price is entered by the Tenderer will not be paid for when executed and shall be deemed covered by the other rates and prices in the Bill of Quantities/Schedule of Rates. All duties, taxes and other levies payable by the Contractor under the Contract, as of 30 days prior to the deadline for submission of tenders, shall be included in the tender price submitted by the Tenderer.

3.4 The rates and prices quoted by the Tenderer shall not be subject to any adjustment during the performance of the Contract.

3.5 The unit rates and prices shall be in Kenya Shillings.

#### **Tender security**

3.6. The tenderer shall furnish, as part of the tender, a Tender Security in the amount and form specified in the appendix to invitation to tenderers. This shall be in the amount not exceeding 2 percent of the tender price. The tender security is required to protect the procuring entity against the risk of Tenderer's conduct which would warrant the security's forfeiture, pursuant to paragraph 14.7.

The tender security shall be denominated in Kenya Shillings or in another freely convertible currency, and shall be in the form of a bank guarantee or a bank draft issued by a reputable bank located in Kenya or abroad, in the form provided in the tender documents or another form acceptable to Kenya Electricity Generating Company PLC and valid for **at least 30 days beyond tender validity**

Any tender not secured in accordance with paragraph 14.1 and 14.3 will be rejected by Kenya Electricity Generating Company PLC as non responsive, pursuant to paragraph 22.

Unsuccessful Tenderer's tender security will be discharged or returned as promptly as possible as but not later than thirty (30) days after the expiration of the period of tender validity prescribed by Kenya Electricity Generating Company PLC.

The successful Tenderer's tender security will be discharged upon the tenderer signing the contract, pursuant to paragraph 30, and furnishing the performance security, pursuant to paragraph 31.

The tender security may be forfeited:

- (a) if a tenderer withdraws its tender during the period of tender validity specified by Kenya Electricity Generating Company PLC on the Tender Form; or
- (b) in the case of a successful tenderer, if the tenderer fails:
  - (i) to sign the contract in accordance with paragraph 30  
or
  - (ii) to furnish performance security in accordance with paragraph 31

3.6 Tenders shall remain valid for a period of **120 days** from the date of submission. However, in exceptional circumstances, the Employer may request that the Tenderers extend the period of validity for a specified additional period. The request and the Tenderers' responses shall be made in writing.

3.7 The Tenderer shall prepare one original of the documents comprising the tender documents as described in these Instructions to Tenderers.

3.8 The original shall be typed or written in indelible ink and shall be signed by a person or persons duly authorised to sign on behalf of the Tenderer. All pages of the tender where alterations or additions have been made shall be initialed by the person or persons signing the tender.

3.9 Clarification of tenders shall be requested by the tenderer to be received by the procuring entity not later than 7 days prior to the deadline for submission of tenders.

3.10 The procuring entity shall reply to any written clarifications sought by the tenderer within 3 days of receiving the request to enable the tenderer to make timely submission of its tender.

#### **4. Submission of Tenders**

- 4.1 The tender duly filled and sealed in an envelope shall;-
- (a) be addressed to the Employer at the address provided in the invitation to tender;
  - [b] bear the name and identification number of the Contract as defined in the invitation to tender; and
  - [c] provide a warning not to open before the specified time and date for tender opening.
- 4.2 Tenders shall be delivered to the Employer at the address specified above not later than the time and date specified in the invitation to tender.
- 4.3 The tenderer shall not submit any alternative offers unless they are specifically required in the tender documents.
- 4.4 Only one tender may be submitted by each tenderer. Any tenderer who fails to comply with this requirement will be disqualified.
- 4.5 Any tender received after the deadline for opening tenders will be returned to the tenderer unopened.
- 4.6 The Employer may extend the deadline for submission of tenders by issuing an amendment in accordance with sub-clause 2.5 in which case all rights and obligations of the Employer and the Tenderers previously subject to the original deadline will then be subject to the new deadline.

5. Tender Opening and Evaluation

- 5.1 The tenders will be opened in the presence of the Tenderers' representatives who choose to attend at the time and in the place specified in the invitation to tender.
- 5.2 The Tenderers' names, the total amount of each tender and such other details as may be considered appropriate, will be announced at the opening by the Procuring Entity. Minutes of the tender opening, including the information disclosed to those present will also be prepared by the Procuring Entity.
- 5.3 Information relating to the examination, clarification, evaluation and comparison of tenders and recommendations for the award of the Contract shall not be disclosed to Tenderers or any other persons not officially concerned with such process until the award to the successful Tenderer has been announced. Any effort by a Tenderer to influence the Employer's officials, processing of tenders or award decisions may result in the rejection of his tender.
- 5.4 Tenders determined to be substantially responsive will be checked for any arithmetic errors. Errors will be corrected as follows:
- (a) Where there is a discrepancy between the amount in figures and the amount in words, the amount in words will prevail; and
  - (b) where there is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will prevail, unless in the opinion of the Employer's representative, there is an obvious



typographical error, in which case the adjustment will be made to the entry containing that error.

- (c) In the event of a discrepancy between the tender amount as stated in the Form of Tender and the corrected tender figure in the main summary of the Bill of Quantities/Quotation, the amount as stated in the Form of Tender shall prevail.
- (d) The Error Correction Factor shall be computed by expressing the difference between the tender amount and the corrected tender sum as a percentage of the Corrected Builder's Work (i.e. corrected tender sum less P.C. and Provisional Sums).
- (e) The Error Correction Factor shall be applied to all Builder's Work (as a rebate or addition as the case may be) for the purposes of valuations for Interim Certificates and valuation of variations.
- (f) The amount stated in the tender will be adjusted in accordance with the above procedure for the correction of errors and with concurrence of the Tenderer, shall be considered as binding upon the Tenderer. If the Tenderer does not accept the corrected amount, the tender may be rejected and the Tender Security forfeited.

5.5 The tender evaluation committee shall evaluate the tender within fifteen (15) days of the validity period from the date of opening the tender.

5.6 Contract price variations shall not be allowed for contracts not exceeding one year (12 months)

5.7 Where contract price variation is allowed, the valuation shall not exceed 25% of the original contract price.

5.8 Price variation requests shall be processed by the procuring entity within 30 days of receiving the request

5.9 Preference where allowed in the evaluation of tenders shall not exceed 15%

5.10 To assist in the examination, evaluation, and comparison of tenders, the Employer at his discretion, may request [in writing] any Tenderer for clarification of the tender, including breakdowns of unit rates. The request for clarification and the response shall be in writing or by cable, telex or facsimile but no change in the tender price or substance of the tender shall be sought, offered or permitted.

5.11 The Tenderer shall not influence the Employer on any matter relating to his tender from the time of the tender opening to the time the Contract is awarded. Any effort by the Tenderer to influence the Employer or his employees in his decision on tender evaluation, tender comparison or Contract award may result in the rejection of the tender.

## 6. Award of Contract

6.1 The award of the Contract will be made to the Tenderer who has offered the lowest evaluated tender price.

6.2 Notwithstanding the provisions of clause 6.1 above, the Employer reserves the right to accept or reject any tender and to cancel the tendering process and reject all tenders at any time prior

to the award of Contract without thereby incurring any liability to the affected Tenderer or Tenderers or any obligation to inform the affected Tenderer or Tenderers of the grounds for the action.

- 6.3 The Tenderer whose tender has been accepted will be notified of the award prior to expiration of the tender validity period in writing. This notification (hereinafter and in all Contract documents called the “Letter of Acceptance”) will state the sum [hereinafter and in all Contract documents called the “Contract Price” which the Employer will pay the Contractor in consideration of the execution, completion, and maintenance of the Works by the Contractor as prescribed by the Contract. The contract shall be formed on the parties signing the contract. At the same time the other tenderers shall be informed that their tenders have not been successful.
- 6.4 The Contract Agreement will incorporate all agreements between the Employer and the successful Tenderer. It will be signed by the Employer and sent to the successful Tenderer, within 30 days following the notification of award. Within 21 days of receipt, the successful Tenderer will sign the Agreement and return it to the Employer.
- 6.5 Within fifteen (15) days after receipt of the Letter of Acceptance, the successful Tenderer shall deliver to the Employer a Performance Security amount stipulated in the Appendix to Conditions of Contract.
- 6.6 The parties to the contract shall have it signed within 30 days from the date of notification of contract award unless there is an administrative review request.
- 6.7 The procuring entity may at any time terminate procurement proceedings before contract award and shall not be liable to any person for the termination.

## 7. Corrupt and fraudulent practices

- 7.1 The procuring entity requires that the tenderer observes the highest standard of ethics during the procurement process and execution of the contract. A tenderer shall sign a declaration that he has not and will not be involved in corrupt and fraudulent practices.
- 7.2 The procuring entity will reject a tender if it determines that the tenderer recommended for award has engaged in corrupt and fraudulent practices in competing for the contract in question.
- 7.3 Further a tenderer who is found to have indulged in corrupt and fraudulent practices risks being debarred from participating in public procurement in Kenya.

## APPENDIX TO INSTRUCTIONS TO TENDERERS

The following information for procurement of small works shall complement or amend the provisions of the instructions to tenderers.

Wherever there is a conflict between the provisions of the instructions to tenderers and the provisions of the appendix, the provisions of the appendix herein shall prevail over those of the instructions to tenderers

Instructions to tenderers	Particulars of appendix to instructions to tenderers
2	<b>This tender is reserved for Youth firms registered under AGPO scheme</b>
3.5	Prices shall be quoted in Kenya Shillings
Mandatory Site Visit	<p>There shall be a <b>Mandatory site visit</b> on <b>16th May 2019 starting at 10.00 a.m.</b> at Geothermal Plaza in Olkaria-Naivasha. The assembly point will be at <b>Geothermal Plaza – Olkaria at 10.00 AM. Bidders will proceed to site after pre-bid conference.</b></p> <p><b>Bidders shall proceed to the specific sites thereafter.</b></p> <p>Bidders are notified that entry to Olkaria Power Station is through Hells Gate National Park. Bidder will be required to cater for <b>KWS gate charges.</b></p> <p><b>KenGen does NOT provide transport to the sites.</b></p>
3.6	<p><b>Tender Security is not required.</b></p> <p>Tender Securing Declaration Form shall be duly filled and shall be valid for 30 days beyond tender validity period from the tender closing</p>
3.7	The validity period of the tender shall be <b>120 days after</b> the date of opening of the tender
3.8	<p>The Tenderer shall prepare <b>two copies of the tender</b>, clearly marking each <b>“ORIGINAL TENDER”</b> and <b>“COPY OF TENDER,”</b> as appropriate.</p> <p>The Tenderer <b>MUST</b> ensure Sequential pagination/serialization of all pages in the tender document, <b>Sec.74.1.i. of the PPADA, 2015.</b></p>
5.2	<p>Tender closing date and time <b>(27<sup>th</sup> May 2019 at 10.00 a.m.)</b></p> <p>Tender opening date and time <b>(27<sup>th</sup> May 2019 at 10.30 a.m.)</b></p>

	<p>No correction of errors.</p> <ul style="list-style-type: none"> <li>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 any way by any person or entity. Ref: <b>Sec. 82 of the PPADA, 2015.</b></li> </ul>
5.3	<p>The following shall be the evaluation Criteria</p> <p><b>A) Mandatory Evaluation Criteria</b></p> <ul style="list-style-type: none"> <li>Duly completed tender form.</li> <li>Duly completed price schedule.</li> <li>Copy of valid AGPO certificate for Youth category</li> <li>Duly filled, signed and stamped Tender Securing Declaration Form</li> <li>Tender Validity of 120 days from tender closing date.</li> <li>Duly filled Mandatory confidential business questionnaire form</li> <li>Valid Tax Compliance Certificate.</li> <li>Certificate of business Registration/Certificate of Incorporation.</li> <li>Manufacturer's Authorization to deal with proposed active and passive devices.</li> <li>Copy of CR12 Form to confirm directors and shareholding.</li> <li>Addendums issued to be acknowledged and attached (where applicable).</li> <li>All items in the schedule must be quoted to be considered responsive.</li> <li>The bidder must have attended Mandatory Site visit thus attach copy of site visit certificate</li> <li>Provide audited accounts OR bank statements OR a valid financing commitment for that specific procurement issued by a recognized financial institutions (Including SACCOs, Deposit taking Micro-finance and Youth or Women Enterprise fund).</li> </ul> <p><i>N/B The Executive order shall form part of the mandatory requirements.</i></p> <p><b>B) Technical Evaluation Requirements</b></p> <ul style="list-style-type: none"> <li>Compliance to technical specifications.</li> </ul> <p><b>C) Financial Evaluation</b></p> <ul style="list-style-type: none"> <li>Award shall be based on the total lowest evaluated price.</li> </ul>
6.5	<p><b>Performance Security:</b> Performance security shall be in the amount of <b>1%</b> of the contract price</p>

## SECTION III

### CONDITIONS OF CONTRACT

#### 1. Definitions

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

“Bills of Quantities” means the priced and completed Bill of Quantities forming part of the tender [where applicable].

“Schedule of Rates” means the priced Schedule of Rates forming part of the tender [where applicable].

“The Completion Date” means the date of completion of the Works as certified by the Employer’s Representative.

“The Contract” means the agreement entered into by the Employer and the Contractor as recorded in the Agreement Form and signed by the parties.

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

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

“The Contract Price” is the price stated in the Notification of award.

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

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

“The Defects Liability Certificate” is the certificate issued by Employer’s Representative upon correction of defects by the Contractor.

“The Defects Liability Period” is the period named in the Appendix to Conditions of Contract and calculated from the Completion Date.

“Drawings” include calculations and other information provided or approved by the Employer’s Representative for the execution of the Contract.

“Employer” means Kenya Electricity Generating Company PLC and is the party who employs the Contractor to carry out the Works.

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

“Site” means the place or places where the permanent Works are to be carried out including workshops where the same is being prepared.

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

“Employer’s Representative” is the person appointed by the Employer and notified to the Contractor for the purpose of supervision of the Works.

“Specification” means the Specification of the Works included in the Contract.

“Start Date” is the date when the Contractor shall commence execution of the Works.

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

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

“FOA” means Fiber Optic Association.

“KM” is Kilometer which is equals to 1000 Metres.

“ A Variation” is an instruction given by the Employer’s Representative which varies the Works.

“The Works” are what the Contract requires the Contractor to construct, install, and turnover to the Employer.

## 2. Contract Documents

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

- (1) Contract Agreement,
- (2) Notification of award
- (3) Letter of Acceptance,
- (4) Conditions of Contract
- (5) Technical Specifications
- (6) Drawings,
- (7) Bills of Quantities or Schedule of Rates [whichever is applicable]
- (8) Contractor’s Tender,
- (9) Applicable Addenda and Clarifications

## 3. Employer’s Representative’s Decisions

3.1 Except where otherwise specifically stated, the Employer’s Representative will decide contractual matters between the Employer and the Contractor in the role representing the Employer.

#### 4. Works, Language and Law of Contract

4.1 The Contractor shall construct and install the Works in accordance with the Contract documents. The Works may commence on the Start Date and shall be carried out in accordance with the Program submitted by the Contractor, as updated with the approval of the Employer's Representative, and complete them by the Intended Completion Date.

4.2 The ruling language of the Contract shall be English language and the law governing the Contract shall be the law of the Republic of Kenya.

#### 5. Safety, Temporary works and Discoveries

5.1 The Contractor shall be responsible for design of temporary works and shall obtain approval of third parties to the design of the temporary works where required.

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

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

#### 6 Work Program and Sub-contracting

6.1 Within seven days after Site possession date, the Contractor shall submit to the Employer's Representative for approval a program showing the general methods, arrangements, order and timing for all the activities in the Works.

6.2 The Contractor may sub-contract the Works (but only to a maximum of 25 percent of the Contract Price) with the approval of the Employer's Representative. However, he shall not assign the Contract without the approval of the Employer in writing. Sub-contracting shall not alter the Contractor's obligations.

#### 7 The site

7.1 The Employer shall give possession of all parts of the Site to the Contractor.

7.2 The Contractor shall allow the Employer's Representative and any other person authorised by the Employer's Representative, access to the Site and to any place where work in connection with the Contract is being carried out or is intended to be carried out.

#### 8 Instructions

8.1 The Contractor shall carry out all instructions of the Employer's Representative which are in accordance with the Contract.

#### 9 Extension of Completion Date

9.1 The Employer's Representative shall extend the Completion Date if an occurrence arises which makes it impossible for completion to be achieved by the Intended Completion Date. The Employer's Representative shall decide whether and by how much to extend the Completion Date.

9.2 For the purposes of this clause, the following occurrences shall be valid for consideration;

Delay by:-

- (a) force majeure, or
- (b) reason of any exceptionally adverse weather conditions, or
- (c) reason of civil commotion, strike or lockout affecting any of the trades employed upon the Works or any of the trades engaged in the preparation, manufacture or transportation of any of the goods or materials required for the Works, or
- (d) reason of the Employer's Representative's instructions issued under these Conditions, or
- (e) reason of the contractor not having received in due time necessary instructions, drawings, details or levels from the Employer's Representative for which he specifically applied in writing on a date which having regard to the date for Completion stated in the appendix to these Conditions or to any extension of time then fixed under this clause was neither unreasonably distant from nor unreasonably close to the date on which it was necessary for him to receive the same, or
- (f) delay on the part of artists, tradesmen or others engaged by the Employer in executing work not forming part of this Contract, or
- (g) reason of delay by statutory or other services providers or similar bodies engaged directly by the Employer, or
- (h) reason of opening up for inspection of any Work covered up or of the testing or any of the Work, materials or goods in accordance with these conditions unless the inspection or test showed that the Work, materials or goods were not in accordance with this Contract, or
- (i) reason of delay in appointing a replacement Employer's Representative, or
- (j) reason of delay caused by the late supply of goods or materials or in executing Work for which the Employer or his agents are contractually obliged to supply or to execute as the case may be, or
- (k) delay in receiving possession of or access to the Site.

## 10 Management Meetings

- 10.1 A Contract management meeting shall be held regularly and attended by the Employer's Representative and the Contractor. Its business shall be to review the plans for the remaining Work. The Employer's Representative shall record the business of management meetings and provide copies of the record to those attending the meeting and the Employer. The responsibility of the parties for actions to be taken shall be decided by the Employer's Representative either at the management meeting or after the management meeting and stated in writing to all who attend the meeting.



10.2 Communication between parties shall be effective only when in writing.

## 11 Defects

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

11.2 The Employer's Representative shall give notice to the Contractor of any defects before the end of the Defects Liability Period, which begins at Completion, and is defined in the Appendix to Conditions of Contract.

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

## 12 Bills of Quantities/Schedule of Rates

12.1 The Bills of Quantities/Schedule of Rates shall contain items for the construction, installation, testing and commissioning of the Work to be done by the Contractor. The Contractor will be paid for the quantity of the Work done at the rates in the Bills of Quantities/Schedule of Rates for each item. Items against which no rate is entered by the Tenderer will not be paid for when executed and shall be deemed covered by the rates for other items in the Bills of Quantities/Schedule of Rates.

12.2 Where Bills of Quantities do not form part of the Contract, the Contract Price shall be a lump sum (which shall be deemed to have been based on the rates in the Schedule of Rates forming part of the tender) and shall be subject to re-measurement after each stage.

## 13 Variations

13.1 The Contractor shall provide the Employer's Representative with a quotation for carrying out the variations when requested to do so. The Employer's Representative shall assess the quotation and shall obtain the necessary authority from the Employer before the variation is ordered.

13.2 If the Work in the variation corresponds with an item description in the Bill of Quantities/Schedule of Rates, the rate in the Bill of Quantities/Schedule of Rates shall be used to calculate the value of the variation. If the nature of the Work in the variation does not correspond with items in the Bill of Quantities/Schedule of Rates, the quotation by the Contractor shall be in the form of new rates for the relevant items of Work.

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

## 14 Payment Certificates and Final Account

14.1 The Contractor shall be paid after each of the following stages of Work listed herebelow (subject to re-measurement by the Employer's Representative of the Work done in each stage before payment is made). In case of lump-sum Contracts, the valuation for each stage shall be based on the quantities so obtained in the re-measurement and the rates in the Schedule of Rates.

- (i) Advance payment \_\_\_\_\_ (percent of Contract Price, [after Contract execution] to be inserted by the Employer).
- (ii) First stage (define stage) \_\_\_\_\_
- (iii) Second stage (define stage) \_\_\_\_\_
- (iv) Third stage (define stage) \_\_\_\_\_
- (v) After defects liability period .

14.2 Upon deciding that Works included in a particular stage are complete, the Contractor shall submit to the Employer's Representative his application for payment. The Employer's Representative shall check, adjust if necessary and certify the amount to be paid to the Contractor within 21 days of receipt of the Contractor's application .The Employer shall pay the Contractor the amounts so certified within 30 days of the date of issue of each Interim Certificate.

14.3 The Contractor shall supply the Employer's Representative with a detailed final account of the total amount that the Contractor considers payable under the Contract before the end of the Defects Liability Period. The Employer's Representative shall issue a Defect Liability Certificate and certify any final payment that is due to the Contractor within 30 days of receiving the Contractor's account if it is correct and complete. If it is not, the Employer's Representative shall issue within 21 days a schedule that states the scope of the corrections or additions that are necessary. If the final account is still unsatisfactory after it has been resubmitted, the Employer's Representative shall decide on the amount payable to the Contractor and issue a Final Payment Certificate. The Employer shall pay the Contractor the amount so certified within 60 days of the issue of the Final Payment Certificate.

14.4 If the period laid down for payment to the Contractor upon each of the Employer's Representative's Certificate by the Employer has been exceeded, the Contractor shall be entitled to claim simple interest calculated pro-rata on the basis of the number of days delayed at the Central Bank of Kenya's average base lending rate prevailing on the first day the payment becomes overdue. The Contractor will be required to notify the Employer within 15 days of receipt of delayed payments of his intentions to claim interest.

## 15. Insurance

15.1 The Contractor shall be responsible for and shall take out appropriate cover against, among other risks, personal injury; loss of or damage to the Works, materials and plant; and loss of or damage to property.

16. Liquidated Damages

16.1 The Contractor shall pay liquidated damages to the Employer at the rate 0.001 per cent of the Contract price per day for each day that the actual Completion Date is later than the Intended Completion Date except in the case of any of the occurrences listed under clause 9.2. The Employer may deduct liquidated damages from payments due to the Contractor. Payment of liquidated damages shall not affect the Contractor's liabilities.

17. Completion and Taking Over

17.1 Upon deciding that the Work is complete the Contractor shall request the Employer's Representative to issue a Certificate of Completion of the Works, upon deciding that the Work is completed.

The Employer shall take over the Site and the Works within seven days of the Employer's Representative issuing a Certificate of Completion.

18. Termination

18.1 The Employer or the Contractor may terminate the Contract if the other party causes a fundamental breach of the Contract. These fundamental breaches of Contract shall include, but shall not be PLC to, the following;

- (a) the Contractor stops Work for 30 days continuously without reasonable cause or authority from the Employer's Representative;
- (b) the Contractor is declared bankrupt or goes into liquidation other than for a reconstruction or amalgamation;
- (c) a payment certified by the Employer's Representative is not paid by the Employer to the Contractor within 30 days after the expiry of the payment periods stated in sub clauses 14.2 and 14.3 hereinabove.
- (d) the Employer's Representative gives notice that failure to correct a particular defect is a fundamental breach of Contract and the Contractor fails to correct it within a reasonable period of time.

18.2 If the Contract is terminated, the Contractor shall stop Work immediately, and leave the Site as soon as reasonably possible. The Employer's Representative shall immediately thereafter arrange for a meeting for the purpose of taking record of the Works executed and materials, goods, equipment and temporary buildings on Site.

19. Payment Upon Termination

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

19.2 The Contractor shall, during the execution or after the completion of the Works under this clause, remove from the Site as and when required within such reasonable time as the Employer's Representative may in writing specify any temporary buildings, plant, machinery, appliances, goods or materials belonging to him, and in default thereof, the Employer may (without being

responsible for any loss or damage) remove and sell any such property of the Contractor, holding the proceeds less all costs incurred to the credit of the Contractor.

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

## 20. Corrupt Gifts and Payments of Commission

20.1 The Contractor shall not;

- (a) Offer or give or agree to give to any person in the service of the Employer any gifts or consideration of any kind as an inducement or reward for doing or forbearing to do or for having done or forborne to do any act in relation to the obtaining or execution of this or any other contract with the Employer or for showing or forbearing to show favour or dis-favour to any person in relation to this or any other contract with the Employer.
- (b) Any breach of this Condition by the Contractor or by anyone employed by him or acting on his behalf (whether with or without the knowledge of the Contractor) shall be an offence under the Laws of Kenya.

## 21. Settlement of Disputes

21.1 Any dispute arising out of the Contract which cannot be amicably settled between the parties shall be referred by either party to the arbitration and final decision of a person to be agreed between the parties. Failing agreement to concur in the appointment of an Arbitrator, the Arbitrator shall be appointed by the chairman of the Chartered Institute of Arbitrators, Kenya branch, on the request of the applying party.

## 22 Taxes

22.1.1 "Taxes" means all present and future taxes, levies, duties, charges, assessments, deductions or withholdings whatsoever, including any interest thereon, and any penalties and fines with respect thereto, wherever imposed, levied, collected, or withheld pursuant to any regulation having the force of law and "Taxation" shall be construed accordingly.

### 22.1.2 Local Taxation

Nothing in the Contract shall relieve the Contractor and/or his Sub-Contractors from their responsibility to pay any taxes, statutory contributions and levies that may be levied on them in Kenya in respect of the Contract. The Contract Price shall include all applicable taxes and shall not be adjusted for any of these taxes.

22.1.3 The Contractor shall be deemed to be familiar with the tax laws in the Employer's Country and satisfied themselves with the requirements for all taxes, statutory contributions and duties to which they may be subjected during the term of the Contract.

22.1.4 In instances where discussions are held between the Employer and the Contractor regarding tax matters, this shall not be deemed to constitute competent advice and hence does not absolve the Contractor of their responsibility in relation to due diligence on the tax issue as per 3.21.2 above.

#### **Tax Deduction**

22.1.5 If the Employer is required to make a tax deduction by Law, then the deduction shall be made from payments due to the Contractor and paid directly to the Kenya Revenue Authority. The Employer shall upon remitting the tax to Kenya Revenue Authority furnish the Contractor with the relevant tax deduction certificates.

22.1.6 Where the Contractor is paid directly by the Financiers and the Employer is not able to deduct tax, then the Contractor will be required to pay the tax deduction to Kenya Revenue Authority in the name of the Employer and furnish the Employer with an original receipt thereof as evidence of such payment. In absence of the said evidence, the Employer will not process any subsequent payments to the Contractor.

#### **Tax Indemnity**

22.1.7 The Contractor shall indemnify and hold the Employer harmless from and against any and all liabilities, which the Employer may incur for any reason of failure by the Contractor to comply with any tax laws arising from the execution of the Contract whether during the term of the Contract or after its expiry.

22.1.8 The Contractor warrants to pay the Employer (within fourteen (14) days of demand by the Employer), an amount equal to the loss, liability or cost which the Employer determines has been (directly or indirectly) suffered by the Employer for or on account of the Contractor's Tax liability arising from the Contract.

22.1.9 Where the amount in 3.21.8 above remains unpaid after the end of the fourteen (14) days moratorium, the Employer shall be entitled to compensation for financing charges.

**APPENDIX TO CONDITIONS OF CONTRACT**

THE EMPLOYER IS

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Name of Employer's Representative: \_\_\_\_\_

Title; \_\_\_\_\_

Telephone: \_\_\_\_\_

The name (and identification number) of the Contract is \_\_\_\_\_

The Works consist of \_\_\_\_\_

\_\_\_\_\_

The commencement Date shall be the date of contract signature

The contract duration shall be \_\_\_\_\_

The Site is located at \_\_\_\_\_ and is defined in drawings nos. \_\_\_\_\_

\_\_\_\_\_

The Defects Liability Period is \_\_\_\_\_ days.

**Amount of Performance Security is 1% of the contract sum**

Within fifteen (15) days of receipt of the notification of Contract award, the successful tenderer shall furnish to Kenya Electricity Generating Company PLC the performance security in the amount specified in Special Conditions of Contract.

The proceeds of the performance security shall be payable to Kenya Electricity Generating Company PLC as compensation for any loss resulting from the Tenderer's failure to complete its obligations under the Contract.

The performance security shall be denominated in the currency of the Contract, or in a freely convertible currency acceptable to Kenya Electricity Generating Company PLC and shall be in the form of a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in Kenya or abroad, acceptable to Kenya Electricity Generating Company PLC, in the form provided in the tender documents.

The performance security will be discharged by Kenya Electricity Generating Company PLC and returned to the

Candidate not later than thirty (30) days following the date of completion of the Tenderer's performance obligations under the Contract, including any warranty obligations, under the Contract.

3.2 – Specify the Employers Representative

10.3 - Specify how often Management meetings will be held

14.5 – Define the terms of payment and advance payment if applicable

## SECTION IV

### SPECIFICATIONS, DRAWINGS AND BILLS OF QUANTITIES/SCHEDULE OF RATES

#### SPECIFICATIONS

KenGen has an existing fiber network between the various offices and power stations for corporate connectivity. Over time, these networks require maintenance and expansion. This tender document outlines the several specifications and tasks required to achieve the objective as per the tender name.

The main tasks will be as follows:

- i) Supply of a 4.0 KM long armoured outdoor 24 core singlemode fiber optic cable. This cable will be installed underground. Cable to be supplied shall be in one continuous roll.
- ii) Supply of a 1.0 KM long armoured **figure 8 (with catenary) aerial self-supporting fiber optic cable**. This cable will be strung/hoisted along an electricity line. Cable to be supplied shall be in one continuous roll.
- iii) Run the supplied underground armoured fiber cable between Olkaria Dispensary and Olkaria II Highway Junction. For this section, the overall works will be as follows:
  - Sixteen (16) fiber cores shall be spliced (fusion method) at the Outdoor Fiber Enclosure Kit outside the Olkaria Dispensary (splice-through to join the new cable towards Olkaria II and the old cable towards Geothermal Plaza) .Labelling and testing of all spliced fibers shall be done to ensure losses are within acceptable parameters.
  - At Olkaria II Highway Junction, Ten (10) fiber cores shall be spliced (fusion method) through to an existing cable going to Olkaria II Server Room using an Outdoor Fiber Enclosure. Labelling and testing of all spliced fibers will be done to ensure losses are within acceptable parameters.
  - At Olkaria II Highway Junction, Six(6) Fibers will be spliced (fusion method) into the supplied Overhead Outdoor Figure 8 Fiber Cable going to Highlift Pump House. Labelling and testing of all spliced fibers will be done to ensure losses are within acceptable parameters.
- iv) Run the supplied overhead cable between Olkaria II Highway Junction Outdoor Fiber Enclosure and Highlift Pump House indoor cabinet. For this section, the overall works will be as follows:
  - Six (6) fibers will be spliced (fusion method) into the new cable from Geothermal Plaza (splice through) towards Highlift Pump House. Labelling and testing of all spliced fibers will be done to ensure losses are within acceptable parameters.
  - Six (6) fibers will be spliced (fusion method) at Highlift Pump House into a 1U rack mount ODF to be supplied by KenGen. Labelling of ODF Ports & testing of fibers will be done to ensure losses are within acceptable parameters.
- v) Recover the old fiber optic cable between Olkaria Dispensary and Olkaria II Highway Junction and deliver it to a storage location/office to be identified by the client.
- vi) The underground and overhead fiber cables supplied will be used in all the fiber works. Any remaining materials after completion of the project will remain as KenGen property.
- vii) Training for SIX(6) KenGen Staff in FOA Certified Fiber Optic Specialist – Design (CFOS/D) certification course. This training SHALL be undertaken in an FOA(Fiber Optic Association) Accredited Training Center.



The bidder will be obligated to adhere to Fiber Optic installation BEST PRACTICES APPROACH when undertaking the works. This will include, but will not PLC to,:

- (a) Installers MUST have appropriate PPE during installation works (Helmets, Reflector Jackets, Safety Boots, Warning Tape etc.)
- (b) Burial depth will be at least 120cm (1.2Meters).
- (c) Observation of cable minimum and maximum bend radius.
- (d) Continuous Warning Tape MUST be put after partial burial (60cm) with the label facing up. The label shall be in Orange colour & shall be printed with the following words. **“CAUTION! BURIED FIBER OPTIC CABLE BELOW! “**
- (e) Full time inspection during trenching, placement, backfilling and restoration of cable.
- (f) The buried cable route should be as direct as possible without causing excessive damage to the roots of trees, shrubs, or other vegetation along the route.
- (g) Splice points should be located near road crossings or other obstacles where the cable will be fed through underground pipe or casings.
- (h) The buried cable route MUST be documented on as built construction drawings for future use. Any deviation between the planned cable route and “as built” cable route should be noted on the construction drawings and transferred to the permanent route drawings and maps.
- (i) The trench bottom shall be free of rocks, stones, and other debris that may damage the cable. The trench bottom should be raked free of all debris prior to cable placement. If the trench bottom contains rocks or debris that cannot be removed, a 2" layer of sand or rock-free spoil should be placed on the trench bottom prior to cable placing.
- (j) If the cable path crosses underground utilities or other obstacles, the adjacent utility must be exposed by hand digging to avoid damage and possible injury.
- (k) Do not pull the cable through the trench. The abrasive nature of the trench bottom and walls may cause severe jacket abrasion leading to cable damage and ground-fault failures.
- (l) At the ending splice location, slack cable must be pulled into the handhole, coiled, and stored for future splicing activities.

For the OVERHEAD FIGURE 8 Fiber Cable, the below will serve as just a guide during installation and does not relieve the bidder of their responsibility to undertake a neat, professional job while adhering to latest industry best practice. Any sub-standard work will be rejected.

- (a) Catenary Wire Accessories including but not PLC to metallic anchoring clamps must be galvanized to avoid rusting.
- (b) Clamps shall have grooved plates at the lower side for fastening the catenary wire.
- (c) Stiffness design is required so as to minimize fiber stress under storm conditions.
- (d) Special care must be taken during installation to observe the minimum recommended bend-diameter and the maximum rated cable load(MRCL) of the cable.
- (e) Installer must adhere to Cable design limits of pull tension, minimum bend and crush force.
- (f) Where the fiber cable changes direction, slack must be provided for so as to avoid sharp corners which lead to kinks.
- (g) Cable must be properly grounded/earthed during installation in the power line because fiber cable with metallic components can accumulate an electric potential when near power lines.
- (h) Anchoring shall be done on every pole using anchoring clamps to as to reduce cable tension.

1.	<b><u>SCHEDULE 1</u></b>			
	<b>SUPPLY OF ARMoured UNDERGROUND FIBER OPTIC CABLE (4.0 KILOMETRES LONG) FOR USE IN THE FIBER WORKS SPECIFIED IN THIS TENDER DOCUMENT.</b>			
	<u>Fiber Optic Cable Specifications:</u>			
	<b>Item</b>	<b>UOM</b>	<b>Minimum Specifications</b>	<b>Tenderer's Offer (Must be Filled)</b>
	Cores	PC	24	
	Cable Length	Meters	4000Metres <b>(Must be One continuous roll/Drum)</b>	
	Mode	N/A	Single Mode	
	Armouring	N/A	Corrugated Steel Armour	
	Area of Application		Buried Underground	
1.	<b><u>SCHEDULE 2</u></b>			
	<b>SUPPLY OF OVERHEAD FIGURE 8 FIBER OPTIC CABLE (1.0 KILOMETRE LONG) FOR USE IN THE FIBER WORKS SPECIFIED IN THIS TENDER DOCUMENT.</b>			
	<u>Fiber Optic Cable Specifications:</u>			
	<b>Item</b>	<b>UOM</b>	<b>Minimum Specifications</b>	<b>Tenderer's Offer (Must be Filled)</b>
	Cores	PC	24	
	Cable Length	Meters	1000Metres <b>(Must be One continuous roll/Drum)</b>	
	Mode	N/A	Single Mode	
	Special Features	N/A	Figure 8 Independent catenary wire/cable	
	Area of Application		Overhead	
	<b><u>SCHEDULE 3</u></b>			
2.	<b>FIBER WORKS: INSTALLATION OF UNDERGROUND ARMoured FIBER CABLE BETWEEN OLKARIA DISPENSARY AND OLKARIA II HIGHWAY JUNCTION.</b>			
	<u>Overview of Works:</u>			
	a) Trenching, Running of Fiber Cable, Backfilling of the Trench, Laying of Warning Tape, Splicing of Fiber, Testing and Labelling of all splices. b) Traces of all tests to be compiled in a report and availed as part of as-built documentation. c) GPS coordinates of all joints/enclosures must be also provided.			
	<u>Material Requirements:</u>			
	<b>ITEM</b>	<b>QTY</b>	<b>Minimum Specifications</b>	<b>Tenderer's Offer (Must Be Filled)</b>
	Outdoor Fiber Enclosure Kit	2	Material - Fully sealed & Waterproof For Underground Use Splice Provision for 24 cores Cable Entry Provision – 3	
	Single mode Fiber Pigtaills	40 Pieces	1 Meter long SC Connector Type	
	Cisco Single Mode SFPs	3	GLC-LX-SM	
	Cisco Multi Mode SFPs	3	GLC-SX-MMD	

3. **SCHEDULE 4**

**FIBER WORKS: INSTALLATION & TERMINATION OF OVERHEAD FIBER BETWEEN HIGHLIFT PUMP HOUSE AND OLKARIA HIGHWAY JUNCTION.**

Overview of Works:

- d) Hoisting the Fiber Cable, Splicing of Fiber, Testing and Labelling of all ODF Ports.
- e) **Earthing at Four (4) Points.** The locations will be as below and will utilize 8mm earth wires and 7 foot earth rods.
  - Olkaria II Highway Junction Fiber Enclosure Kit Location
  - Highlift Pump House Indoor Cabinet
  - Two Electricity Poles (To be decided during site visit)
- f) Traces of all tests to be compiled in a report and availed as part of as-built documentation.
- g) GPS coordinates of all joints/enclosures must be also provided.

Material Requirements:

Item	QTY	Minimum Specifications	Tenderer's Offer (Must Be Filled)
Rack Mount ODF	1	48 Port SC Connector Interfaces Size 1U Cable Inlet/Outlet – Rear Minimum of 2 Rear Cable Entry Provisions	

5. **SCHEDULE 5**

**Supply of 24 Port Switches and Fiber Toolkit.**

**Specifications as stated below:**

Item	QTY	Minimum Requirements	Tenderer's Offer (Must be filled)
24 Port Switch	5	<b><u>Switch Specifications</u></b>	
		Ports	24X10/100/1000 (PoE+)
		Power Over Ethernet	PoE+
		PoE Budget	435 Watt
		Performance	Switching Capacity: 88 Gbps  Stacking Bandwidth: 480 Gbps
		Flash Memory	2GB
		Authentication Method	Kerberos, SSH, RADIUS, TACACS+
		Status Indicators	Port transmission speed, port duplex mode, system,status,PoE
		Routing Protocol	RIP- 1,RIP-2,EIGRP,RIPng
		Form Factor	Desktop,rack mountable
		Advanced Switching	Layer 3
Features	ARP support, Access Control List (ACL) support, Cisco StackPower technology, StackWise-480 technology, DHCP snooping, Dynamic ARP		

			<p>Inspection (DAI), Dynamic Trunking Protocol (DTP) support, Energy Efficient Ethernet, Flexible NetFlow (FNF), IGMP snooping, IPv4 support, IPv6 support, Link Aggregation Control Protocol (LACP), MLD snooping, Multiple Spanning Tree Protocol (MSTP) support, PoE+, Port Aggregation Protocol (PAgP) support, Quality of Service (QoS), RADIUS support, Rapid Per-VLAN Spanning Tree Plus (PVRST+), Rapid Spanning Tree Protocol (RSTP) support, Remote Switch Port Analyzer (RSPAN), STP Root Guard, Shaped Round Robin (SRR), Syslog support, Trivial File Transfer Protocol (TFTP) support, Uni-Directional Link Detection (UDLD), VLAN support, Virtual Route Forwarding-Lite (VRF-Lite), auto-negotiation, auto-uplink (auto MDI/MDI-X), layer 3 load balancing, trunking</p> <table border="1"> <tr> <td>Manageable</td> <td>Yes</td> </tr> <tr> <td>Nominal Voltage</td> <td>AC 120/240VAC</td> </tr> <tr> <td>Frequency Required</td> <td>50/60Hz</td> </tr> <tr> <td>PoE Power</td> <td>30 Watt</td> </tr> <tr> <td>Warranty</td> <td></td> </tr> </table> <p><b><u>Switches MUST each come with the below modules:</u></b></p> <p><b><u>4- 1G Network Module with the following:</u></b>  Four (4) 1G Ethernet SFP Slots  Captive Screws  LEDs</p> <p>The switches supplied shall NOT be end of life in the next at least three (3) years from anticipated date of delivery.</p>	Manageable	Yes	Nominal Voltage	AC 120/240VAC	Frequency Required	50/60Hz	PoE Power	30 Watt	Warranty		
Manageable	Yes													
Nominal Voltage	AC 120/240VAC													
Frequency Required	50/60Hz													
PoE Power	30 Watt													
Warranty														
FIS Basic Fiber Toolkit	1	<p>The Toolkit must have the below tools at the minimum:</p> <ul style="list-style-type: none"> <li>PVC Electrical Tape</li> <li>• 2 oz. Cleaning Solvent</li> <li>• Fiber Stripper</li> <li>• FIS Connector Cleaner</li> <li>• Kevlar Scissors</li> <li>• Jacket Stripper</li> </ul>												

		<ul style="list-style-type: none"> <li>• Buffer Tube Stripper</li> <li>• Round Cable Slitter</li> <li>• 6” Side Cutting Pliers</li> <li>• (50) Foam Swabs</li> <li>• Cleaning Tissue</li> <li>• Utility Knife</li> <li>• Tweezers</li> <li>• Needle Nose Pliers</li> <li>• Piano Wire</li> <li>• Fiber Optic Wipes</li> <li>• 4 Bit Screwdriver</li> <li>• Black Marker</li> <li>• Safety Glasses</li> <li>• (5) Fusion Splice Sleeve 60mm</li> <li>• Black Work Mat</li> <li>• Fiber Disposal Unit</li> <li>• Ruler</li> <li>• Fabric Tape Measure</li> <li>• ½” Nut Driver</li> <li>• (3) Economy Tie Labels</li> <li>• Rugged Carry Case</li> <li>• Shrink Tube Kit</li> <li>• 1Mtr 3mm Furcation</li> <li>1Mtr 900µm Furcation</li> </ul>	
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## II. BILL OF QUANTITIES SUMMARY / SCHEDULE OF RATES

NO.	ITEM DESCRIPTION	QUANTITY	UNIT PRICE (KShs)	TOTAL COST (KShs)
1.	Armoured outdoor 24 Core Single Mode Fiber Optic Cable <b>(Must be One continuous roll/Drum)</b>	4 (KM)		
2.	Armoured 24 Core Single Mode Outdoor Figure 8 Fiber Optic Cable <b>(Must be One continuous Roll/Drum)</b>	1 (KM)		
3.	Fiber Works Between Olkaria Dispensary & Olkaria II Highway Junction a) Trenching, Running of Fiber Cable, Backfilling of the Trench, Laying of Warning Tape, Splicing of Fiber, Testing and Labelling of all ODF Ports. b) Traces of all tests to be compiled in a report and availed as part of as-built documentation. c) GPS coordinates of all joints/enclosures must be also provided.	LOT		
3.	Fiber Works Between Highlift Pump House and Olkaria Dispensary: a) Trenching, Running of Fiber Cable, Backfilling of the Trench, Laying of Warning Tape, Splicing of Fiber, Testing and Labelling of all ODF Ports. b) Traces of all tests to be compiled in a report and availed as part of as-built documentation. c) GPS coordinates of all joints/enclosures must be also provided.	LOT		
4.	Fiber Works - Recovery of Fiber Optic cable between Olkaria Dispensary and Olkaria II Highway Junction.	LOT		
5.	Outdoor Fiber Enclosure Kit	2 (Pcs)		
7.	Single mode Fiber Pigtails (1 Meter Long)	40 (Pcs)		
8.	Cisco Single Mode SFPs	3 (Pcs)		
9.	Cisco Multi Mode SFPs	3 (Pcs)		
10.	Fiber Warning Tape. The tape should be ORANGE in colour with the below writing in BLACK:  <b>CAUTION! BURIED FIBER OPTIC CABLE BELOW!</b>	4 (KM)		

11.	24 Port POE+ switches	5		
12.	FIS Fiber Optic Basic Toolkit	1		
13.	Training for SIX (6) KenGen Staff in FOA Certified Fiber Optic Specialist – Design (CFOS/D) certification course. This training SHALL be undertaken in an FOA(Fiber Optic Association) Accredited Training Center.  The Bidder <b>MUST</b> explicitly specify the location where the training will be held.	6		
	(i)			
	(ii)			
	(iii)			
	(iv)			
<b>SUB-TOTAL</b>				
<b>Discount (%) indicate</b>				
<b>Other Charges ( Specify)</b>				
<b>ADD 16% VAT</b>				
<b>GRAND TOTAL</b>				

**SECTION V**

**STANDARD FORM**

**FORM OF TENDER**

Date \_\_\_\_\_

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

To: \_\_\_\_\_

\_\_\_\_\_  
*[name and address of procuring entity]*

Gentlemen and/or Ladies:

1. Having examined the tender documents including Addenda Nos. .... *[insert numbers]*.the receipt of which is hereby duly acknowledged, we, the undersigned, offer to supply deliver, install and commission ( ..... *(insert equipment description)* in conformity with the said tender documents for the sum of ..... *(total tender amount in words and figures)* or such other sums as may be ascertained in accordance with the Schedule of Prices attached herewith and made part of this Tender.

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

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

4. We agree to abide by this Tender for a period of **120 days** from the date fixed for tender opening of the Instructions to tenderers, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

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

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

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_

\_\_\_\_\_  
[signature]

\_\_\_\_\_  
[in the capacity of]

Duly authorized to sign tender for an on behalf of \_\_\_\_\_

**Note:** In accordance with **Clause 82** of the **Public Procurement and Asset Disposal Act 2015**  
**“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 any way by any person or entity.**



## CONTRACT FORM

**THIS AGREEMENT** made the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_ between .....  
[*name of the Employer*] of ..... [*country of the Employer*] (hereinafter called "**the Employer**") of  
the one part and ..... [*name of the Supplier*] of ..... [*city and country of the  
Supplier*] (hereinafter called "**the Supplier**") of the other part;

**WHEREAS the Employer** invited tenders for ..... ] and has accepted a tender by the tenderer for  
the supply of ..... in the sum of ..... [*contract price in words and  
figures*] (hereinafter called "the Contract Price).

### **NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:**

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to:
2. The following documents shall be deemed to form and be read and construed as part of this Agreement viz:
  - (a) the Tender Form and the Price Schedule submitted by the tenderer
  - (b) the Schedule of Requirements
  - (c) the Technical Specifications
  - (d) the General Conditions of Contract
  - (e) the Special Conditions of contract; and
  - (f) the Procuring entity's Notification of Award and Tenderer's Acceptance
  - (g) Applicable addenda and clarifications
3. In consideration of the payments to be made by the Procuring entity to the tenderer as hereinafter mentioned, the tenderer hereby covenants with the Procuring entity to provide the goods and to remedy defects therein in conformity in all respects with the provisions of the Contract
4. The Procuring entity hereby covenants to pay the tenderer in consideration of the provisions of the goods and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the contract.

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

Signed by \_\_\_\_\_ the \_\_\_\_\_ (for the Procuring entity

Signed by \_\_\_\_\_ the \_\_\_\_\_ (for the tenderer in the presence of \_\_\_\_\_  
\_\_\_\_\_

*(Amend accordingly if provided by Insurance Company)*

**MANDATORY CONFIDENTIAL BUSINESS QUESTIONNAIRE**

*(Must be filled by all applicants or Tenderers' who choose to participate in this tender)*

Name of Applicant(s).....

You are requested to give the particulars in Part 1 and either Part 2 (a), 2 (b) or 2 (c), whichever applies to your type of business. Part 2 (d) to part 2 (i / j) must be filled. You are advised that giving wrong or false information on this Form will lead to automatic disqualification of your tender or termination of your contract or debarment of your firm at your cost.

**Part 1 – General**

Business Name:.....Certificate of Incorporation / Registration No. ....Location of business premises:

Country .....Physical address .....

Town .....Building.....

Floor.....Plot No. ....

Street / Road .....Postal Address .....

Postal / Country Code.....Telephone No's.....

Fax No's. ....E-mail address

Website

.....  
Contact Person (*Full Names*) ..... Direct / Mobile No's.....

Title ..... Power of Attorney (**Yes / No**)

If **yes**, attach written document.

Nature of Business (*Indicate whether manufacturer, distributor, etc*)

.....

**(Applicable to Local suppliers only)**

Local Authority Trading License No. .... Expiry Date .....

KRA PIN No.....

Value of the largest single assignment you have undertaken to date (**US D/KShs**)

.....

Was this successfully undertaken? **Yes / No**. ....(If **Yes**, attach reference)

Name (s) of your banker (s)

.....

Branches ..... Tel. No's. ....

**Part 2 (a) – Sole Proprietor (if applicable)**

Full names

.....  
Nationality..... Country of Origin.....  
.....

Company Profile ..... (*Attach brochures or annual reports in case of public company*)

**Part 2 (b) – Partnerships (if applicable)**

Give details of partners as follows:

**Full Names Nationality Citizenship Details Shares**

- 1. ....
- 2. ....

Company Profile .....

**Part 2 (c) – Registered Company (if applicable - as per the CR12 form)**

Private or public .....

Company Profile ..... (*Attach brochures or annual reports in case of public companies*)

State the nominal and issued capital of the Company

Nominal KShs .....

Issued KShs .....

List of top ten (10) shareholders and distribution of shareholding in the company. Give details of all directors as follows:-

**Full Names Nationality Citizenship Details Shares**

- 1.....
- 2.....

**Part 2 (d) – Debarment**

I/We declare that I/We have not been debarred from any procurement process and shall not engage in any fraudulent, corrupt, coercive and obstructive acts with regard to this or any other tender by the KENGEN and any other public or private institutions.

Full Names

.....

Signature

.....

Dated this.....day of

.....2019.

In the capacity of

.....

Duly authorized to sign Tender for and on behalf of

.....

**Part 2 (e) – Bankruptcy / Insolvency / receivership.**

I/We declare that I/We have not been declared bankrupt or insolvent by the competent Authorities in Kenya and neither are we under receivership:

Full Names

.....  
Signature

.....  
Dated this.....day of .....2019.

In the capacity of

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

**Part 2 (f) – Criminal Offence**

I/We, (Name (s) of Director (s)):-

a) .....

b) .....

Have not been convicted of any criminal offence relating to professional conduct or the making of false statements or misrepresentations as to its qualifications to enter into a procurement contract within a period of three (3) years preceding the commencement of procurement proceedings.

Signed .....  
For and on behalf of M/s

.....  
In the capacity of

.....  
Dated this.....day of .....2019.

Suppliers' / Company's Official Rubber Stamp

**Part 2 (g) – Conflict of Interest**

I/We, the undersigned state that I / We have no conflict of interest in relation to this procurement:

a) .....

b) .....

For and on behalf of M/s

.....  
In the capacity of

.....  
Dated this.....day of .....2019

Suppliers' / Company's Official Rubber Stamp

.....

**Part 2 (h) – Interest in the Firm:**

Is there any person/persons in KENGEN or any other public institution who has interest in the Firm? Yes/No ..... (Delete as necessary)  
 Institution.....

.....  
 (Title) (Signature) (Date)

**Part 2(i) – Experience: NOTE: THIS SECTION IS MANDATORY ONLY IF IT FORMS PART OF TECHNICAL EVALUATION. IT'S ALSO NOT NECESSARY FOR ALREADY PRE-QUALIFIED OR DIRECT PROCUREMENT FIRMS. ITS ALSO NOT APPLICABLE FOR AGPO FIRMS TENDERS.**

Please list here below similar projects accomplished or companies / clients you have supplied with similar items or materials in the years prescribed.

	Company Name	Country	Contract/Order No.	Value	Contact person (Full Name)	E-mail address	Cell phone No.
1							
2							

**Part 2 (i or j) – Bank account details:**

AGPO firms must provide evidence from their bank that the account to which KenGen shall make payment has a youth or a woman or a PWD listed in the **CR12 form/partnership deed/sole proprietor certificate** as a MANDATORY signatory of that account,- Sec.157 (11) of PPADA:

Account No:.....Name of the person(s) in the CR12 form OR in the partnership deed OR in the sole proprietor certificate.....  
 ID No(s):...../.....Signature and stamp of the authorized Banker Representative.....Date.....

**Part 2(j or k) – Declaration**

I / We, the undersigned state and declare that the above information is correct and that I / We give KENGEN authority to seek any other references concerning my / our company from whatever sources deemed relevant, e.g. Office of the Registrar of Companies, Bankers, etc.

Full names

.....

Signature.....

For and on behalf of M/s

.....

In the capacity of

.....  
Dated this .....day of  
.....2019.

Suppliers' / Company's Official Rubber Stamp  
.....

## **TENDER SECURING DECLARATION FORM**

*[If required, the **Bank /Tenderer** shall fill in this Guarantee form in accordance with the instructions indicated in brackets.]*

*[Insert bank's name, and address of issuing branch or office]*

**Beneficiary:** *[insert name and address of Procuring Entity]*

**Date:** *[insert date]*

**TENDER GUARANTEE No.:** *[insert number]*

We have been informed that *[insert name of the Tenderer; if a joint venture, list complete legal names of partners]* (hereinafter called "the Tenderer") has submitted to you its Tender dated *[insert date]* (hereinafter called "the Tender") for the execution of *[insert name of Contract]* under Invitation for Tenders No. *[insert IFT number]* ("the IFT").

Furthermore, we understand that, according to your conditions, Tenders must be supported by a Tender Guarantee.

At the request of the Tenderer, we *[insert name of bank ]* hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of *[insert amount in figures expressed in the currency of the Purchaser's Country or the equivalent amount in an international freely convertible currency]* (*[insert amount in words]*) upon receipt by us of your first demand in writing accompanied by a written statement stating that the Tenderer is in breach of its obligation(s) under the Tender conditions, because the Tenderer;

- a) Has withdrawn its Tender during the period of Tender validity specified by the Tenderer in the Form of Tender; or
- b) Does not accept the correction of errors in accordance with the Instructions to Tenderers (hereinafter "the ITT") of the IFT; or
- c) Having been notified of the acceptance of its Tender by the Procuring Entity during the period of Tender validity;
  - (i). Fails or refuses to execute the Contract Form, if required, or
  - (ii). Fails or refuses to furnish the Performance Security, in accordance with the ITT.

This Guarantee shall expire;

- a) If the Tenderer is the successful Tenderer, upon our receipt of copies of the Contract signed by the Tenderer and of the Performance Security issued to you by the Tenderer; or
- b) If the Tenderer is not the successful Tenderer, upon the earlier of;
  - (i) Our receipt of a copy of your notification to the Tenderer that the Tenderer was unsuccessful, or
  - (ii) Thirty days after the expiration of the Tenderer's Tender.

Consequently, any demand for payment under this Guarantee must be received by us at the office on or before that date.

\_\_\_\_\_  
*[signature(s) of authorized representative(s)]*

 *[Signature of the bank]*\_\_\_\_\_

*(Amend accordingly if provided by Insurance Company)*



**PERFORMANCE SECURITY FORM**

(To be on the Banks Letterhead)

To .....

*[name of Procuring entity]*

**WHEREAS** ..... *[name of tenderer]* (hereinafter called “the tenderer”) has undertaken , in pursuance of Contract No. \_\_\_\_\_ *[reference number of the contract]* for dated \_\_\_\_ 20 \_\_\_\_\_ to supply ..... *[description of goods]* (hereinafter called “the Contract”).

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

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

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

This guarantee is valid until the \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_

Signed and seal of the Guarantors

\_\_\_\_\_ *[name of bank or financial institution]*

\_\_\_\_\_ *[address]*

\_\_\_\_\_ *[date]*

**BANK GUARANTEE FOR ADVANCE PAYMENT**  
**(On bank letterhead)**

To: \_\_\_\_\_ [name of Employer] \_\_\_\_\_ (Date)  
\_\_\_\_\_ [address of Employer]

Gentlemen,

Ref: \_\_\_\_\_ [name of Contract]

In accordance with the provisions of the Conditions of Contract of the above- mentioned Contract, We, \_\_\_\_\_ [name and Address of Contractor] (hereinafter called "the Contractor") shall deposit with \_\_\_\_\_ [name of Employer] a bank guarantee to guarantee his proper and faithful performance under the said Contract in an amount of Kshs. [amount of Guarantee in figures] Kenya Shillings \_\_\_\_\_ [amount of Guarantee in words].

We, \_\_\_\_\_ [bank or financial institution], as instructed by the Contractor, agree unconditionally and irrevocably to guarantee as primary obligator and not as Surety merely, the payment to \_\_\_\_\_ [name of Employer] on his first demand without whatsoever right of objection on our part and without his first claim to the Contractor, in the amount not exceeding Kshs \_\_\_\_\_ [amount of Guarantee in figures] Kenya Shillings \_\_\_\_\_ [amount of Guarantee in words], such amount to be reduced periodically by the amounts recovered by you from the proceeds of the Contract.

We further agree that no change or addition to or other modification of the terms of the Contract or of the Works to be performed thereunder or of any of the Contract documents which may be made between \_\_\_\_\_ [name of Employer] and the Contractor, shall in any way release us from any liability under this guarantee, and we hereby waive notice of any such change, addition or modification.

No drawing may be made by you under this guarantee until we have received notice in writing from you that an advance payment of the amount listed above has been paid to the Contractor pursuant to the Contract.

This guarantee shall remain valid and in full effect from the date of the advance payment under the Contract until \_\_\_\_\_ (name of Employer) receives full payment of the same amount from the Contract.

Yours faithfully,

Signature and Seal \_\_\_\_\_

Name of the Bank or financial institution \_\_\_\_\_

Address \_\_\_\_\_

Date \_\_\_\_\_

Witness:      Name: \_\_\_\_\_

                  Address: \_\_\_\_\_

                  Signature: \_\_\_\_\_

                  Date: \_\_\_\_\_