



TENDER NO. KP1/9A.2/OT/075/RA/22-23
FOR PROVISION OF LEGAL AND GOVERNANCE AUDIT SERVICES

MAY 2023

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

(E-PROCUREMENT OPEN TENDER SYSTEM)

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ABBREVIATIONS AND ACRONYMS

1. AO	Accounting Officer
2. CS	Certified Secretary ((formerly Certified Public Secretary (K)
3. FY	Fiscal Year /Financial Year
4. GCC	General Conditions of Contract
5. ICT	Information, Communication Technology
6. ICPAK	Institute of Certified Public Accountants of Kenya
7. ITT	Instructions to Tenderers
8. JV	Joint Venture
9. KRA	Kenya Revenue Authority
10. KSL	Kenya School of Law
11. KSh.	Kenya Shilling
12. LSK	Law Society of Kenya
13. LPO/LSO	Local Purchase Order/Local Service Order
14. PE	Procuring Entity
15. PPAD	Public Procurement and Asset Disposal Act, 2015
16. PPRA	Public Procurement Regulatory Authority
17. NSE	Nairobi Securities Exchange
18. SD	Self-Declaration Forms
19. SLA	Service Level Agreement
20. STD	Standard Tender Document
21. TDS	Tender Data Sheet
22. TEC	Tender Evaluation Committee
23. TOR	Terms of Reference
24. VAT	Value Added Tax

2. INVITATION TO TENDER

DATE: MAY 2023

TENDER NO: KP1/9A.2/OT/075/RA/22-23

NAME: PROVISION OF LEGAL AND GOVERNANCE AUDIT SERVICES

2.1 Introduction

The Kenya Power & Lighting Company Plc (KPLC) invites bids from eligible Tenderers for **Provision of Legal and Governance Audit Services**. Interested eligible Tenderers may obtain further information from the General Manager, Supply Chain & Logistics, The Kenya Power & Lighting Company Plc at Stima Plaza, 3rd Floor, Kolobot Road, P.O. Box 30099 – 00100 Nairobi, Kenya.

2.2 Obtaining Tender Document

Tender Documents detailing the requirements may be obtained from the KPLC E- Procurement Portal - **RFx No 1000002283** Prospective Tenderers may also download the Tender Document from KPLC website (www.kplc.co.ke) free of charge

In either case those who obtain or download the Tender Document from KPLC are required to email their name, email address, physical address and telephone contacts to the electronic mail addresses provided on the cover page of this Tender Document.

2.3 Submission of Tender Documents

Completed Tenders are to be submitted in electronic format through KPLC's E-procurement portal on the due date and time published on the portal. Tenderers are required to visit the portal from time to time for revised closing dates and addendums. The Tender is to be submitted **online** on or before the submission date and time indicated on the **KPLC tendering portal**.

2.4 Tender Closing Date and Time

Tender closing date and time is as specified in KPLC's tendering portal.

2.5 Prices, Currency and Validity

Offered price should be inclusive of all taxes, duties, levies. It must be in Kenya Shillings and remain valid for **one hundred and eighty (180) days** from the closing date of the Tender.

2.6 Opening of Submitted Tenders

Tenders will be opened promptly thereafter in the presence of the Tenderer's or their representatives who choose to attend in the **Auditorium, Stima Plaza, Parklands, Nairobi**. Health protocols during opening **must** be observed.

PART 1 - TENDERING PROCEDURES

Section I – Instructions to Tenderers

3. Definition of Terms

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

- a) *Any reference to any Act shall include any statutory extension, amendment, modification, re-amendment or replacement of such Act and any rule, regulation or order made there-under*
- b) *“Date of Tender Document” shall be the **start date** specified on the KPLC tendering portal*
- c) *“Day” means calendar day unless otherwise specified as “Business Day”. A Business Day is any day that is an official working day at KPLC*
- d) *“KEBS” wherever appearing means the Kenya Bureau of Standards or its successor(s) and assign(s) where the context so admits*
- e) *“Month” means calendar month*
- f) *“PPRA” wherever appearing means The Public Procurement Regulatory Authority or its successor(s) and assign(s) where the context so admits*
- g) *“The Procuring Entity” means The Kenya Power & Lighting Company Plc or its successor(s) and assign(s) where the context so admits (hereinafter abbreviated as KPLC or the brand-name Kenya Power)*
- h) *“The Services” means the myriad of Legal Audit Services and Governance Audit Services*
- i) *Reference to “the Tender” or the “Tender Document” includes its appendices and documents mentioned hereunder and any reference to this Tender or to any other document includes a reference to the other document as varied supplemented and/or replaced in any manner from time to time*
- j) *“The Tenderer” means the firm (s) submitting its Tender for the provision of Legal and Governance Audit Services in response to the Invitation to Tender. Where there are two or more firms included in the expression the “Tenderer”, any act or default or omission by the Tenderer shall be deemed to be an act, default or omission by any one or more of such firms*
- k) *The term “in writing” means communicated in written form (e.g. by mail, e-mail, including if specified in the TDS, distributed or received through the electronic procurement system used by KPLC)*
- l) *Words importing the masculine gender only, include the feminine gender or (as the case may be) the neutral gender*
- m) *Words importing the singular number only include the plural number and vice-versa and where there are two or more persons included in the expression the “Tenderer” the covenants, agreements and obligations expressed to be made or performed by the Tenderer shall be deemed to be made or performed by such persons jointly and severally*

4. Scope of Tender

4.1 KPLC, as specified in the TDS, issues this Tendering Document for the provision of Legal and Governance Audit Services as specified in ‘Section V - Schedules of Services Requirements’ and in the ‘Details of Service’.

4.2 The Tender shall be managed as specified in the TDS.

5. Fraud and Corruption

- 5.1 Consultant firms or any of its members shall not be involved in corrupt, coercive, obstructive, collusive or fraudulent practice. Consultant firms or any of its members that are proven to have been involved in any of these practices shall be automatically disqualified and would not be awarded a contract. Tenderers will be required to fill, complete and sign Form SD2.
- 5.2 Tenderers shall permit and shall cause their agents (whether declared or not), subcontractors, sub-consultants, service providers, suppliers and their personnel to permit PPRA to inspect all accounts, records and other documents relating to any, tender submission, proposal submission and contract performance (in the case of award), and to have them audited by auditors appointed by PPRA.
- 5.3 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 service being tendered for.

6. Eligible Tenderers

- 6.1 Tenderer may be a private entity or a state-owned enterprise or institution subject to ITT 6.6
- 6.2 A Tenderer shall not have a conflict of interest. All Tenderers found to have a conflict of interest shall be disqualified. A Tenderer may be considered to have a conflict of interest with one or more parties in this tendering process, if –
- 6.1.1 Directly or indirectly controls, is controlled by or is under common control with another Tenderer; or
- 6.1.2 Receives or has received any direct or indirect subsidy from another Tenderer; or
- 6.1.3 Has the same legal representative for purposes of this tender; or
- 6.1.4 Has a relationship with another Tenderer, directly or through common third parties, that puts them in a position to have access to information about or influence on the Tender of another Tenderer, or influence the decisions of KPLC regarding this Tendering process; or
- 6.1.5 Any of its affiliates participated as a consultant in the preparation of the design or technical specifications of any works related to the services that are the subject of the Tender;
- 6.1.6 Any of its affiliates has been hired (or is proposed to be hired) by KPLC or as KPLC's Representative for the Contract; or
- 6.1.7 Has a close business or family relationship with a professional staff of KPLC or of the project implementing agency, 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 KPLC.
- 6.3 Subject to as is provided under PPAD, staff of KPLC, their relatives, 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. Subject to as is provided under PPAD, public officers are also not allowed to participate in any procurement proceedings.

- 6.4 A Tenderer may have the nationality of any country, subject to the restrictions pursuant to ITT 6.8. 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 maybe. This criterion also shall apply to the determination of the nationality of proposed subcontractors or sub-consultants for any part of the Contract including related services.
- 6.5 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.
- 6.6 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 are legally and financially autonomous.
- 6.7 A Tenderer shall not be under suspension from tendering by KPLC as the result of the operation of a Tender–Securing or Proposal-Securing Declaration.
- 6.8 Tenderers and individuals may be ineligible if so indicated in this Tender Document and -
- 6.8.1 As a matter of law or official regulations, Kenya prohibits commercial relations with that country; or
- 6.8.2 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, person, or entity in that country.
- 6.9 A Tenderer shall provide such documentary evidence of eligibility satisfactory to KPLC as KPLC shall reasonably request.

7. Preferences and Reservations

- 7.1 Preferences and reservations for the certified Youth, Women and Persons with Disabilities will be applied as per PPAD.

8. Composition of Tender Document

- 8.1 This Tendering Document consists of Parts 1, 2, and 3, which include all the sections indicated below and should be read in conjunction with any addenda issued in accordance with ITT 10. These Parts are –
- 8.1.1 Part 1 - Tendering Procedures
- a) Section I - Instructions to Tenderers (ITT)

- b) Section II - Tender Data Sheet (TDS)
- c) Section III - Evaluation and Qualification Criteria
- d) Section IV - Tendering Forms

8.1.2 Part 2 - Services' Requirements

- a) Section V – Schedules of Services Requirements

8.1.3 Part 3 - Conditions of Contract and Contract Forms

- a) Section VI - General Conditions of Contract
- b) Section VII – Special Conditions of Contract
- c) Section VIII- Contract Forms

8.2 Unless obtained directly from KPLC, KPLC is not responsible for the completeness of the document, responses to requests for clarification, 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 KPLC shall prevail.

8.3 The Tenderer is expected to examine all instructions, forms, terms, and specifications in the Tendering Document. Failure to furnish all information or documentation required by the Tendering Document may result in the rejection of the Tender.

9. Clarification of Tender Document

9.1 A Tenderer requiring any clarification of the Tender Document shall contact KPLC in writing at KPLC's email addresses on the cover page of the Tender Document. KPLC will respond in writing to any request for clarification, provided that such request is received no later than four (4) days prior to the deadline for submission of tenders. KPLC shall forward copies of its response to all Tenderers who have acquired the Tender Documents in accordance with ITT 8.2, including a description of the inquiry but without identifying its source. KPLC shall also promptly publish its response on the KPLC SAP tendering portal. Should the clarification result in changes to the essential elements of the Tender Documents, KPLC shall amend the Tender Documents appropriately following the procedure under ITT 10.

10. Amendment of Tender Document

10.1 At any time prior to the deadline for submission of Tenders, KPLC 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 KPLC in accordance with ITT 8.2. KPLC shall also promptly publish the addendum on KPLC's webpage in accordance with ITT 9.1.

10.3 To give prospective Tenderers reasonable time in which to take an addendum into account in preparing their Tenders, KPLC shall extend, as necessary, the deadline for submission of Tenders, in accordance with ITT 22.2.

11. Cost of Tendering

11.1 The Tenderer shall bear all costs associated with the preparation and submission of its Tender, and KPLC 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 KPLC, shall be written in 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 same 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 shall comprise two Parts, namely the Technical Proposal and the Financial Proposal. Technical and Financial proposals shall be submitted electronically through the KPLC SAP tendering portal in PDF form.

13.1.1 The Technical Proposal shall contain the following: –

- a) Form of Tender and Technical Proposal prepared in accordance with ITT 15 and 20
- b) Tender Security or Tender- Securing Declaration in accordance with ITT 16
- c) Authorization: written document authorizing the signatory of the Tender to commit the Tenderer, in accordance with ITT 20.3
- d) Conformity: Methodology and Approach in accordance with ITT 14
- e) Tenderer's Qualifications. Documents establishing the qualifications of the Tenderer in accordance with ITT 17.

13.1.2 The Financial Proposal shall contain the following: -

- a) Form of Tender for Financial Proposal prepared in accordance with ITT 13.3, 15 and 20
- b) Price Schedules: completed and prepared in accordance with ITT 13.3 and ITT 15

13.2 The Technical Proposal shall not include any financial information related to the Tender price.

13.3 The Financial Proposal –

13.3.1 Shall consist of a completed and properly executed Tender Price Form. The Price Schedule is included in Section IV of this Tendering Document. Tenderers shall complete the Price Schedule in full and shall not amend or change the form in any way

13.3.2 the Tenderer may quote its prices in accordance with ITT 18.

13.3.3 shall contain all duties, taxes, and other levies payable by the Contractor under the Contract, or for any other cause, as of the date 28 days prior to the deadline for submission of Tenders, shall be included in the rates and prices and the total Tender Price submitted by the Tenderer.

13.3.4 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.

13.3.5 Any other information as stipulated in Section IV, Tendering Forms.

14. Documents Comprising the Methodology and Approach

14.1 The Methodology and Approach shall consist of the following sub-parts: -

14.1.1 A detailed work plan (hereinafter referred to as the Work Plan) using the corresponding form included in Section IV, Tendering Forms, setting out the manner in which the Tenderer proposes to carry out the Services as defined in the Contract and to meet any performance targets specified in the Contract

14.1.2 A detailed key staffing plan (hereinafter referred to as the Staffing Plan) setting out the Tenderer's proposed key staffing arrangements as they relate to the requirements in the included in Section V, Schedule of Services Requirements.

15. Forms of Tender

15.1 Each Tenderer shall provide a completed Form of Tender – Technical Proposal and Form of Tender – Financial Proposal 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 24. All blank spaces shall be filled in with the information requested.

16. Tender Security

16.1 The Tenderer shall furnish as part of the Technical Proposal of its Tender, either a Tender-Securing Declaration or a Tender Security as specified **in the TDS**. If a Tender Security is specified, the Tender Security shall be in the amount and currency specified **in the TDS**.

16.2 Any Tender not accompanied by a substantially responsive Tender Security or Tender-Securing Declaration shall be rejected by KPLC as non-responsive.

16.3 The Tender Security shall be returned/released as promptly as possible upon any of the following occurrences: -

16.5.1 The procurement proceedings are terminated

16.5.2 KPLC determines that none of the submitted Tenders is responsive

16.5.3 A Tenderer declines to extend the Tender validity

16.5.4 Once the successful Tenderer has signed the Contract and furnished the required Professional Indemnity Cover.

16.4 The Tender Security may be forfeited:–

16.6.1 If a Tenderer withdraws its Tender during the period of validity of tenders, except as provided in ITT 24; or

16.4.2 If the successful Tenderer fails to –

- a) Sign the Contract in accordance with ITT 50; or
- b) Furnish a Professional Indemnity Cover in accordance with ITT 52.

17. Documents Establishing the Eligibility and Qualifications of the Tenderer

17.1 Tenderers shall complete the Form of Tender and all the Tendering Forms included in Section IV to establish their eligibility in accordance with ITT 6.

17.2 The documentary evidence of the Tenderer's qualifications to perform the Contract if its Tender is accepted shall establish to KPLC's satisfaction that the Tenderer meets each of the qualification criterion specified in Section III - Evaluation and Qualification Criteria.

17.3 Pursuant to ITT 6, the Tenderer shall furnish, as part of its Tender, documents establishing the Tenderer's eligibility to tender and its qualifications to execute and complete the Services in the contract if its Tender is accepted. The documentary evidence of the Tenderer's qualifications to perform the contract if its Tender is accepted shall be established to KPLC's satisfaction that the Tenderer has the technical and financial capability necessary to perform the contract. The Tenderer shall be required to provide –

17.3.1 Audited Financial Statements (Audited Accounts) that are reported within eighteen (18) calendar months of the Date of the Tender Document. The Statements must be stamped and signed by the Auditors who must be currently registered by ICPAK

17.3.2 For firms that are registered or incorporated within the last one calendar year of the Date of the Tender Document, they should submit certified copies of bank statements covering a period of at least six (6) months prior to the Date of the Tender Document. The copies should be certified by the Bank issuing the statements.

17.3.3 A valid and current Tax Compliance Certificate (TCC) issued by KRA. The Tenderer is strongly advised to confirm the authenticity of the TCC with KRA's Compliance Department to avoid rejection of its Tender

17.3.4 That the Tenderer has the technical and management capability necessary to perform the contract. These include:-

- a) Documents showing qualifications and experience of key technical personnel proposed for the Contract
- b) The Tenderer's undertaking that the key technical personnel will be available for the contract
- c) That the Tenderer is duly registered and currently recognized by the Law Society of Kenya (LSK) as a law firm in good standing. The Tenderer will also furnish KPLC with a copy of the firm's registration certificate.

18. Currency of Tender and Payment

18.1 The currency of the Tender and the currency of payments shall be the same. The Tenderer shall quote in Kenya Shillings. Payments shall be made in Kenya Shillings.

18.2 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

schedule of rates in the Tender, will be adjusted by a plus or minus percentage.

19. Period of Validity of Tenders

19.1 Tenders shall remain valid for the period of **one hundred and eighty (180) days** from the Tender submission deadline date prescribed by KPLC. A Tender valid for a shorter period shall be rejected by KPLC as non-responsive.

19.2 In exceptional circumstances, prior to the expiration of the Tender validity period, KPLC 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 16, it may also be extended for thirty (30) days 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.

20. Format and Signing of Tender

20.1 The Tenderer shall prepare one original of the Technical Part and one original of the Financial Part as described in ITT 12.1. The original shall be signed by a person duly authorized to sign on behalf of the Tenderer. The name and position held by each person signing the Tender must be typed or printed below the signature. Technical and Financial proposals shall be submitted electronically through the KPLC SAP tendering portal in PDF form.

21. Sealing and Marking of Tenders

21.1 The Tenderer shall submit its Tender or its modifications electronically in PDF form to KPLC through the KPLC SAP tendering portal and received by KPLC no later than the deadline specified in KPLC's tendering portal, or any extension to this deadline.

22. Deadline for Submission of Tenders

22.1 Tenders must be received by KPLC at the address and no later than the date and time specified in KPLC's tendering portal. Tenderers shall follow the electronic Tender submission procedures specified in KPLC's tendering portal.

22.2 KPLC may, at its discretion, extend the deadline for the submission of Tenders by amending the Tendering Document in accordance with ITT 10, in which case all rights and obligations of KPLC and Tenderers previously subject to the deadlines shall thereafter be subject to the deadline as extended.

23. Late Tenders

23.1 KPLC shall not consider any Tender that arrives after the deadline for submission of Tenders, in accordance with ITT 22. Any Tender received by KPLC after the deadline for submission of Tenders shall be declared late, rejected and shall not be accepted. s

24. Withdrawal, Substitution and Modification of Tenders

- 24.1 A Tenderer may withdraw or modify its Tender after it has been submitted by sending a written notice, duly signed by an authorized representative before the Tender closing date and time indicated in the KPLC tendering portal.
- 24.2 A Tenderer's modification, substitution or withdrawal must be done through the KPLC tendering portal.
- 24.3 No Tender may be withdrawn, substituted, or modified in the interval between the deadline for submission of Tenders and the expiration of the period of Tender validity specified by the Tenderer on the Form of Tender Form or any extension thereof.

25. Public Opening of Technical Proposals

- 25.1 Except as in the cases specified in ITT 24 and ITT 25.2, KPLC shall at the single Tender opening, publicly open and read out, in accordance with this ITT, all Tenders received by the deadline at the date, time and place specified in KPLC's tendering portal in the presence of Tenderers' designated representatives who choose to attend.
- 25.2 Tenders marked "Withdrawal", "Substitution" and "Modification" as may be applicable shall be opened through the KPLC SAP tendering portal and read out.
- 25.3 All other Tenders shall be opened through the KPLC SAP tendering portal and read out. On opening the Tenders, KPLC shall readout: -
 - 25.3.1 The name of the Tenderer
 - 25.3.2 Whether there is a modification
 - 25.3.3 Presence or absence of a Tender Security, or Tender-Securing Declaration
 - 25.3.4 Any other details as KPLC may consider appropriate.
- 25.4 At the Tender opening KPLC shall neither discuss the merits of any Tender nor reject any Tender (except for late Tenders), in accordance with ITT 23.
- 25.5 Following the Tender opening KPLC shall prepare a record that shall include, as a minimum: -
 - 25.5.1 The name of the Tenderer and whether there is a withdrawal, substitution, or modification
 - 25.5.2 The presence or absence of a Tender Security or Tender-Securing Declaration.
- 25.6 The Tenderers' representatives who are present shall be requested to sign the record. The omission of a Tenderer's signature on the record shall not invalidate the contents and effect of the record. A copy of the record shall be distributed to all Tenderers upon request.

26. Public Opening of Financial Proposals

26.1 Except as in the cases specified in ITT 24 and ITT 25.2, KPLC shall at the single Tender opening, publicly open and read out, in accordance with this ITT, all Tenders received by the deadline at the date, time and place specified in KPLC's tendering portal in the presence of Tenderers' designated representatives who choose to attend.

26.2 The procedure and details to be read out will correspond to those as provided under 'Public Opening of Technical Proposals' in the Tender Document in addition to the following:-

26.2.1 The Tender prices, any discounts if applicable. Only discounts read out at the Tender opening shall be considered for evaluation

26.2.2 Any other details as KPLC may consider appropriate.

27. Confidentiality

27.1 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 46.

27.2 Any attempt by a Tenderer to influence KPLC in the evaluation of the Tenders or Contract award decisions may result in the rejection of its Tender.

27.3 Notwithstanding ITT 28.1, from the time of Tender opening to the time of Contract award, if any Tenderer wishes to contact KPLC on any matter related to the Tendering process, it may do so in writing.

28. General Clarification of Tenders

28.1 To assist in the examination, evaluation, and comparison of the Tenders, and qualification of the Tenderers KPLC 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 KPLC shall not be considered, and KPLC's invitation to clarification and the response shall be in writing. If the Tender includes a financial proposal, 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 KPLC in the evaluation of the Tenders, in accordance with ITT 35.

28.2 If a Tenderer does not provide clarifications of its Tender by the date and time set in KPLC's invitation to clarification, its Tender may be rejected.

29. Selection Method and Evaluation Process

29.1 Selection of the lowest evaluated Tender will be conducted using lowest evaluated price method and as provided in the Tender Document.

29.2 Prior to the evaluation of any Tender, KPLC will determine whether each Tender –

29.2.1 Has been properly signed

29.2.2 Is accompanied by the required securities

29.2.3 Is substantially responsive to the Tender requirements pursuant to ITT 31.

29.3 After the Tender is deemed substantially responsive, the evaluation process will consist of two stages:

29.3.1 Evaluation of the Technical Proposal in accordance with ITT 33

29.3.2 Evaluation of the Financial Proposal in accordance with ITT 34.

30. Deviations, Reservations and Omissions

30.1 During the evaluation of Tenders, the following definitions apply: -

30.1.1 “Deviation” is a departure from the requirements specified in the Tender Document

30.1.2 “Reservation” is the setting of limiting conditions or withholding from complete acceptance of the requirements specified in the Tendering Document

30.1.3 “Omission” is the failure to submit part or all of the information or documentation required in the Tender Document.

31. Determination of Responsiveness

31.1 KPLC's determination of a Tender's responsiveness is to be based on the contents of the Tender itself, as defined in ITT 13.

31.2 A substantially responsive Tender is one that meets all the requirements, terms, conditions and specifications of the Tendering Document without material deviation, reservation, or omission. A material deviation, reservation, or omission is one that if accepted would –

31.2.1 affect in any substantial way the scope, quality, or performance of the Services specified in the Schedules in Section VII; or

31.2.2 limit in any substantial way, inconsistent with the Tender Document, KPLC's rights or the Tenderer's obligations under the proposed Contract; or

31.2.3 if rectified, would unfairly affect the competitive position of other Tenderers presenting substantially responsive Tenders.

31.3 If a Tender is not substantially responsive to the requirements of the Tender Document, it shall be rejected by KPLC and may not subsequently be made responsive by correction of the material deviation, reservation, or omission.

31.4 If a Tender is not substantially responsive, KPLC will notify the Tenderer that its Tender has been rejected.

32. Non material Non-conformities

- 32.1 Provided that a Tender is substantially responsive, KPLC may waive any non-conformities in the Tender that do not constitute a material deviation, reservation or omission.
- 32.2 Provided that a Tender is substantially responsive, KPLC 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.
- 32.3 Provided that a Tender is substantially responsive, KPLC shall rectify 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

33. Technical Proposal Evaluation

- 33.1 For those Tenders found to be substantially responsive pursuant to ITT 31, KPLC shall evaluate the Technical Proposals using the following evaluation methodology –
- 33.1.1 KPLC shall score Technical Proposals by applying the point system specified in Section III for each evaluation criterion. Each proposal will be given an aggregate technical score (St) by adding the scores assigned under each evaluation criterion
- 33.1.2 A proposal shall be rejected at this stage if it fails to achieve the minimum aggregate technical score
- 33.1.3 KPLC will apply any additional steps to the evaluation methodology as may be indicated in the Evaluation and Qualification Criteria

34. Financial Proposal Evaluation

- 34.1 Only Tenders that have been found substantially responsive in accordance with ITT 31 and have achieved the minimum aggregate technical score in accordance with ITT 33 shall have their Financial Proposals evaluated.
- 34.2 In evaluating the Tenders, KPLC will determine for each Tender the evaluated Tender cost by adjusting the Tender price as follows: -
- 34.2.1 Price adjustment due to discounts offered in accordance with ITT 26
- 34.2.2 Price adjustment due to quantifiable non material non-conformities in accordance with ITT 32
- 34.2.3 Any additional evaluation factors specified in Section III Evaluation and Qualification Criteria.

35. Correction of Arithmetical Errors

- 35.1 Subject to provisions of the PPAD, the Tender sum as submitted and readout 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.

36. Abnormally Low Tenders

- 36.1 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 with KPLC as to the capability of the Tenderer to perform the Contract for the offered Tender price.
- 36.2 In the event of identification of a potentially abnormally low tender by the evaluation committee, KPLC shall seek written clarification from the Tenderer, including a detailed price analyses of its Tender price in relation to the subject matter of the contract, scope, delivery schedule, allocation of risks and responsibilities and any other requirements of the Tender Document.
- 36.3 After evaluation of the price analyses, in the event that KPLC determines that the Tenderer has failed to demonstrate its capability to perform the contract for the offered Tender price, KPLC shall reject the Tender.

37. Abnormally High Tenders

- 37.1 An abnormally high price is one where the tender price, in combination with other constituent elements of the Tender, appears unreasonably too high to the extent that KPLC is concerned that it (KPLC) 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.
- 37.2 In case of an abnormally high tender price, KPLC 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. KPLC may also seek written clarification from the Tenderer on the reason for the high tender price. KPLC shall proceed as follows: -
- 37.2.1 If the Tender price is abnormally high based on wrong estimated cost of the contract, KPLC may accept or not accept the Tender depending on KPLC's budget considerations.
- 37.2.2 If specifications, scope of work and/or conditions of contract are contributory to the abnormally high tender prices, KPLC 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.
- 37.3 If KPLC determines that the Tender price is abnormally too high because genuine competition between Tenderers is compromised (*due to collusion, corruption or other manipulations*), KPLC shall reject all Tenders and shall institute or cause competent Government Agencies to institute an investigation on the cause of the compromise.

38. Unbalanced and/or Front-Loaded Tenders

- 38.1 If in KPLC's opinion, the Tender that is evaluated as the lowest evaluated price is seriously unbalanced and/or front loaded, KPLC 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 works, proposed methodology, schedule and any other requirements of the Tender Document.
- 38.2 After the evaluation of the information and detailed price analyses presented by the Tenderer, KPLC may as appropriate: -
- 38.2.1 Accept the Tender; or
 - 38.2.2 Require that the total amount of the Professional Indemnity Cover be increased at the expense of the Tenderer; or
 - 38.2.3 Agree on a payment mode that eliminates the inherent risk of KPLC paying too much for undelivered works; or
 - 38.2.4 Reject the Tender.

39. Qualification of the Tenderer

- 39.1 KPLC shall determine to its satisfaction whether the Tenderer that is selected is substantially responsive, eligible and meets the qualifying criteria specified in Section III, Evaluation and Qualification Criteria.
- 39.2 The determination shall be based upon an examination including physical verification of the documentary evidence of the Tenderer's qualifications submitted by the Tenderer pursuant to ITT 13. The determination shall not take into consideration the qualifications of other firms such as the Tenderer's subsidiaries, parent entities, affiliates, subcontractors or any other firm(s) different from the Tenderer that submitted the Tender.
- 39.3 For verification purposes –
- 39.3.1 KPLC or its representative(s) shall have the right to inspect/ test the Tenderer's capacity, equipment, premises, and to confirm their conformity to the Tender requirements. This shall include the quality management system. In addition KPLC shall have the right to subject the documentation submitted by the Tenderer to 3rd party confirmation. KPLC's representative(s) retained for these purposes shall provide appropriate identification at the time of such inspection/ test.
 - 39.3.2 KPLC shall meet its own costs of the inspection/ test. Where conducted on the premises of the Tenderer(s), all reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to KPLC.
 - 39.3.3 Demonstration, Inspection/ Test Report(s) shall be completed upon conclusion of the inspection/ tests. This Report will be considered at time of evaluation and or award. 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 KPLC

shall proceed to the Tenderer who offers a substantially responsive Tender with the next lowest evaluated cost to make a similar determination of that Tenderer's qualifications to perform satisfactorily.

40. KPLC's Right to Accept Any Tender and to Reject Any or All Tenders

40.1 KPLC reserves the right to accept or reject any Tender, and to annul the Tendering process and reject all Tenders at any time prior to contract award, without thereby incurring any liability to Tenderers. In case of annulment, all Tenders submitted and specifically, Tender securities shall be promptly returned to the Tenderers.

41. Contract Negotiations

41.1 The negotiations will be held at prior to signing of the contract at KPLC's Offices with the Tender's Representatives who must have written authority to negotiate a Contract on behalf of the Tenderer.

41.2 KPLC shall prepare minutes of negotiations that are signed by KPLC and the Tenderer's authorized representative.

42. Technical Negotiations

42.1 The negotiations include discussions of the Schedule of Requirements, the proposed methodology, KPLC's inputs, the Conditions of the Contract, and finalizing the "Schedule of Requirements" part of the Contract. These discussions shall not substantially alter the original scope of Services or the terms of the contract, lest the quality of the final product, its price, or the relevance of the initial evaluation be affected.

43. Financial Negotiations

43.1 The financial negotiations include the clarification of the tax liability in Kenya and how it should be reflected in the contract. The total price stated in the Financial Proposal shall not be negotiated.

44. Award Criteria

44.1 Subject to ITT 40, KPLC shall award the contract to the successful Tenderer. This is the Tenderer whose Tender has been determined according to lowest evaluated price and has concluded the negotiations successfully.

45. Award of Contract

45.1 After completing the negotiations, KPLC shall sign the Contract; publish the award information and promptly notify the other Tenderers.

46. Notice of Intention to enter into a Contract/Notification of Award

46.1 Upon award of the contract and prior to the expiry of the Tender validity period, KPLC shall issue a Notification of Intention to Enter into a Contract/Notification of Award to all Tenderers which will

contain the following information: -

- 46.1 The name and address of the Tenderer submitting the successful Tender
- 46.2 The contract price of the successful Tender
- 46.3 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
- 46.4 The expiry date of the Stand still Period; and
- 46.5 Instructions on how to request a debriefing and/or submit a complaint during the standstill period.

47. Standstill Period

- 47.1 The contract shall not be signed earlier than the expiry of a Standstill Period of 14 days to allow any dissatisfied person to launch a complaint. Where only one Tender is submitted, the Standstill Period shall not apply.
- 47.2 Whereas Standstill Period applies, it shall commence when KPLC has transmitted to all Tenderers the Notification of Intention to Enter into a Contract with the successful Tenderer.

48. Debriefing by KPLC

- 48.1 On receipt of KPLC's Notification of Intention to Enter into a Contract referred to in ITT 46, an unsuccessful Tenderer may make a written request to KPLC for a debriefing on specific issues or concerns regarding their Tender. KPLC shall provide the debriefing within five business days of receipt of the request.
- 48.2 Debriefings of unsuccessful Tenderers may be done in writing or verbally. The Tenderer shall bear its own costs of attending such a debriefing meeting.

49. Letter of Award

- 49.1 Prior to the expiry of the Tender validity period and upon expiry of the Standstill Period specified in ITT 47, upon addressing a complaint that has been duly filed within the Standstill Period, KPLC 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 21 days of the date of the letter.

50. Signing of Contract

- 50.1 Upon the expiry of the fourteen days of the Notification of Intention to enter into contract and upon the parties meeting their respective statutory requirements, KPLC shall send the successful Tenderer the Contract Agreement.
- 50.2 Within fourteen (14) days of receipt of the contract agreement, the successful Tenderer shall sign,

date, and return it to KPLC.

- 50.3 The written contract shall be entered into within the period specified in the notification of award and before expiry of the tender validity period.

51. Procurement Related Complaints

- 51.1 The procedures for making a procurement-related complaint are available from the PPRA Website www.ppra.go.ke or email complaints@ppra.go.ke.

- 51.2 If a Tenderer wishes to make a procurement-related Complaint to KPLC, the Tenderer should submit its complaint following these procedures, in writing addressed to: -

For the Attention: *Dr. (Eng.) Joseph Siror,*

Title: *Managing Director & Chief Executive Officer,*

Procuring Entity: *The Kenya Power & Lighting Company Plc*

Email address: *md@kplc.co.ke*

52. Professional Indemnity Cover

- 52.1 The Tenderer shall furnish, as part of its Tender, a Professional Indemnity Cover (the Cover) for the minimum amount of Kenya Shillings Two Hundred and Fifty Million (KSh. 250,000,000/=).
- 52.2 The proceeds of the cover shall be payable to KPLC as compensation for any loss resulting from the Consultant's failure to comply with its obligations in accordance with the contract without KPLC being required to demonstrate the loss it has suffered.
- 52.3 The Cover submitted shall be valid for at least six months from the Date of the Tender Document.
- 52.4 KPLC shall seek authentication of the Cover from the issuing bank or insurance company. It is the responsibility of the Tenderer to sensitize its issuing bank or insurance company on the need to respond directly and expeditiously to queries from KPLC. The period for response shall not exceed three (3) days from the date of KPLC's query. Should there be no conclusive response by the bank or insurance company within this period, such Tenderer's Cover may be deemed as invalid and the Tender rejected.
- 52.5 Any Tender not accompanied by the Cover in accordance with this ITT 52 will be rejected by KPLC as non-responsive.
- 52.6 Notwithstanding ITT 52.3, the Successful Tenderer shall be required to ensure that the Cover is valid at all times during the period of contract validity and further is at least in the minimum amount as that prescribed above.

Section II – Tender Data Sheet

The following specific data for the Legal and Governance Audit Services to be procured shall complement, supplement, or amend the provisions in the ITT. Whenever there is a conflict, the provisions herein shall prevail over those in ITT.

SR No.	ITT Reference	Details
1	ITT 4.1	The Procuring Entity is KPLC Tender Name: Provision of Legal t and Governance Audit Services Tender No. KP1/9A.2/OT/075/RA/22-23
2	ITT 4.2	Electronic – Procurement System <ul style="list-style-type: none"> a) KPLC shall use the following electronic-procurement system to manage this tendering process: <i>SAP Tendering Portal</i> on www.kplc.co.ke b) Tenderers are required to be registered via this link to be able to participate in this Tender c) The electronic-procurement system shall be used to manage the following aspects of the tendering process – (i.) <i>issuing Tender Document</i> (ii.) <i>submission of Tenders</i> (iii.) <i>opening of Tenders</i> d) Proof of receipt will be done via the Tenderer’s submitted response number for RFx 1000002283
3	ITT 6.3	Definition of relative shall be as provided for under section 59(2)(b) of PPADA 2015
4	ITT 16.1	A Tender Security shall be required A Tender Security valid for 210 days shall be required in the format prescribed in this tender. The amount and currency shall be as follows: <i>Tender Security shall be a fixed amount of Kenya Shillings 50,000/-</i> The Tender Security shall be in the form of a bank guarantee, issued by an authorized financial institution. The original Tender Security should be kept in an envelope clearly labelled with the Tender number & name and shall be deposited in the Tender Security Box on 3 rd Floor Supply Chain Reception at Stima Plaza, Kolobot Road, on or before the opening date.
5	ITT 19	The Tender validity period shall be 180 days
6	ITT 44	Award shall be to the bidder with the lowest evaluated Price

Section III – Evaluation and Qualification Criteria

1. General Provision

1.1 This section contains the criteria that KPLC shall use to evaluate tender and qualify Tenderers. No other factors, methods or criteria shall be used other than specified in this Tender Document. The Tenderer shall provide all the information requested in the forms included in Section IV, Tendering Forms.

2. Evaluation and Contract Award Criteria

2.1 KPLC 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.

3. Tables or Other Formats

3.1 To assist the Tenderer in responding, the Tenderer may be guided, use or adopt the Tables provided when responding. In any event, where the Tenderer adopts any other mode of responding, the format and content of its response should be in summary; specific to the criterion in question; avoid as far as possible extensive use of prose, unnecessary literature or unwarranted marketing material.

4. Certification/ Certified copies

4.1 Wherever copies (certified or otherwise) are requested or acceptable to KPLC, copies whether from electronic scanning, photocopying or other means of reproduction of an original may be accepted

4.2 Any person who is a duly certified Commissioner of Oaths or Notary Public in the Tenderer firm may certify any document on behalf of the Tenderer, which documents, the Tenderer intends to submit

5. Curriculum Vitae (CV)

5.1 Some consultants/personnel/staff may have long chequered careers and experience. However, all such personnel/staff are strongly advised to furnish their CV's in the format provided and which should not be more than two (2) single sided A4 size pages at font 12 Century Gothic with spacing 1.2.

5.2 Any information in the CV that is beyond the 2 pages may stand disregarded for purposes of evaluation. The 2 pages includes the signing portions.

5.3 Any CV that is not signed by both the owner of the CV and the person authorized to sign the Tender may be disregarded. Where the owner and authorized person are the same, the single signature by such same person will suffice.

6. Third Party Documents

6.1 Where any document is required unless expressly permitted, the Tenderer's own letters or documents

originating from it may not be reckoned for purposes of evaluation.

7. Definition of Partner and Proprietor

7.1 Partner or Proprietor where used in the Tender Document shall mean s/he who has equity in the Tenderer and shares its profits as well as losses. All other definitions of “*Partner*” or “*Proprietor*” however styled or of whatever nature shall be excluded from such definition.

8. Qualification Score

8.1 The minimum technical score (St) required to pass Technical Evaluation is 80% of the total awardable marks from the content of the Tables. Tenderers are advised that only Tenders that score 80% in accordance with the requirements will be considered for further Evaluation.

9. Role of Personnel

9.1 For any personnel who has been in private practice at least one (1) month prior to the Date of the Tender Document but were previously employed as in-house counsel (*by whatever description*) for any person/ organization(s) or Government for a continuous period of two (2) years or more before venturing into private practice, evidence of qualification, experience or expertise shall take into account any organisation or customer or client of their employer(s) that s/he was responsible for during his/her period of employment. This shall include his/her employer itself.

9.2 The key and support personnel may be upto 11 persons for purposes of evaluation. However, it is recognized that some personnel may be deployed by the Tenderer to both the Legal and Governance Audits. The following will be applied –

9.2.1 Whilst the Tenderer may propose the Lead Consultant on Legal Audits and Governance Audits to be the same person, such person will not be evaluated in the role of ‘Other Key Personnel’ or ‘Support Staff’ within the same Audit in which s/he is proposed as the Lead Consultant. For instance, where a person is proposed in the role of Lead Consultant in Legal Audit, s/he will not be evaluated in the role of ‘Other Key Personnel’ or ‘Support Staff’ in the same Legal Audit, but s/he will be evaluated in the role of Lead Consultant in the Governance Audit if s/he is so proposed as well.

9.2.2 Within the same Audit, a person will not be evaluated as both within the role of ‘Other Key Personnel’ and ‘Support Staff’. For instance, if person is proposed in the role of ‘Other Key Personnel’ in Legal Audit, s/he will not be evaluated in the role of ‘Support Staff’ within the same Legal Audit.

10. Scoring

10.1 To earn any mark –

10.1.1 The Tenderer should satisfy the tenets of each criterion to obtain the full award or marks

10.1.2 Where any single material tenet is not fulfilled for any criterion, the marks may not be awarded. For instance, where a Tenderer submits the correct document but lacks a signature or fails in certification or absence of letter, the Tenderer may lose the full marks for that

criterion

- 10.1.3 Where after completion of all calculations and the Grand Total is obtained that contains a decimal mark, such decimal will be rounded off to the nearest whole. Where the decimal mark is nought decimal five (0.5), this shall be treated as a full mark upwards

11. Preliminary Evaluation for Determination of Substantive Responsiveness

11.1 KPLC 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. Tenders that do not pass the Preliminary Evaluation will be considered non- responsive and will not be considered further.

11.2 These are mandatory requirements. They shall include confirmation of the following: -

11.2.1 Submission of original Tender Security in the sum of Kenya Shillings Twenty Fifty Thousand (KSh. 50,000/=) Checking its validity, sufficiency and authenticity

11.2.2 Submission of copy of a valid Professional Indemnity Cover of at least KSh. 250,000,000/= Checking its validity, sufficiency and authenticity

11.2.3 Submission of the following duly completed and signed forms: -

- a) Form of Tender –Technical and Financial Proposals
- b) Certificate of Independent Tender Determination
- c) Self - Declaration Forms as hereunder –
 - (i.) Confidential Business Questionnaire. That the details correspond to the related information in the Tender, and, that the Tenderer is not ineligible as per ITT 6
 - (ii.) SD1 and SD2
- d) Declaration and Commitment to the Code of Ethics

11.2.4 Submission of and considering the following: -

- a) Tenderer's Registration Certificate
- b) PIN Certificate
- c) Valid Tax Compliance Certificate
- d) Certificate of confirmation of proprietors and registration from the Business Registration Service not older than six months from the Date of the Tender Document
- e) Evidence of recognition of the law firm by LSK (excluding the law firm's own statement to this effect)
- f) Certificate of Good Standing from the Advocates Complaints Commission not older than

six months from the Date of the Tender Document

11.2.5 That the Tender is valid for the period required

11.2.6 Submission of evidence of physical address and premises through eg. copy of utility bills i.e. electricity, water, telephone; copy of title deed; lease or tenancy agreement

11.2.7 Submission of list of clients as evidence of the Tenderer's performance and experience on (a) Legal Audit and (b) Governance Audit in the last five (5) years from the Date of the Tender Document

11.2.8 Submission of copies of the following documents in respect of the Tenderer's key and support personnel who are to be engaged on a day-to-day basis in providing services if successful –

- a) Curriculum Vitae (C.V.) as provided in the sample format
- b) Letter of the Tenderer proposing the name(s) of the Lead Consultants for the Audits
- c) Employment contracts or Service Agreements or commitment documents whichever exists, signed by the authorized person of the Tenderer and the personnel in question
- d) Current (2023) Practising Certificate issued by the Judiciary OR valid receipt issued by LSK in full payment for the 2023 Practising Certificate
- e) Accredited Governance Auditor (at least one personnel)
- f) Certificate of Training in Legal Audits (at least three personnel)
- g) 2023 letter or other recognition from Institute of Certified Secretaries as a Certified Secretary ((formerly CPS (K)) in Good Standing

The key and support personnel may be upto 11 persons for purposes of evaluation.

11.2.9 Record of unsatisfactory or default in performance obligations in respect of any contract or client shall be considered. This shall include the Tenderer having unresolved disputes with any client in its obligations for more than four (4) months. This excludes any dispute before a competent judicial or quasi-judicial or adjudicatory body or any dispute on remuneration.

12. Technical Evaluation

12.1 Tenders will proceed to the Technical Evaluation Stage only if they are found to be compliant with Preliminary Evaluation under ITT 11.

12.2 The criteria, sub-criteria, point and weighted system for the evaluation of the Technical Proposals will be as provided hereunder.

12.3 Part 1 Technical Evaluation

12.3.1 Compliance to Details of Service. Tenderers shall be expected to indicate full compliance to the Details of Service for both the Legal Audit and Governance Audit. For these purposes, Tenderers should refer and turn to 'Part 2 Services Requirements' of the Tender Document

12.3.2 Identifying and determining any deviation(s) from the requirements, errors and oversights

12.3.3 Considering Audited Financial Statements

- a) The Statements are those that are reported within eighteen (18) calendar months of the Date of the Tender Document and confirming the auditors practicing license number (Tenderers must clearly indicate the Auditor's ICPAK practicing license registration number as part of submission of the Audited Financial Statements report.)
- b) For Tenderers that are registered or incorporated within the last one year calendar of the Date of the Tender Document, the bank statements submitted should cover a period of at least six months prior to the Date of the Tender Document. The copies should be certified by Bank issuing the statements. The certification can be copies of the original.

12.3.4 Considering submitted Firm Profile

12.4 Part 2 Technical Evaluation

12.4.1 Specific experience of the Tenderer guided by Table 1 below

Table 1 – Experience of Tenderer

Sr. No.	Criteria	KPLC Requirement (Full scores for compliance and graduated scores for partial compliance)	Tenderer's Response	Marks Awarded
1	<p>Experience conducting Legal Audits for listed (NSE) companies in the last five (5) years</p> <p>a) The Tenderer shall provide evidence in the form of duly signed contracts or Official Orders (LPO/LSO) for 2 separate companies</p> <p>b) Provide reference or other letters showing that assignments at least two (2) were completed successfully, on time and within budget</p>	<p>1 (a) – 2 marks</p> <p>1 (b) – 3 marks</p>		
2	<p>Experience conducting Legal Audits for state corporations/parastatals that are also listed on the NSE in the last five (5) years</p> <p>a) The Tenderer shall provide evidence in the form of duly signed contracts or Official Orders (LPO/LSO) for 2 separate state corporations</p> <p>b) Provide reference or other letters showing that assignments at least two (2) were completed successfully and within budget</p>	<p>2 (a) – 2 marks</p> <p>2 (b) – 4 marks</p>		
3	<p>Experience conducting Governance Audits for listed (NSE) companies in the last five (5) years</p> <p>a) The Tenderer shall provide evidence in the form of duly signed contracts or Official Orders (LPO/LSO) for 2 separate companies</p> <p>b) Provide reference or other letters showing that assignments at least two (2) were completed successfully and within budget</p>	<p>3 (a) – 2 marks</p> <p>3 (b) – 3 marks</p>		
4	<p>Experience in working for an entity within the Energy Sector or evidence of expertise in the energy sector regulatory framework in the last five (5) years.</p> <p>a) Evidence should be duly signed reference letters or other related supporting document on at least 3 briefs or consultancy assignments in three (3) different entities</p> <p>b) The evidence to include that the briefs or assignments are on-going or were successfully completed, done on time and within budget</p>	<p>4 (a) – 3 marks</p> <p>4 (b) – 3 marks</p>		
5	<p>Experience in Data Protection Law or evidence of expertise in data protection in the last three (3) years for a public entity or other large private bodies</p> <p>a) The Tenderer shall provide evidence in the form of duly signed contracts or Official Orders (LPO/LSO) or signed reference letters on data protection audits or Data Protection systems review for at least three (3) different entities</p> <p>b) The evidence to include that assignments were successfully completed, done on time and within budget.</p>	<p>5 (a) – 3 marks</p> <p>5 (b) – 3 marks</p>		

6	<p>Have undertaken training/sensitization for Board of Directors or other equivalents on Governance Audit or similar matters in the last five (5) years for at least two (2) separate entities.</p> <p>a) The Tenderer shall provide the list complete with contact addresses and contact person incl. website of each entity</p> <p>b) The Tenderer shall further provide evidence by way of training/sensitization material for each entity</p>	<p>6 (a) – 2 marks</p> <p>6 (b) – 2 marks</p>		
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12.4.2 Key Personnel Qualifications and Competence. Valid evidence of Lead Consultant in Governance Audit appropriate qualification, experience and degree of responsibility guided by Table 2 below

Table 2 – Lead Consultant’s Qualification for Governance Audit

Sr. No.	Criteria	KPLC Requirement (Full scores for compliance and graduated scores for partial compliance)	Tenderer’s Response	Marks Awarded
1	<p>Qualified Practitioner in Law, Business Administration, Economics or other related discipline at –</p> <p>a) Undergraduate degree level</p> <p>b) Post Graduate level ((Masters and/or other relevant Diplomas (2))</p> <p>c) Doctorate degree level</p> <p>Attach copy(ies) of highest level attained only. Marks to be awarded for the highest level attained only and not cumulatively.</p>	<p>1 (a) – 1 mark</p> <p>1 (b) – 2 marks</p> <p>1 (c) – 3 marks</p>		
2	<p>Years of experience from undergraduate degree level -</p> <p>a) Between 7 and 10 years</p> <p>b) From 10 years to 15 years</p> <p>c) Above 15 years</p> <p>Provide proof</p>	<p>2 (a) – 2 marks</p> <p>2 (b) – 3 marks</p> <p>2 (c) – 5 marks</p>		
3	<p>Professional Memberships</p> <p>a) Accreditation as a Governance Auditor</p> <p>b) Certified Secretary in Good Standing from ICS</p> <p>c) Environmental Social Corporate Governance Certification</p> <p>Attach proof of accreditation and certification by relevant body</p>	<p>3 (a) – 2 marks</p> <p>3 (b) – 2 marks</p> <p>3 (c) – 4 marks</p>		
4	<p>Degree of Responsibility</p> <p>a) State organizations where responsibility as Lead Consultant in Governance Audit was in 2 different assignments of 2 separate companies listed on the NSE; attach proof, OR</p> <p>b) State organizations where responsibility was not as Lead Consultant but as a member of the Governance Audit Team in 2 different assignments of 2 separate companies listed on the NSE; attach proof</p> <p>Evaluation and scoring will be done for only one of the alternatives and not both in respect of the same Governance Audit Lead Consultant</p>	<p>a) Max. marks are 8 broken into 4 marks for each different assignment for each separate company</p> <p>b) Max marks are 2 broken into 1 mark for each different assignment for each separate company</p>		
5	<p>a) Experience in leading the conduct of training/sensitization for Board of Directors (or equivalents) on Governance Audit or other related matters for at least two (2) separate entities, OR</p>	<p>a) Max. marks are 6 broken into 3 marks for each separate</p>		

<p>b) Experience in participating other than as Lead Trainer in the conduct of training/sensitization for Board of Directors (or equivalents) on Governance Audit or other related matters for at least two (2) separate entities</p> <p>Evaluation and scoring will be done for only one of the alternatives and not both in respect of the same Governance Audit Lead Consultant</p>	<p>entity</p> <p>b) Max marks are 2 broken into 1 mark for each separate entity</p>		
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12.4.3 Key Personnel Qualifications and Competence. Valid evidence of Lead Consultant in Legal Audit appropriate qualification, experience and degree of responsibility guided by Table 3 below

Table 3 – Lead Consultant’s Qualification for Legal Audit

Sr. No.	Criteria	KPLC Requirement (Full scores for compliance and graduated scores for partial compliance)	Tenderer’s Response	Marks Awarded
1	<p>Qualified Practitioner in Law at –</p> <p>a) Undergraduate degree level</p> <p>b) Post Graduate level ((Masters and/or other relevant Diplomas (2))</p> <p>c) Doctorate degree level</p> <p>Attach copy(ies) of highest level attained only. Marks to be awarded for the highest level attained only and not cumulatively.</p>	<p>1 (a) – 1 mark</p> <p>1 (b) – 2 marks</p> <p>1 (c) – 3 marks</p>		
2	<p>Years of experience from Year of Admission to the Bar -</p> <p>a) Between 7 and 10 years</p> <p>b) From 10 years to 15 years</p> <p>c) Above 15 years</p> <p>Provide proof</p>	<p>2 (a) – 2 marks</p> <p>2 (b) – 3 marks</p> <p>2 (c) – 5 marks</p>		
3	<p>Professional Memberships and Certifications</p> <p>a) Certificate in Training on Legal Audits</p> <p>b) Certified Secretary in Good Standing from ICS</p> <p>Attach proof of training and certification by relevant body</p>	<p>3 (a) – 2 marks</p> <p>3 (b) – 2 marks</p>		
4	<p>Degree of Responsibility</p> <p>a) State organizations where responsibility as Lead Consultant in Legal (Compliance) Audit was in 2 different assignments of 2 separate companies listed on the NSE; attach proof, OR</p> <p>b) State organizations where responsibility was not as Lead Consultant but as a member of the Legal Audit Team in 2 different assignments of 2 separate companies listed on the NSE; attach proof</p> <p>Evaluation and scoring will be done for only one of the alternatives and not both in respect of the same Legal Audit Lead Consultant</p>	<p>a) Max. marks are 6 broken into 3 marks for each different assignment for each separate company</p> <p>b) Max marks are 2 broken into 1 mark for each different assignment for each separate company</p>		
5	<p>Degree of Responsibility</p>	<p>a) Max. marks are 8 broken into 4 marks for each different</p>		

	<p>a) State where responsibility as Lead Consultant in Legal Audit was in 2 different assignments of 2 separate state corporations/parastatals listed on the NSE; attach proof, OR</p> <p>b) State where responsibility was not as Lead Consultant but as a member of the Legal Audit Team in 2 different assignments of 2 separate state corporations/parastatals listed on the NSE; attach proof</p> <p>Evaluation and scoring will be done for only one of the alternatives and not both in respect of the same Legal Audit Lead Consultant</p>	<p>assignment for each separate state corporation</p> <p>b) Max marks are 4 broken into 2 marks for each different assignment for each separate state corporation</p>		
6	<p>a) Experience in leading the conduct of training/sensitization for Board of Directors (or equivalents) or Senior Management on Legal Audit or other related compliance matters for at least three (3) separate entities, OR</p> <p>b) Experience in participating other than as Lead Trainer in the conduct of training/sensitization for Board of Directors (or equivalents) or Senior Management on Legal Audit or other related compliance matters for at least three (3) separate entities</p> <p>Evaluation and scoring will be done for only one of the alternatives and not both in respect of the same Legal Audit Lead Consultant</p>	<p>a) Max. marks are 6 broken into 3 marks for each separate entity</p> <p>b) Max marks are 2 broken into 1 mark for each separate entity</p>		

12.4.4 Personnel Qualifications and Competence. Valid evidence of Other Key Personnel and Support Staff in Governance Audit appropriate qualification, experience and degree of responsibility guided by Table 4 below

Table 4 – Other Key Personnel and Support Staff Qualification for Governance Audit

Sr. No.	Criteria	KPLC Requirement (Full scores for compliance and graduated scores for partial compliance)	Tenderer's Response	Marks Awarded
Other Key Personnel (One)				
1	<p>Qualified Practitioner in Law, Business Administration, Economics or other related discipline at –</p> <p>a) Undergraduate degree level</p> <p>b) Post Graduate level ((Masters and/or other relevant Diplomas (2))</p> <p>Attach copy(ies) of highest level attained only. Marks to be awarded for the highest level attained only and not cumulatively.</p>	<p>1 (a) – 1 mark</p> <p>1 (b) – 2 marks</p>		
2	<p>Years of experience after undergraduate degree -</p> <p>a) Between 5 and 7 years</p> <p>b) From 7 years to 10 years</p> <p>c) Above 10 years</p>	<p>2 (a) – 2 marks</p> <p>2 (b) – 3 marks</p> <p>2 (c) – 5 marks</p>		
3	<p>Professional Memberships</p> <p>a) Accreditation as a Governance Auditor</p>	<p>3 (a) – 2 marks</p> <p>3 (b) – 2 marks</p>		

	b) Certified Secretary in Good Standing from ICS Attach proof of accreditation and certification by relevant body			
4	Degree of Responsibility State organizations where participation was as a member of the Governance Audit Team (whether as Lead or not) in 2 different assignments of 2 separate companies listed on the NSE; attach proof	Max. marks are 4 broken into 2 marks for each different assignment for each separate company		
5	Experience in participating (whether as Lead Trainer or not) in the conduct of training/sensitization for Board of Directors or other equivalents on Governance Audit or other matters for at least two (2) separate entities. Attach proof	Max. marks are 4 broken into 2 marks for each training/sensitisation for each separate company		
Support Staff (Two)				
6	Support Staff for Governance Audit a) Undergraduate degree in Law, Business Administration, Economics or related field b) Certified Secretary from ICS c) At least 3 years experience after undergraduate degree d) Exposure to at least one Governance Audit of a company comparable to KPLC or listed on the NSE e) Demonstrated experience in research on Governance or compliance matters The number of support staff to be deployed to the Governance Audit assignment will be at the discretion of the Tenderer but evaluation will be conducted for only 2 such support staff.	1 mark for each sub-criterion broken down into 0.5 of a mark for each support staff		

12.4.5 Personnel Qualifications and Competence. Valid evidence of Other Key Personnel and Support Staff in Legal Audit appropriate qualification, experience and degree of responsibility guided by Table 5 below

Table 5 – Other Key Personnel and Support Staff Qualification for Legal Audit

Sr. No.	Criteria	KPLC Requirement (Full scores for compliance and graduated scores for partial compliance)	Tenderer's Response	Marks Awarded
Other Key Personnel (Two)				
1	Qualified Practitioners in Law at – a) Undergraduate degree level b) Post Graduate level ((Masters and/or other relevant Diplomas (2)) Attach copy(ies) of highest level attained only. Marks to be awarded for the highest level attained only and not cumulatively for each Legal Audit Other Key Personnel.	a) 1 mark broken down into 0.5 of a mark for each key personnel b) 2 marks broken down into 1 mark for each key personnel		

2	Years of experience after undergraduate degree - a) Between 3 and 7 years b) From 7 years to 10 years c) Above 10 years	a) 2 marks broken down into 1 mark for each key personnel b) 3 marks broken down into 1.5 marks for each key personnel c) 4 marks broken down into 2 marks for each key personnel		
3	Professional Memberships and Certifications a) Certificate in Training on Legal Audits b) Certified Secretary in Good Standing from ICS Attach proof of accreditation and certification by relevant body	a) 2 marks broken down into 1 mark for each key personnel b) 2 marks broken down into 1 mark for each key personnel		
4	Degree of Responsibility State organizations where participation was/is as a member of the Legal Audit Team (whether as Lead or not) in 2 different assignments of 2 separate companies listed on the NSE; attach proof	Max. marks are 4 broken into 2 marks for each key personnel, further broken into 1 mark for each different assignment for each separate company		
5	Degree of Responsibility State where participation was/is as a member of the Legal Audit Team (whether as Lead or not) in 2 completely different assignments of state corporations/parastatals listed on the NSE; attach proof	Max. marks are 6 broken into 3 marks for each key personnel, further broken into 1.5 marks for each different assignment for each separate company		
6	Exposure in participating in the conduct of training/sensitization for Board of Directors (or equivalents) or Senior Management on Legal Audit or other related compliance matters for at least three (3) separate entities	Max. marks are 6 broken into 3 marks for each key personnel, further broken into 1 mark for each training/sensitisation for each separate company		
Support Staff (Four)				
7	Support Staff for Legal Audit a) Undergraduate degree in Law b) Certified Secretary from ICS c) At least two (2) years experience after undergraduate degree d) Exposure to at least one Legal Audit of a company comparable to KPLC or listed on the NSE e) Demonstrated experience in research on Legal Audit or other compliance matters The number of support staff to be deployed to the Legal Audit assignment will be at the discretion of the Tenderer but evaluation will be conducted for only 4 such personnel.	2 marks for each sub-criterion broken down into 0.5 of a mark for each support staff		

12.4.6 Methodology, Work Plan and Organisational Staffing. KPLC shall determine the adequacy and quality of the proposed Methodology, Work Plan and Organisational Staffing for the Governance Audits in responding to the Schedule of Requirements guided by Table 6 below

Table 6 – Methodology, Work Plan and Organisational Staffing – Governance Audits

Sr. No.	Criteria	KPLC Requirement (Full scores for compliance and graduated scores for partial compliance)	Tenderer's Response	Marks Awarded
1	Clarity of Approach/Methodology	Maximum (Max.) marks is 2		
2	Responsiveness of Methodology	Max marks is 2		
3	Is the Methodology sequential?	Max marks is 1		
4	Comprehensiveness of Methodology	Max marks is 2		
5	Methodology – procedure for monitoring progress and quality of the Audits	Max marks is 2		
6	Work Plan adherence to estimated 180 days	Max marks is 1		
7	Work Plan realistic	Max marks is 2		
8	Work Plan implementable	Max marks is 1		
9	Work Plan orderliness and breakdown	Max marks is 2		
10	Team composition balanced	Max marks is 2		
11	Team composition – appropriate skills mix	Max marks is 2		
12	Team composition – right input of experts	Max marks is 2		
13	Team composition – Organogram of the Tenderer showing structure and placement of the proposed personnel	Max marks is 1		
14	Team composition – written commitment from the Tenderer confirming availability of all proposed personnel or equivalence	Max marks is 1		
15	Team composition – written commitment from all proposed personnel confirming availability for the contract	Max marks is 2		

12.4.7 Methodology, Work Plan and Organisational Staffing. KPLC shall determine the adequacy and quality of the proposed Methodology, Work Plan and Organisational Staffing for the Legal Audit in responding to the Schedule of Requirements guided by Table 7 below

Table 7 – Methodology, Work Plan and Organisational Staffing – Legal Audit

Sr. No.	Criteria	KPLC Requirement (Full scores for compliance and graduated scores for partial compliance)	Tenderer's Response	Marks Awarded
1	Clarity of Approach/Methodology	Maximum (Max.) marks is 2		
2	Responsiveness of Methodology	Max marks is 2		
3	Is the Methodology sequential?	Max marks is 1		
4	Comprehensiveness of Methodology	Max marks is 2		
5	Methodology – procedure for monitoring progress and quality of the Legal Audit	Max marks is 2		

6	Work Plan adherence to estimated 180 days	Max marks is 1		
7	Work Plan realistic	Max marks is 2		
8	Work Plan implementable	Max marks is 1		
9	Work Plan orderliness and breakdown	Max marks is 2		
10	Team composition balanced	Max marks is 2		
11	Team composition – appropriate skills mix	Max marks is 2		
12	Team composition – right input of experts	Max marks is 2		
13	Team composition – Organogram of the Tenderer showing structure and placement of the proposed personnel	Max marks is 1		
14	Team composition – written commitment from the Tenderer confirming availability of all proposed personnel or equivalence	Max marks is 1		
15	Team composition – written commitment from all proposed personnel confirming availability for the contract	Max marks is 2		

12.5 The minimum technical score (St) required to pass is 80% of the total awardable marks. Only Tenderers who score 80% and above will proceed to the Financial stage of evaluation. Tenderers who score less than the required pass mark will be automatically disqualified.

12.5.1 St will be calculated as follows:-

- a) Total awardable marks from the Tables is Y (actual number) = 100%
- b) Tenderer's total marks achieved is X
- c) $St = X \div Y \times 100$
- d) St will be expressed in percentage form

13. Financial Evaluation

13.1 This will include the following: -

13.1.1 Confirmation of and considering Price/rates Schedule duly completed and signed

13.1.2 Checking that the Tenderer has quoted prices based on all costs including insurances, duties, levies, Value Added Tax (V.A.T), Withholding Tax and other taxes payable

13.1.3 Considering information submitted in the Confidential Business Questionnaire against other information in the bid including: -

- a) Declared maximum value of business
- b) Shareholding and citizenship for preferences where applicable

13.2 Confirming the following: -

13.2.1 That the Tenderer's offered Delivery Schedule meets KPLC's requirements

13.2.2 That the Tenderer's offered Terms of Payment meets KPLC's requirements.

13.3 Obtaining the lowest evaluated price. Tenders will be ranked from the lowest to the highest evaluated price. The successful Tenderer will be the Tender with the lowest evaluated price.

14. Successful Tenderer

14.1 The proposed successful Tenderer shall be the lowest evaluated Tenderer following completion of the Evaluation and Qualification criteria process.

Section IV – Tendering Forms

I. Form of Tender – Technical Proposal Form

Date: _____

Tender No. _____

To:

The Kenya Power & Lighting Company Plc,
Stima Plaza,
Kolobot Road, Parklands,
P.O Box 30099 – 00100,
Nairobi, Kenya

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

To:[insert complete name of KPLC] We, the undersigned Tenderer, hereby submit

our Tender, in two parts, namely:

- i) The Technical Proposal, and
- ii) The Financial Proposal.

In submitting our Tender, we make the following declarations:

- a) **No reservations:** We have examined and have no reservations to the Tendering Document, including Addenda issued in accordance with Instructions to Tenderers (ITT 10);
- b) **Eligibility:** We meet the eligibility requirements and have no conflict of interest in accordance with ITT 6;
- c) **Tender-Securing Declaration:**
We have not been debarred by the Authority based on execution of a Tender Securing Declaration in Kenya in accordance with ITT 16.7;
- d) **Conformity:** We offer to supply in conformity with the Tendering Document and in accordance with the Schedules specified in the Schedule of Service Requirements the Legal and Governance Audits Services;
- e) **Tender Validity Period:** Our Tender shall be valid for the period of **180 days** as specified in ITT 19.1 (as amended, if applicable) from the date fixed for the Tender submission deadline specified in ITT 22.1 (as amended, if applicable), and it shall remain binding upon us, and may at any time before the expiration of that period;
- f) **Performance Security:** If our Tender is accepted, we commit to obtain a performance security in accordance with the Tender Document;
- g) **One Tender per Tenderer:** We are not submitting any other Tender(s) as an individual Tenderer.
- h) **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 ineligible under the Kenya laws or official regulations or pursuant to a decision of the United Nations Security Council;
- i) **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 6.6];
- j) **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;

- k) **Not Bound to Accept:** We understand that you are not bound to accept the lowest evaluated cost Tender, the lowest evaluated Tender or any other Tender that you may receive; and
- l) **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.
- m) 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) during the procurement process and the execution of any resulting contract.
- n) 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 informed in “**Appendix 1- Fraud and Corruption**” attached to the Form of Tender.

Name of the Tenderer _____ [*insert complete name of 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*]

*: In the case of the Tender submitted by a Joint Venture specify the name of the Joint Venture as Tenderer.

Notes:

1. *Place this Form of Tender in the “TECHNICAL PROPOSAL”.*
2. *The Tenderer must prepare the Form of Tender on stationery with its Form head clearly showing the Tenderer's complete name and business address.*
3. *All italicized text is to help Tenderers in preparing this form.*
4. *This form must be duly signed, stamped and/or sealed.*

2 Tenderer's Eligibility – Confidential Business Questionnaire

a) Instructions to Tenderer

The Tenderer is instructed to complete the particulars required in this Form. Tenderer is further reminded that it is an offence to give false information on this Form.

Tenderer's details

	ITEM	DESCRIPTION
1	Name of the Procuring Entity	KPLC
2	Name of Tenderer	
3	Full Address and Contact Details of the Tenderer	1. Country 2. City 3. Postal Address 4. Email 5. Physical Location Plot no..... Building & Floor..... 6. Name and email of contact person
4	Reference Number of the Tender	
5	Maximum value of Business which the Tenderer can handle	
6	Bank & Branch	

General and Specific Details

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

Name in full _____ Age _____

Nationality _____ Country of Origin _____

Citizenship _____ ID No. of Authorized Representative _____

c) **Partnership or registration other than as a Company** provide the following details.

	Name of Partners	Nationality	Citizenship	% Shares Owned
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 Partners or Directors as follows. If a Partner or Director is a company or other firm or group of firms, give details of human Partners or Directors until human Partners or Directors are disclosed.

	Name of Partner or Director	Nationality	Citizenship	% Shares owned
1				
2				
3				

3. Disclosure of Interest - Interest of the Firm in KPLC.

- i) Are there any person/persons in..... (*Name of KPLC*) who has an interest or relationship in this firm? Yes/No.....

If yes, provide details as follows.

	Name of Person	Designation in KPLC	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, directly or through common third parties, that puts it in a position to influence the Tender of another Tenderer, or influence the decision s of KPLC regarding this tendering process		
5	Any of the Tenderer's affiliates participated as a consultant in the preparation of the design or technical specifications that are the subject of the Tender.		

7	Tenderer has a close business or family relationship with a professional staff of KPLC 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.		
	Type of Conflict	Disclosure (Yes or No)	If YES provide details of the relationship with tenderer
8	Tenderer has a close business or family relationship with a professional staff of KPLC who would be involved in the implementation or supervision of such Contract		
9	Has the conflict stemming from such relationship stand in item 7 and 8 above been resolved in a manner acceptable to KPLC throughout the tendering process and execution of the contract		

Certification

On behalf of the Tenderer, I certify that the information given above is correct.

Full Name _____

Title or Designation _____

(Signature)

(Date)

*Notes to the Tenderers on the Questionnaire

- 1. The address and contact person of the Tenderer provided above shall at all times be used for purposes of this Tender.*
- 2. If a Kenyan citizen, please indicate under "Citizenship Details" whether by birth, naturalization or registration.*
- 3. The details on this Form are essential and compulsory for all Tenderers. Failure to provide all the information requested shall lead to the Tenderer's disqualification.**

5. Certificate of Independent Tender Determination

I, the undersigned, in submitting the accompanying Letter of Tender to **THE KENYA POWER & LIGHTING COMPANY PLC** 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:

- i.) I have read and I understand the contents of this Certificate;
- ii.) I understand that the Tender will be disqualified if this Certificate is found not to be true and complete in every respect;
- iii.) I am the authorized representative of the Tenderer with authority to sign this Certificate, and to submit the Tender on behalf of the Tenderer;
- iv.) 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;
- v.) 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 in to 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;
- vi.) 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;
- vii.) 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;
- viii.) 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, which ever 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]

6. Self-Declaration Forms

FORM SD1 & SD2

SELF DECLARATION THAT THE PERSON/TENDERER IS NOT DEBARRED IN THE MATTER OF THE PUBLIC PROCUREMENT AND ASSET DISPOSAL ACT 2015; THE PERSON/TENDERER WILL NOT ENGAGE IN ANY CORRUPT OR FRAUDULENT PRACTICE.

Date _____

To:

The Kenya Power & Lighting Company Plc,
P.O Box 30099 – 00100,
Stima Plaza, Kolobot Road, Parklands,
Nairobi,
KENYA.

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/ Partner in proprietorship of.....
..... (*insert name of the Firm*) who is a Tenderer in respect of **Tender No.** for (*insert tender title/description*) for (*insert name of KPLC*) and duly authorized and competent to make this statement.
2. THAT the aforesaid Tenderer, 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 THE KENYA POWER & LIGHTING CO. PLC which is KPLC.
3. THAT the aforesaid Tenderer, 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 KPLC.
4. That the aforesaid Tenderer is not insolvent, in receivership, bankrupt or in the process of being wound up and is not the subject of legal proceedings relating to the foregoing.
5. THAT the aforesaid Tenderer will not engage /has not engaged in any collusive practice with other Tenderers participating in the subject Tender.
6. THAT the aforesaid Tenderer, its Directors and subcontractors have not been debarred from participating in procurement proceeding under Part IV of the Act.
7. THAT the aforesaid Tenderer does not have any conflict of interest or pecuniary interest with any other Tenderer participating in this Tender
8. THAT what is deponed to here in above is true to the best of my knowledge information and belief.

Yours sincerely,

Name of Tenderer

Signature of Proprietor

Name of Proprietor

Witnessed By:-

Signature of duly authorised person signing the Tender

Name and Designation of duly authorised person signing the Tender

Stamp or Seal of Tenderer

DECLARATION AND COMMITMENT TO THE CODE OF ETHICS

Date _____

To:

The Kenya Power & Lighting Company Limited,
P.O Box 30099 – 00100,
Stima Plaza, Kolobot Road, Parklands,
Nairobi,
KENYA.

I (full name of the authorized 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 activities in Kenya 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

(Firm Seal/ Rubber Stamp where applicable) Witness

Name

Sign.....

Date.....

7 APPENDIX 1 - FRAUD AND CORRUPTION

(Appendix 1 shall not be modified)

1. Purpose

Kenya's Anti-Corruption and Economic Crime laws and the Government of Kenya's policies and procedures; Public Procurement and Asset Disposal Act, 2015 (the Act) and the Public Procurement and Asset Regulations, 2020 (the Regulations) and any other relevant 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

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 paragraph 1 above.

Section 66 of the Act 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 law and policies 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 KPLC under subsection(7) does not limit any legal remedy KPLC may have;
- v) An employee or agent of KPLC or a member of the Board or committee of KPLC 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 tenderer to whom was awarded contract, or a member of the group of tenderers to whom the contract was awarded, but the subcontractor appointed shall meet all the requirements of this Act.
- vi) 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 KPLC;
- vii) 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, KPLC:

- a) Defines broadly, for the purposes of the above provisions, the terms:
 - 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:
 - 1) 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
 - 2) 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.
- (b) Defines more specifically, in accordance with the 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 KPLC 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 KPLC of the benefits of free and open competition.
- (c) Rejects a proposal for award¹ 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;
 - (d) Pursuant to the Act and the Regulations, KPLC may recommend to PPRA for sanctioning and debarment of a firm or individual, as applicable under the Act and the Regulations;
 - (e) Requires that a clause be included in the 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 inspect² 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
 - (f) Pursuant to Section 62 of the 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.

¹For 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.

²Inspections in this context usually are investigative (i.e., forensic) in nature. They involve fact-finding activities undertaken by the Investigating Authority or KPLC 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.

(To Be Submitted On Tenderer's Letterhead)

Date:

Description of the Methodology and Work Plan

[in accordance with ITT 14]

- i) Detailed Work Plan
- ii) Detailed Staffing Plan

1. Tenderer's Legal Name
2. Tenderer's actual or intended Country of Registration
3. Tenderer's Year of Registration
4. Tenderer's Legal Address in Country of Registration
5. Tenderer's Authorized Representative Information Name: Address: Telephone: Email Address
6. Attached are copies of original documents of: Registration of Tenderer named in 1 above. In case of state-owned enterprise or institution from Kenya, documents establishing Legal and Financial autonomy and compliance with the principles of commercial law, and is not under the supervision of KPLC in accordance with ITT 6.6.

Please note that a written authorization needs to be attached to this sheet.

10. FORM CCC-CURRENT CONTRACT COMMITMENTS/WORKS IN PROGRESS

Tenderers 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.

Name of contract	Procuring Entity, contact address / Tel/ email	Value of outstanding work (Kshs)	Estimated completion date	Average monthly invoicing over last six months (Kshs / month)
1.				
2.				
3.				
4.				
5.				
etc.				

Contracts referred to here are those in respect of Legal Audit and Governance Audit services only.

11. Form PER -1- Proposed Key Personnel

Tenderers should provide the names of suitably qualified key personnel and other staff to perform the contract. The data on their experience should be supplied using the Form below for each candidate or other suitable format.

1	2	3	4	5
S/N	Title of Staff	Key Qualifications	Name proposed by Tenderer	Qualification
1.				
2.				
3.				
4.				
5.				
6.				
Etc				

15. FORM PER - 2 -

FORMAT OF CURRICULUM VITAE

Full name of Personnel: _____ Position in the Tenderer: _____

Years and or months with Tenderer: _____ Membership (and status) in Professional Bodies: ____

Key Qualifications:

[Give an outline of personnel’s key experience and training most pertinent to the Legal and Governance Audit Services. Indicate degree of responsibility held by the consultant on relevant previous assignments and give dates and locations. For experience, also give types of activities performed and client references, where appropriate].

Preferred areas of Responsibility if accepted to perform the Services:

[Give an outline of the personnel’s preferred area relevant to the Services and any two outstanding achievements in that area going not more than seven years prior to the Date of the Tender Document. Give client references, where possible].

Employment Record:

[Starting with present position, list in reverse order every employment held in the last fifteen years. List all positions held by the personnel giving dates, names of employing organizations, titles of positions held, and locations of assignments].

Certification:

I, the undersigned, certify that to the best of my knowledge and belief, the information above correctly describes me, my qualifications, and my experience.

_____ Date: _____
[Signature of Personnel] *Day/Month/Year*

Yours sincerely,

Full name of Tenderer

Signature of duly authorised person signing the Tender

Name and Capacity of duly authorised person signing the Tender

Stamp or seal of the Tenderer

16 FORM OF TENDER SECURITY - Form of Demand Guarantee

(To Be Submitted on Bank or Insurance Company’s Letterhead)

Date:

To:

The Kenya Power & Lighting Company Plc,
Stima Plaza,
Kolobot Road, Parklands,
P.O Box 30099 – 00100,
Nairobi, Kenya.

Beneficiary: _____

Invitation to Tender No: _____

Date: _____ **TENDER GUARANTEE No.:** _____

Guarantor: _____

We have been informed that _____ (herein after called "the Applicant") has submitted or will submit to the Beneficiary its Tender (herein after called "the Tender") for the execution of __ under Invitation to Tender No. _____ ("the ITT"). Furthermore, we understand that, according to the Beneficiary's conditions, Tenders must be supported by a Tender guarantee.

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 Form 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 thereto provided by the Applicant, (i) has 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 Beneficiary's Tendering Document.

This guarantee will expire: (a) if the Applicant is the successful Tenderer, upon our receipt of confirmation of entry into contract and a copy of the performance security issued to the Beneficiary in relation to such contract agreement; 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.

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

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

EITHER

SEALED with the)
COMMON SEAL)

of the said **BANK OR**

INSURANCE COMPANY) _____
 thisday) BANK OR INSURANCE CO. SEAL
 of20....)
)
 in the presence of: -)
)
 _____)
)
 and in the presence of: -)
)
 _____)

OR

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

 Name(s) and Designation of duly authorised representative(s)/ attorney(s) of the Bank OR Insurance Co.

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

NOTES TO TENDERERS, BANKS AND INSURANCE COMPANIES

1. *Please note that no material additions, deletions or alterations regarding the contents of this Form shall be made to the Tender Security to be furnished by the Tenderer. If any are made, the Tender Security shall not be accepted and shall be rejected by KPLC. For the avoidance of doubt, such rejection will be treated as non-submission of the Tender Security where such Security is required in the tender.*
2. *It is the responsibility of the Tenderer to sensitize its issuing bank or insurance company on the need to respond directly and expeditiously to queries from KPLC. The period for response shall not exceed three (3) days from the date of KPLC’s query. Should there be no conclusive response by the Bank or Insurer within this period, such Tenderer’s Tender Security shall be deemed as invalid and the bid rejected.*
3. *The issuing bank or insurance company should address its response or communication regarding the bond to KPLC at the following e-mail address – “guarantees@kplc.co.ke”*
4. *The Tender validity period is One Hundred Twenty (180) days as set out in the Invitation to Tender or as otherwise may be extended by KPLC. Therefore, the Tender Security must initially be valid for at least 30 days beyond the tender validity period.*
5. *All italicized text is for use in preparing this form and shall be deleted from the final product.*

17. TENDER - SECURING DECLARATION FORM

To Be Submitted on Tenderer’s Letterhead)

Date:

To:

The Kenya Power & Lighting Company Plc,
Stima Plaza,
Kolobot Road, Parklands,
P.O Box 30099 – 00100,
Nairobi, Kenya.

[The Tenderer 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, Tenders 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 Procuring Entity 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 Tender conditions, because we–(a) have withdrawn our Tender during the period of Tender validity specified; or (b) having been notified of the acceptance of our Tender by the Procuring Entity during the period of Tender 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 Tenderers.
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 Tender, 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

18 FORM OF TENDER – FINANCIAL PROPOSAL FORM

To Be Submitted on Tenderer’s Letterhead)

Date:

To:

The Kenya Power & Lighting Company Plc,
 Stima Plaza,
 Kolobot Road, Parklands,
 P.O Box 30099 – 00100,
 Nairobi, Kenya.

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

Invitation to Tender No.:*[insert identification]*

To: *[insert complete name of KPLC]* We, the under signed Tenderer, hereby submit the second part of our Tender, the Financial Proposal in submitting our Financial Proposal, we make the following additional declarations:

- (a) **Tender Validity Period:** Our Tender shall be valid for the period specified (as amended, if applicable) from the date fixed for the Tender submission deadline specified (as amended, if applicable), and it shall remain binding upon us and may be accepted at any time before the expiration of that period;
- (b) **Total Price:** The total price of our Tender (as indicated in our detailed price schedule), excluding any discounts offered in item (c) below is: *[insert the total price of the Tender in words and figures, indicating the various amounts and the respective currencies].*
- (c) **Discounts:** The discounts offered and the methodology for their application are:
 - i) The discounts offered are:*[Specify in detail each discount offered]*
 - ii) 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];*

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, 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.”)

a) 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.

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]

Notes:

- i. *Submit this Form of Tender - Financial Proposal in the portal marked "FINANCIAL PROPOSAL".*
- ii. *The Tenderer must prepare the Form of Tender- Financial Proposal on stationery with its Form head clearly showing the Tenderer's complete name and business address.*
- iii. *All italicized text is to help Tenderers in preparing this form.*

19 DETAILED PRICE SCHEDULE

[To Be Submitted on Tenderer’s Letterhead]

No.	Description	Amount (Ksh.)
1	Offer to KPLC Legal Audit Services	
2	Offer to KPLC Governance Audit Services	
5	Reimbursable Costs	
6	VAT	
7	Grand Total amount of financial proposal	

Notes

1. In preparing the Financial Proposal, Tenderers may list all costs associated with the assignment. If appropriate, these costs may be broken down by activity. Third party costs to be borne directly by KPLC should not be included.
2. **Reimbursable Costs**
 - 2.1 KPLC’s rates shall apply for reimburseable expenses such as travelling and night out allowances (per diem). these are payable on reimbursement basis i.e. upon being incurred by the Service Provider; as part of a fee note and with demonstrable proof of the necessity and occurrence. Where these are not incurred, they will not be paid.
 - 2.2 Proof of incurring this expense on an item by item basis shall be required before they are admitted for consideration for payment. The Tenderer should provide a cap for this payment. Any amount in excess of this cap, where incurred and duly admitted for payment, shall be borne by the Tenderer from its fees/charges.
 - 2.3 Reimbursable costs excludes disbursements incurred in the normal course of rendering the Services. Such disbursements will be deemed as part of the fees/charges for the Services
 - 2.4 The reimbursable costs shall not be taken into account during evaluation. However, they will guide in contract negotiations and during implementation of the ensuing contract

KPLC’s Offered Payment Schedule

The payment milestones are as follows:

Reports	Percentage of payment
Inception Report	20%

Interim Report	70%
Final Report	10%

Dear Sirs and Madams,

Having read, examined and understood the Tender Document including all Addenda, receipt of which we hereby acknowledge, we, the undersigned Tenderer, offer to provide(insert services description) for the sum of.....(total tender price in words and figures) or such other sums as may be ascertained in accordance with the schedule of prices inserted by me/ us above.

Name of Tenderer

Name and Designation of authorised person signing the Tender

Signature of authorised person signing the Tender

Stamp of Tenderer

PART 2 - SERVICES' REQUIREMENTS

SECTION V - SCHEDULES OF SERVICES REQUIREMENTS

PART A: Brief Schedule of Services Required

For Provision of Legal and Governance Audit Services - Tender No. KP1/9A.2/OT/075/RA/22-23

Item No.	Description	Activity
1.	Offer to KPLC Legal and Governance Audits Services	1

PART B: Delivery Schedule of the Services

The contract period shall be for a one (1) year period from Commencement Date.

The total time requirement for completing the consultancy services is estimated to be one hundred and eighty business days

Kenya Power proposes the following activity timeframe:

Activity	Proposed Timeframe
Inception meeting and submission of inception report outlining the Consultant's understanding of the tasks, methodology of execution of the tasks and a timetable/work plan on how they intend to undertake the assignment	10 Days
Develop audit instruments (Legal and Governance) and submit the same for approval	28 days
Conduct Legal and Governance Audits	100 days
Submit interim report on audit findings and draft implementation matrix	21 days
Submit and present the Final Report	21 days

Presentation and reporting: The Legal Auditor and Governance Auditor will be working in close cooperation with KPLC. The Manager, Board & Regulatory Affairs will be responsible for the management of both Services.

Output

- Submit separate Legal Audit and Governance Audit Reports of the audit findings and recommendations to the Company
- Develop a compliance implementation framework that will ensure that all compliance and reporting requirements are met and in compliance with best practices
- Submit and present two separate Reports on Legal Audit and Governance Audits with the Implementation matrix

PART C: Data Services, personnel, and facilities to be provided by KPLC

- a) Relevant documentation
- b) Provide letters of introduction
- c) Meeting rooms

THE DETAILS OF SERVICES

The Details of Services describe the basic requirements for services. In addition to the information and documentation in the Tender Document regarding the technical aspects of this Tender, all Tenderers shall comply with the following wherever applicable -

GENERAL REQUIREMENTS

1. Technical documentation shall be in English language. The specific services on offer shall be marked clearly for the services they intend to provide.
2. Deviations from the basic requirements, if any, shall be explained in detail in writing with the offer, with supporting data including calculation sheets, detailed drawings and certified test reports. KPLC reserves the right to reject the services if such deviations shall be found critical to the use and operation of the services.
3. Detailed contact information including title, e-mail, , telephone or any other form of acceptable communication of the certification or recognition and standards body used shall be provided.
4. Where Certificates and their Reports and are translated into English, all pages of the translations must be signed and stamped by the certifying authority.
5. The Consultant's conformity to reference standards and copies of quality management certifications shall be submitted for consideration.

PART B – SPECIFIC DETAILS OF SERVICE

1. Introduction

The Kenya Power & Lighting Company PLC (KPLC) is a public limited liability incorporated under the Laws of Kenya specifically under the Companies Act, Chapter 486 of the Laws of Kenya (repealed). It was incorporated in 1922 as the East African Power & Lighting Company Limited. KPLC was listed on the Nairobi Stock Exchange (NSE) in 1954. The Company changed to The Kenya Power & Lighting Company Limited in 1983 and The Kenya Power & Lighting Company PLC (KPLC) in August 2019.

Our shareholders include the Government of Kenya (GoK), institutions and individual persons. KPLC is a public company with GoK holding the majority block of shares. We are regulated by the State Corporations Act, Chapter 446 of the Laws of Kenya and the laws governing procurement by public bodies, mainly the Public Procurement and Asset Disposal Act, 2015 together with various regulations there-under and the Public Finance Management Act.

Our Core Business is the bulk purchase of electrical energy; transmit; distribute; supply electrical energy and related customer services throughout Kenya.

Our Mission is Powering People for Better Lives by Innovatively securing Business Sustainability .

Our Values are developed to support the Company's Mission. These Values are Customer First, One Team, Passion, Integrity, Excellence and Accountability.

2. Background

The Government underscores the need for more effective utilization of public resources in the face of rising public consciousness in regard to the obligations place on the State by the Constitution. Parastatal reforms are targeted at achieving improvements in public service delivery. KPLC has adopted Legal and Governance compliance as a key pillar of its risk management strategy. It seeks to mitigate the Company's exposure to potential legal risks such as penalties, surcharges, costs arising out of legal proceedings and various charges that may arise out of non-compliance. The Company is cognizant of the fact that noncompliance with the law could pose reputational risk and can also be costly to the Company not only in terms of resources but also jeopardize its right standing as a law-abiding corporate citizen.

3. Organizational and Business Structure

- 1.1. KPLC is structured into 13 Divisions, 1 Institute and 8 Main Regions. Our headquarters is referred to as the Central Office. It is located at Stima Plaza, Kolobot Road, Parklands, Nairobi. Amongst the 13 Divisions is the Legal, Regulatory Affairs & Company Secretary (LRA&CS) headed by the General

Manager, Legal, Regulatory Affairs & Company Secretary. Within the LRA&CS Division are several departments, including the Board & Regulatory Affairs Department.

1.2. KPLC's operations are geographically split into eight (8) Regions:

- 1.2.1. Nairobi Region with its main office in Electricity House, Harambee Avenue, Central Business District Nairobi;
- 1.2.2. Central Rift Region with the main office in Electricity House, Moi South Road, Nakuru;
- 1.2.3. Coast Region with the main office in Electricity House, Nkrumah Road, Central Business District Mombasa;
- 1.2.4. Mount Kenya Region with the main office in Stima House, Nyeri;
- 1.2.5. Western Region with its main office in Electricity House, Station Road, Kisumu;
- 1.2.6. South Nyanza Region with its main office in Kisii;
- 1.2.7. North Rift Region has its main office at KVDA Plaza, Oloo Street Eldoret and
- 1.2.8. North Eastern Region whose main office is in Thika.

1.3. To attain higher penetration and decentralization within the devolved governance system, KPLC has 49 County Offices throughout the 8Regions traversing the 47 Counties of the Republic.

1.4. The County Offices are headed by County Business Managers. They are responsible for, and act as link persons for all affairs of the Company within their respective spheres of operation.

4. Legal and Regulatory Framework

Our business is mainly governed by National Energy Policy which was Sessional Paper No. 4 of 2004 on Energy and the Energy Act, 2019. Other important policies for the company are the MOE Kenya Electricity Sector Investment Prospectus 2018-2022, Feed-in-Tariff (FiT policy), Least Cost Power Development Plan (LCPDP), Rural Electrification Master Plan, Integrated National Energy Planning Framework, October 2020 and the MoE&P Investment Prospectus 2013-2016 (5000+MW by 2016 Power to Transform Kenya). The Regulator for the Energy sector is the Energy & Petroleum Regulatory Authority.

Following the promulgation of the Constitution of Kenya 2010, the National Energy Policy and the Energy Act have been extensively reviewed to align them with the existing governance structure of the Country. Consequently, the National Energy Policy 2018 was reportedly adopted in October 2018. The Energy Act, 2019 became effective on 28 March 2019 and effectively repealed the Energy Act, 2006.

It is necessary for Kenya Power to undertake a Legal Audit and a Governance Audit to ensure that its operations align to the law as required including Mwongozo – The Code of Governance for State Corporations. The Legal and Governance Audits process shall have an objective of evaluating and reviewing the company's compliance with statutes within its operating environment with the aim of ensuring that all internal and external stakeholders abide to their responsibilities.

5. Need for Legal and Governance Compliance

The Code of Corporate Governance for State Corporations (Mwongozo) has devoted an entire chapter to the subject of compliance with laws and regulations is a testament to the weight assigned to the need for compliance with the code. The Governance Principle in the Code prescribes, in mandatory terms, that "the organization shall comply with the Constitution, all applicable laws and regulations and in line with accepted national and international standards, as well as, the internal policies of the organization" Further, the Governance Statement in the Code reads: "The organization should conduct its business affairs in full compliance with all applicable laws, rules and regulations" These statements underpin the need for compliance by all State Corporations.

6. Objective

The Company, in compliance with the above requirements, intends to engage a law firm with requisite technical know-how, resources, accreditation and experience to carry out a comprehensive Legal and Governance Audits. .

The Audits mainly seek to establish the extent of compliance with constitutional, legal, statutory, regulatory and policy requirements in Kenya Power’s operations, governance and administration.

7. Scope of Services

The Audits scope entails assessment for compliance with pertinent provisions of the Constitution of Kenya 2010 and other laws as they relate to Kenya Power. In addition, there is the Government Performance Contracting Framework and Government directives carried in various circulars that have compliance requirements. The Consultant will be expected to thoroughly be familiar with and understand the regulatory framework governing Kenya Power’s operations including an assessment of the extent of adherence to internal policies as approved by the Company’s Board of Directors and performed by the Board. The output of the exercise should enable Kenya Power to identify and adhere to relevant laws, identify specific deficiencies or areas of weaknesses in the internal and external compliance and assess its position on Governance that comprise potential legal risk and liability as well as ensure it conducts its operations in accordance with all relevant laws and best regulatory practices anchored in accepted principles of good governance, accountability and transparency.

The successful Tenderer will be expected to undertake the specific tasks as indicated in the table below. These are to be filled and signed by the Tenderer for all requirements and submitted alongside other requested documents. **The Tenderer is required to indicate against each service specification “Yes / To Comply” thus indicating their confirmation to meeting the service on award.**

1 TERMS OF REFERENCE FOR CARRYING OUT THE LEGAL AUDIT

No.	Requirement	Tenderer’s Response
1	Identifying, examine, reviewing and analyzing laws, good governance practices, ethical procedures, established standards, regulations, directives, government circulars and policies governing company operations, evaluating Kenya Power’s level of compliance with the same.	
2	Analyzing the Company’s level of compliance with relevant provisions of the Constitution of Kenya, 2010	
3	Conduct a preliminary baseline survey to identify the required information, documents and policies for the audit	
4	Analyze maintenance of record, the procedures for transacting business within Kenya Power and management of its business	
5	Evaluate the Company’s existing structure, operations of each Division and review its existing internal policies, controls and procedure manuals against generally accepted best standards in line with laws governing their application with an aim of ascertaining their adequacy in meeting the current and future development needs and objectives in the sector and assessing the company’s adherence to the said documents.	
6	Reviewing the company’s procurement processes and procedures, contracting processes and recommending best practices.	
7	Undertaking a litigation audit for the company’s portfolio of cases against best practices and proposing areas of improvement	
8	Visiting selected Kenya Power regional and county offices across the country for a fair appreciation of the unique operations of the Company, conduct interviews of relevant functional heads and selected personnel to assess the attendant risks.	
9	Preparation and presentation of a draft report on the findings of the legal audit to the Company for management’s comments, highlighting specific gaps, areas of non-compliance, causes of non-compliance, propose opportunities for improvement as well as corrective action and measures to be put in place to ensure compliance	
10	Preparation and submission of a final report on the audit findings and recommendations after incorporating Kenya Power’s response.	
11	To develop an integrated compliance framework for monitoring compliance in the Company to ensure a strong compliance program	
12	Preparing a compliance and implementation audit tool/matrix for recommendations to each Division and Region to assist Kenya Power monitor and implement the recommendations to achieve compliance.	

No.	Requirement	Tenderer's Response
13	Conduct a training for the Kenya Power's advocates and compliance team on best practices in legal compliance and legal risk management matters.	
14	Making at least two oral presentations and hold discussions with Senior Management on the pertinent issues emerging from the legal audit exercise and obtain comments and feedback on audit findings	

8. Reporting Requirements, Commencement and Time Schedule

It is estimated that the assignment will take one hundred and eighty (180) business days from commencement date. The commencement date shall be agreed upon with Kenya Power through a letter from Kenya Power to the Consultant. The Consultant will be required to present a comprehensive audit program, work methodology and timeline of activities for the assignment. The Final Legal Audit Report should be presented to the General Manager Legal, Regulatory Affairs & Company Secretary in two printed copies and a digital version saved in a flash disk. The Consultant shall be reporting operationally to the Manager, Board and Regulatory Affairs.

9. Reports

Report	Details of the Report
Inception Report	Prepare and submit an inception report including the Legal Audit plan to Kenya Power outlining the Consultant's understanding of the assignment, methodology of execution of the tasks and a clear roadmap on how they intend to undertake the assignment.
Comprehensive Interim Legal Audit Report draft implementation matrix.	Prepare a comprehensive interim report with recommendations outlining clear measures, strategies and opportunities at the end of the assignment.
Final Legal Audit Report	Incorporate the comments from Kenya Power into the interim report. Prepare and submit a final Legal Audit Report to Kenya Power.

10. Approach, Work Plan and Methodology

The Consultant shall explain his approach and draw a comprehensive and detailed work plan and the methodology he will employ, including any specific tools developed and earmarked for use in the audit. The work plan must be synchronized with the time schedule for the assignment.

11. Personnel, Administrative and Infrastructural Facilities to be provided by Kenya Power

The Consultant is advised to state any requirements to be met by Kenya Power in advance. However, Kenya Power is not bound to meet all or part of the requirements requested by the Consultant. Kenya Power Central Office will serve as a liaison centre, research or central repository for better access to relevant material and documentation in Kenya Power's possession. The Tenderer will be granted access to information including files, correspondence, registers, policies, manuals and other documentation and records necessary to undertake the audit.

Kenya Power will provide a liaison person to the Consultant during implementation of the Audit.

12. Confidentiality

During the performance of the Legal Audit, the Tenderer may learn or receive confidential business information. All such information relating to Kenya Power's business shall be kept confidential by the Tenderer and its personnel.

13. Improvement of Terms of Reference (ToR)

Whereas an attempt has been made to provide a comprehensive description, any error or omission resulting should be exempted. The Consultant may offer suggestions and improvements in the Terms of Reference, which he considers would result in enhancement of the audit. Such proposals, if accepted, will form part of the Terms of Reference of the proposal submitted by the Consultant.

AUDIT

Background

KPLC intends to procure, by way of Open Tender, the services of a competent consulting firm to provide Governance Audit services for the Financial Year ended 2022/2023

Objectives of the Assignment

The overall objective of this assignment is provision of Consultancy services for Governance Audit

Scope of Services

The Consultant will be required to provide the professional services necessary to undertake comprehensive Governance Audits. The Consultant will work within the Terms of Reference and executed contract with the Company to deliver quality output in accordance with the objectives of this assignment. The specific Terms of Reference are as follows:

- i. Carry out a comprehensive governance audit of Kenya Power in order to assess KPLC's governance structures and systems on; ethical leadership and strategic management, financial reporting and accountability, board independence and governance; board policies, systems, practices and procedures; transparency and disclosures; compliance with laws and regulations; communication with stakeholders; consistent shareholder and stakeholder value enhancement; corporate social responsibility, investment, and Sustainability
- ii. Maintenance of records and management of the Corporate business
- iii. Procedures for transacting business within the Organization
- iv. Conduct a preliminary baseline survey on the required documents, policies and governance documents for the audit
- v. Examine all Circulars, practices and procedures to determine compliance with the Law, good corporate governance practices in accordance with *Mwongozo*, the CMA Code of Corporate Governance Practices for issuers of Securities to the Public, established standards and ethical procedures
- vi. Evaluate the Company's existing structure, policies, systems and procedures against generally accepted governance standards to establish level of compliance.
- vii. Identify areas of non-compliance and propose measures to be put in place to ensure compliance.
- viii. Prepare a tailor-made governance audit tool/matrix
- ix. Identify and interview the relevant personnel charged with governance audit matters
- x. Development and Review of the following Board Governance documents and constitutive documents against applicable legislation;
 - a. Board Charter (including the various Board Committees Charters and terms of reference)
 - b. Board and board committees' meetings minutes
 - c. Board induction manual
 - d. Board nomination and remuneration policy
 - e. Risk Management framework
 - f. Dispute Resolution Policy
 - g. Communication policy
 - h. Stakeholders management/ engagement policy
 - i. Corporate Social Responsibility policy

- j. Code on prevention of insider trading
- k. Annual Board work plan
- l. Review relevant policies, procedures, manuals and controls
- m. To develop a framework for monitoring the Company's code of ethics.
- n. To develop and integrated compliance framework for the Company to ensure a strong compliance program
- o. Hold discussions with management and obtain comments and feedback on audit summary
- p. Submit final governance audit report together with identified gaps and recommendations for improvement

Output

- i. Submit a Governance Audit Report of the audit findings and recommendations to the Company for the specified period
- ii. Develop a compliance implementation framework that will ensure that all compliance and reporting requirements are met and in compliance with best practices
- iii. Submit and present a report with the Implementation matrix.

Time Requirements

The total time requirement for completing the Governance Audit consultancy services is estimated to be one hundred and eighty (180) business days. The Company proposes the following activity timeframe:

PROPOSED ACTIVITY TIME FRAME

ACTIVITY	PROPOSED TIMEFRAME
Inception report outlining the Consultant's understanding of the tasks, methodology of execution of the tasks and a timetable/work plan on how they intend to undertake the assignment.	10 Days
Develop audit instruments and submit the same for approval.	28 days
Conduct Governance Audit.	100 days
Submit interim report on audit findings and draft implementation matrix.	21 days
Submit and present the Final Report.	21days

Incorporation

The contents of Part B Specific Details of Service in particular no. 1, 3 – 5, 8, 9 – 13 are hereby incorporated as for the Governance Audit services and should be read together with other terms, conditions, stipulations and provisions of this Part II TOR for Consultants to Carry Out Governance Audit.

**PART 3 - CONDITIONS OF CONTRACT
AND CONTRACT FORMS**

SECTION VI - GENERAL CONDITIONS OF CONTRACT

1. Definition and Interpretation

1.1 Definitions

In the Contract, the following words and expressions shall have the meanings stated below, unless otherwise required by the context.

1.1.1 The Contract

- a) “Contract” means the General Conditions, the Particular Conditions, which include Part A and Part B, the Form of Acceptance, the Form of Tender, the Schedules, and any Addenda.
- b) “Particular Conditions of Contract” means the pages completed by KPLC to elaborate on General Conditions of Contract.
- c) “Form of Acceptance” means the Form of formal acceptance, signed by KPLC, of the Form of Tender, including any annexed memoranda comprising agreements between and signed by both Parties. If there is no such Form of acceptance, the expression “Form of Acceptance” means the Contract Agreement and the date of issuing or receiving the Form of Acceptance means the date of signing the Contract Agreement.
- d) “Form of Tender” means the document entitled Form of Tender, which was completed by the Contractor and includes the signed offer to KPLC for the Services.
- e) “Schedules” means the documents entitled Schedule of Services Requirements, included in Section V of the tendering document used to award the Contract.
- f) “Tender” means the Form of Tender.
- g) “GCC” means the General Conditions of Contract.
- h) “SCC” means the Special Conditions of Contract.
- i) “Procuring Entity” means KPLC purchasing the Goods and Related Services, as specified in the SCC.

1.1.2 Parties and Persons

- i. “Contractor” means the person(s) named as contractor in the Form of Tender and the legal successors in title to this person(s).
- ii. “Personnel” means the Representative and all personnel whom the Contractor utilizes on the Facilities, who may include the staff, labor and other employees of the Contractor and of each Sub-Contractor (including Key Subcontractor); and any other personnel assisting the Contractor in the execution of the Services.
- iii. “Representative” means the person named by the Contractor in the Contractor appointed from time to time by the Contractor under Sub-Clause 3.2 [Contractors Representative], who acts on behalf of the Contractor.
- iv. “KPLC” means the agency/body named as KPLC in the Special Conditions of Contract (SCC) and the legal successors in title to this person.
- v. “KPLC's Representative” means the person named by KPLC in accordance with Sub-Clause 3.3 (a) to represent and act for KPLC at all times during the performance of the Contract.
- vi. “KPLC's Personnel” means all staff employed by KPLC.
- vii. “Government” means the Government of Kenya.
- viii. “Independent Expert” means the person appointed in accordance with Sub-Clause 20.1.2 [Independent Expert].

- ix. “Key Staff” means those individuals listed as Key Staff in the Tender, or any person appointed, with the agreement of KPLC, as a Key Staff, for a part of the Services; and the legal successors in title to each of these persons.
- x. “Key Subcontractors” means those Sub Contractors listed as Key Sub Contractors in the Tender, or any person appointed, with the agreement of KPLC, as a Key Subcontractor, for a part of the Services; and the legal successors in title to each of these persons.
- xi. “Party” means KPLC or the Contractor, as the context requires, and “Parties” means both.
- xii. “Subcontractor” means any person named in the Contract as a subcontractor, or any person appointed as a subcontractor, for a part of the Services; and the legal successors in title to each of these persons.
- xiii. “Third Party” means a person or an entity other than a Party, the Utility, the Utility Board, or the Government.
- xiv. “Utility” means the utility (if any) named in the Particular Conditions of Contract.
- xv. “Utility Board” means the Board or other body with governance and management supervision responsibilities over the Utility specified in the Special Conditions of Contract pursuant to Sub-Clause 1.1.2.
- xvi. Public Procurement Authority (PPRA) means the statutory the Government agency charged with oversight of public procurement functions.

1.1.3 Dates, Tests, Periods and Completion

- a. “Base Date” means the date 28 days prior to the latest date for submission of the Tender.
- b. “Commencement Date” means the date defined under Sub-Clause 2.2 [Commencement].
- c. “Day” means a calendar day and “year” means 365 days.
- d. “Effective Date” has the meaning given in Sub-Clause 2.1 [Conditions of Effectiveness].

1.1.4 Money and Payments

- a) “Contractor's Account” means the account defined in Sub-Clause 12.5.1.
- b) “Contractor's Base Remuneration” means the Remuneration specified in Schedule G to be the Contractor's Base Remuneration, or is no such amount is specified, the amount of the Contractor's Remuneration which is not dependent on meeting Performance Targets.
- c) “Contractor's Remuneration” means the price defined in Clause 12.1 [Contractor's Remuneration], and includes adjustments in accordance with the Contract.
- d) “Cost” means all expenditure reasonably incurred (or to be incurred) by the Contractor, whether on or off the Facilities, including overhead and similar charges, but does not include profit.
- e) “Foreign Currency” means a currency in which part (or all) of the Contract is payable, but not the Kenya shilling.
- e) “Liquidated Damages on Termination for KPLC's Convenience” means the amount specified in the Special Conditions of Contract pursuant to Sub-Clause 21.10 (f) (i) to be payable in the event of Termination by KPLC for Convenience pursuant to Sub-Clauses 21.5 and 21.8.

- g) “Local Currency” means Kenya shillings.
- f) “Utility's Account” means paid for the by the Utility, as defined in Sub-Clause 12.6.1.

1.1.5 Services and Goods

- i. “Contractor's Equipment” means all apparatus, machinery, vehicles and other things required for the execution and completion of the Services and the remedying of any defects. But excludes KPLC's Equipment (if any), Plant, Materials and any other things intended to form or forming part of the Facilities.
- ii. “Goods” means Contractor's Equipment, Materials, Plant, or any of them as appropriate.
- iii. “Services” has the meaning given in Clause 4.1 [Services to be Performed and Other Obligations].

1.1.6 Fraud and Corruption

KPLC requires the Contractor 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.

1.1.7 Other Definitions

- i. “Arbitration” means the process described as arbitration in Sub-Clause 20.1.4 [Arbitration].
- ii. “Capital Works” means construction work or the procurement and installation of capital equipment intended to extend, rehabilitate or replace the Facilities.
- iii. “Condition Precedent” means one of the Conditions of Effectiveness listed in Sub-Clause 2.1 [Conditions of Effectiveness].
- iv. “Contractor's Documents” means the calculations, computer programs and other software, drawings, manuals, models and other documents of a technical nature (if any) supplied by the Contractor under the Contract.
- v. “**Country**” means the country in which the Facilities (or most of it) is located, where the Services are to be executed.
- vi. “Cure Period” means, in respect of a Default Notice given to the Contract or under Sub-Clause 21.1 [Notification and Cure Plans], the period specified in the Default Notice (or if no such period is specified 10 Business Days from the date of the Default Notice) as varied or extended under Sub-Clause 21.2 [Remedying the Default with in the Applicable Cure Period].
- vii. “Default” means a failure by a Party to perform its obligations under the Contract.
- viii. “Delegation of Management Authority” means the delegation to the Contractor of authority to manage the Facilities and the Utility which is granted under Clause 11 [Delegation of Management Authority to the Contractor].
- ix. “Pre-Conditions” means something KPLC, the Utility or a third party shall provide, on which performance of the Service is contingent, and which is listed as a dependency in Schedule B.
- x. “KPLC's Equipment” means the apparatus, machinery and vehicles (if any) made available by KPLC for the use of the Contractor in the execution of the Services, as stated in the Specification; but does not include Plant which has not been taken over by KPLC.

- xi. “Facilities” means all assets of KPLC which are to be managed by the Contractor, and any other places as may be specified in the Contract as forming part of the Facilities.
- xii. “Force Majeure” is defined in Sub-Clause 17.1 [Definition of Force Majeure].
- xiii. “Laws” means all national (or state) legislation, statutes, ordinances and other laws, and regulations and by- laws of any legally constituted public authority.
- xiv. “Objectives” has the meaning given under Sub-Clause 1.6.2 [Objectives].
- xv. “Performance Security” means the security (or securities, if any) under Sub-Clause 16.3 [Performance Security].
- xvi. “Proposed Substitute Key Staff Member or Key Sub-Contractor” have the meaning given in Sub-Clause 8.2 [Substitution of Contractor's Key Staff Member or Key Sub-Contractor].
- xvii. “Recitals” has the meaning given under Sub-Clause 1.6.1 [Recitals].
- xviii. “Specified Capital Works” means Capital Works which are the responsibility of the Contractor under Sub- Clause 9.2 [Responsibilities for Specified Capital Works].
- xix. “Substitution Fee” is the amount to be paid by KPLC for substituting another person in place of a Key Staff Member or Key Sub-Contractor, in accordance with Sub-Clause 8.2 [Substitution of Contractor's Key Staff Member or Key Sub-Contractor].
- xx. “Unforeseeable” means not reasonably foreseeable and against which adequate preventive precautions could not reasonably be taken by an experienced Contractors by the date for submission of the Tender.
- xxi. “Utility Capital Works” means Capital Works which are not Specified Capital Works.
- xxii. “Value Management Proposal” has the meaning given under Sub-Clause 19.2 [Value Management].
- xxiii. “Variation” means any change to the Services, which is instructed or approved as a variation under Clause 19.1 [KPLC Variations].
- xxiv. “Variation Proposal” has the meaning given under Sub-Clause 19.1.1 [Decision on KPLC's Variation Request].
- xxv. “Variation Request” has the meaning given under Sub-Clause 19.1 [KPLC Variations].

1.2 Interpretation

In the Contract, except where the context requires otherwise:

- a) Words indicating one gender include all genders;
- b) words indicating the singular also include the plural and words indicating the plural also include the singular;
- c) provisions including the word “agree”, “agreed” or “agreement” require the agreement to be recorded in writing;
- d) “written” or “in writing” means hand-written, type-written, printed or electronically made, and resulting in a permanent record;

- e) The word “Tender” is synonymous with “tender” and “Tenderer” with “tenderer” and “Tender Document” with “tendering document”.
- f) the marginal words and other headings shall not be taken into consideration in the interpretation of these Conditions.

1.3 Communications

Wherever these Conditions provide for the giving or issuing of approvals, certificates, consents, determinations, notices, requests and discharges, these communications shall be:

- i. In writing and delivered by hand (against receipt), sent by mail or courier, or transmitted using any of the agreed systems of electronic transmission as stated in the Particular Conditions of Contract; and
- ii. delivered, sent or transmitted to the address for the recipient's communications as stated in the Particular Conditions of Contract. However:
- iii. if the recipient gives notice of another address, communications shall thereafter be delivered accordingly; and
 - 1. if the recipient has not stated otherwise when requesting an approval or consent, it may be sent to the address from which the request was issued.

Approvals, certificates, consents and determinations shall not be unreasonably withheld or delayed. When a certificate is issued to a Party, the certifier shall send a copy to the other Party. When a notice is issued to a Party, by the other Party or the Independent Expert, a copy shall be sent to KPLC's Representative or the other Party, as the case may be.

1.4 Law and Language

The Contract shall be governed by the law of Kenya. The ruling language of the Contract shall be English Language. The language for communications shall be English Language.

1.5 Priority of Documents

The documents forming the Contract (as attached hereto) are to be taken as mutually explanation Services Requirements of one another. For the purposes of interpretation, the priority of the documents shall be in accordance with the following sequence:

- a. The Contract Agreement (if any),
- b. The addenda Nos.(if any)
- c. The Form of Acceptance,
- d. The General Conditions,
- e. The Particular Conditions of Contract,
- f. The Schedules of Services Requirements
- g. The Form of Tender

If an ambiguity or discrepancy is found in the documents, the Independent Expert appointed in accordance with Sub-Clause 20.1.2 [Independent Expert] will rule as to the interpretation. This ruling will be binding, unless one of the Parties refers it to Arbitration with 30days of the ruling being given.

1.6 Recitals and Objectives

1.6.1 Recitals

The Recitals are the background facts about the Parties, the provision of utility services in the Country, and other facts and intentions set out in Schedule A (A.1).The Recitals are not legally binding, but may be used as context to assist in interpretation of the contract.

1.6.2 Objectives

The Objectives KPLC wishes to achieve by entering the Contract are set out in Schedule A (A.2)

2 Commencement and Duration

2.1 Conditions of Effectiveness

This Contract shall become effective from the date, or Effective Date, on which all the following Conditions of Effectiveness are fulfilled, except for Sub-Clause 2.1 [Conditions of Effectiveness], Sub-Clause 19.5 [Extension and Subsequent Tendering], and Clauses 1 [Definitions and Interpretations] and 3 [General Provisions], which become effective on the date of signature of the Form of Acceptance.

- a) If the Contractor is an unincorporated joint venture, notification to KPLC by the member of a joint venture of their leader, as required by Sub-Clause 3.9 [Joint and Several Liability]
- b) Notification of the Contractor's Representative to KPLC by the Contractor as required by Sub- Clause 3.2 [Contractor's Representative].
- c) Notification of KPLC's Representative to the Contractor by KPLC as required by Sub-Clause 3.3 [KPLC's Representative].
- d) Appointment of the Independent Expert in accordance with Sub-Clause 20.1.2 [Independent Expert].
- e) Delivery of the Performance Security to KPLC by the Guarantor in accordance with Sub- Clause 16.3 [Performance Security].
- f) Other conditions **listed in the SCC**.

2.2 Commencement

- 2.2.1 Within seven (7) days of the satisfaction of the conditions specified in Sub-Clause 2.1 [Conditions of Effectiveness], KPLC shall issue the Certificate of Commencement to the Contractor. The date of issue of the Certificate of Commencement shall be the "Commencement Date".
- 2.2.2 The Contract shall commence the provision of the Services no later than 14 days after receipt of the Certificate of Commencement and KPLC shall return the Tender Security to the Contractor on such Date.
- 2.2.3 The Contractor and KPLC shall use their best efforts and endeavors to procure the satisfaction of the Conditions of Effectiveness specified in Sub-Clause 2.1 [Conditions of Effectiveness] as soon as practicable and in any event no later than sixty (60) days after the date hereof.
- 2.2.4 If the conditions specified in Sub-Clause 2.1 [Conditions of Effectiveness] are not fulfilled or waived by mutual agreement of the Parties within ninety (90) days of the date hereof, each Party shall have the right to terminate this Contract immediately and neither Party hereto shall be liable to the other for any damages or losses in respect thereof, except that if the Contractor has intentionally failed to fulfill any of these conditions, the Contractor shall forfeit the Tender Security.

2.3 Duration

Unless terminated earlier in accordance with Clause 21 [Default and Termination], this Contract shall remain in effect until the period **stated in the SCC** has passed after the Commencement Date.

3 General Provisions

3.1 Assignment

Neither Party shall assign the whole or any part of the Contractor any benefit or interest in or under the Contract. However, either Party:

- a) May assign the whole or any part with the prior agreement of the other Party, at the sole discretion of such other Party, and

- b) may, as security in favor of a bank or financial institution, assign its right to any moneys due, or to become due, under the Contract.

3.2 Contractor's Representative

- 3.2.1 The Contractor shall appoint a Contractor' Representative and shall give him all authority necessary to act on the Contractor's behalf under the Contract. If the Contractor is an unincorporated Joint Venture, the Contractor's Representative shall have the authority to bind all members of the Joint Venture.
- 3.2.2 The Contractor's Representative may delegate any powers, functions and authority to any competent person, and may at any time revoke the delegation. Any delegation or revocation shall not take effect until KPLC Representative has received prior notice signed by the Contractor's Representative, naming the person and specifying the powers, functions and authority being delegated or revoked.
- 3.2.3 The Contractor's Representative shall be fluent in the English language for communications defined in Sub-Clause 1.4 [Law and Language]. If these other persons are not fluent in the said language, the Contractor shall make competent interpreters available during all working hours in a number deemed sufficient by KPLC's Representative.

3.3 KPLC's Representative

- a) KPLC shall name its representative before the Effective Date.
- b) KPLC may change its representative from time to time and shall give notice of the change without delay. KPLC shall not change its representative at a time and in such a manner as to impede the progress of the Services.
- c) KPLC's Representative shall represent and act for KPLC at all times during the performance of the Contract. All notices, instructions, orders, certificates, approvals and all other communications under the Contract by KPLC shall be given by KPLC's Representative otherwise provided.

3.4 Communications by the Contractor

All notices, instructions, information and other communications given by the Contractor to KPLC under the Contract shall be given to KPLC's Representative (referred to as Project Manager) except as herein otherwise provided.

3.5 Sub-Contractor

- a. The Contractor shall not subcontract the whole of the Services. The Contractor shall be responsible for the acts or defaults of any Sub-Contractor, his agents or employees, as if they were the acts or defaults of the Contractor. **Unless otherwise stated in the SCC:**
 - a. The Contractor shall not be required to obtain consent to suppliers solely of Materials, or to a subcontract for which the Sub-Contractor is named in the Contract;
 - b. the prior consent of KPLC's Representative shall be obtained to other proposed Sub- Contractor;
 - c. the Contractor shall give KPLC's Representative not less than 28 days' notice of the intended date of the commencement of each Sub-Contractor's work, and of the commencement of such work on the Facilities; and
 - d. each subcontract shall include provisions which would entitle KPLC to require the subcontract to be assigned to KPLC under Sub-Clause 3.7 [Assignment of Benefit of Subcontract] (if or when applicable) or in the event of termination under Sub-Clause 21.5 [Termination by KPLC for Convenience].
- b. The Contractor shall ensure that the requirements imposed on the Contract by Sub-Clause 0 [Confidentiality Obligations of the Contractor] apply equally to each Sub Contractor. Where practicable, the Contractor shall give fair and reasonable opportunity for Contractor from Kenya to be appointed as Sub Contractor.

3.6 Key Sub-Contractor

The Contractor shall use the services of any Key Sub Contractor specified in its Tender, unless KPLC is reasonably satisfied that the:

- a) The Key Sub Contractor is not available; or
- b) The performance of the Services will not suffer if the Sub Contractor is not used. The Contractor may provide another person (the “Proposed Substitute Key Sub Contractor”) in substitution for a Key Sub Contractor (as identified in Schedule E) only on fulfillment of the following conditions:
- c) Proving to the reasonable satisfaction of KPLC that the Key Sub Contractor is not available;
- d) Proving to the reasonable satisfaction of KPLC that the Proposed Substitute Key Sub Contractor is as suitable for the services as the Key Sub Contractor that is not available.
- e) Payment by the Contractor of a Substitution Fee of the amount specified in Schedule E.

3.7 Assignment of Benefit of Subcontract

If a Sub Contractor's obligations extend beyond the expiry date of the Contract and KPLC, prior to this date, instructs the Contractor to assign the benefit of such obligations to KPLC, then the Contractor shall do so. Unless otherwise stated in the assignment, the Contractor shall have no liability to KPLC for the work carried out by the Sub Contractor after the assignment takes effect.

3.8 Compliance with Laws

The Contractor shall, in performing the Contract, comply with applicable Laws. Unless otherwise stated in the Particular Conditions of Contract:

- a) KPLC shall have obtained (or shall obtain) the planning, zoning, resource abstraction, environmental discharge permission for the normal operation of the Facilities, and KPLC shall indemnify and hold the Contractor harmless against and from the consequences of any failure to do so; and
- b) the Contractor shall give all notices, pay all taxes, duties and fees, and obtain all permits, licenses and approvals, as required by the Laws in relation to the execution and completion of the Services in so far as these relate to the Services themselves and not to the operation of the Facilities, and the Contractor shall indemnify and hold KPLC harmless against and from the consequences of any failure to do so.

3.9 Joint and Several Liability

If the Contractor constitutes (under applicable Laws) a Joint Venture of two or more persons:

- a) These persons shall be deemed to be jointly and severally liable to KPLC for the performance of the Contract;
- b) These persons shall notify KPLC of their leader who shall have authority to bind the Contractor and each of these persons; and
- c) the Contractor shall not alter its composition or legal status without the prior consent of KPLC.

3.10 Inspections and Audit by the PPRA

- a) The Contractor shall keep, and shall make all reasonable efforts to cause its Sub Contractor and sub-consultants to keep, accurate and systematic accounts and records in respect of the Services in such form and details as will clearly identify relevant time changes and costs.
- b) Pursuant to paragraph 2.2 e. of Appendix to the General Conditions the Contractor shall permit and shall cause its sub-Contractor 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 Contractor and its Sub Contractors and sub-consultants' attention is drawn to Sub-Clause 1.1.6 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).

4 Obligations of the Contractor

4.1 Services to be Performed and Other Obligations

The Contractor shall perform the Services set out in Schedule B–Services and the other obligations described in Clauses 4, 5, 6, 7, 8, and 9.

4.2 Pre-Conditions

The performance by the Managing Contractor of its obligations under the Contract shall be contingent on the availability of the Pre-Conditions listed in Schedule B.

4.3 Non-Availability of the Pre-Conditions

Unless Schedule B provides a different mechanism for determining the implications of non-availability of the Services, in the event that any of the Pre-Conditions pursuant to Sub-Clause 4.2 [Pre-Conditions] are not available to the extent that, in the opinion of the Independent Expert, the non-availability of such Pre-Conditions:

- a. Makes it unreasonable to expect the Contractor to perform some or all of the Services, the Contractor shall be relieved of its responsibilities to perform those services, or
- b. Affects the achievement of any of the Performance Targets, such Performance Targets shall be reduced for the duration for which the Pre-Conditions are not available to the extent that the Independent Expert determines at its sole discretion.

4.4 Cost of Performing the Services

The performance of the Services shall be at the cost of the Contractor, unless otherwise specified in Schedule B.

5 Conflict of Interest

5.1 General

The Contractor shall hold KPLC's interests paramount, without any consideration for future work, and strictly avoid conflict with other assignments or their own corporate interests.

5.2 Contractor not to benefit from commissions, discounts, etc.

- a. The payment of the Contractor pursuant to Sub-Clause 12.1 [Contractor's Remuneration] shall constitute the Contractor's only payment in connection with this Contract and, subject to Sub-Clause 5.3 [Contractor and Affiliates not to Engage in Certain Activities] hereof, the Contractor shall not accept for its own benefit any trade commission, discount or similar payment in connection with activities pursuant to this Contract in the discharge of its obligations hereunder, and the Contractor shall use its best efforts to ensure that any Sub-Contractor, as well as the Personnel and agents of either of them, similarly shall not receive any such additional payment.
- b. Furthermore, if the Contractor, as part of its obligations under the Contract, has the responsibility of advising KPLC on the procurement of goods, works or services, the Contractor shall comply with the applicable procurement regulations, and shall at all times exercise such responsibility in the best interest of KPLC. Any discounts or commissions obtained by the Contractor in the exercise of such procurement responsibility shall be for the account of KPLC.

5.3 Contractor and Affiliates not to engage in certain activities

The Contractor agrees that, during the term of this Contract and after its termination, the Contractor and any

entity affiliated with the Contractor, as well as any Sub Contractor and any entity affiliated with such Sub Contractor, shall be disqualified from subsequently providing goods, works or services (other than consulting services) for a project resulting from or directly related to the Contractor' Services for the preparation or implementation of such project.

5.4 Prohibition of conflicting activities

The Contractor shall not engage, and shall cause its Personnel as well as their Sub-Contractor and their Personnel not to engage, directly or indirectly, either in any business or professional activities that would conflict with the activities assigned to them under this Contract.

6 Know-How Transfer and Training

6.1 Requirement to transfer know-how and systems

The Contractor shall:

- a) Transfer such know-how, management systems, manuals, utility management software and similar knowledge, tools and capacity for managing a utility as are specified in Schedule C.
- b) Leave with the Utility such, at the Termination or expiration of the Contract, management systems, manuals, utility management software and similar tools as are specified in Schedule C.

6.2 Requirement to provide training

The Contractor shall provide such training and development of Utility Personnel as is specified in Schedule C.

6.3 Cost of know-how transfer and training

The performance of the obligations under this Clause 5 shall be at the cost of the Contractor, unless otherwise specified in Schedule C.

7 Performance Targets

The Performance Targets will be the targets for key Indicative Services Requirements set out in Schedule D. In performing the Services and exercising its Delegated Management Authority, the Contractor shall use its best endeavors to achieve or exceed the Performance Targets. Achieving the Performance Targets is not to result in any additional remuneration to the Contractor, except to the extent specified in Schedule G (G.2). Failure to achieve the Performance Targets is not to result in any penalty, or create ground for termination of the Contract, except to the extent specified in Schedule C or Schedule G.

8 Staff to be Provided by the Contractor

8.1 Provision of Contractor' Personnel

The Contractor shall provide the Contractor's Personnel set out in Schedule E, to fill the positions listed in Schedule E, for the periods or days specified in Contractor' Personnel. All costs of providing the Staff specified in Schedule E are to be for the Contractor's Account, unless otherwise specified in Schedule E.

8.2 Substitution of Contractor' Key Staff Member or Key Subcontractor

The Contractor may provide another person (the "Proposed Substitute Key Staff Member" or "Proposed Substitute Key Subcontractor") in substitution for a Key Staff or a Key Subcontractor (as identified in Schedule E) only on fulfillment of the following conditions:

- a) Proving to the reasonable satisfaction of KPLC that the Key Staff Member or Key Subcontractor is not available because of ill-health, death, or because he is no longer employed or subcontracted by the Contractor
- b) Proving to the reasonable satisfaction of KPLC that the Proposed Substitute Key Staff Member or Key Subcontractor is as suitable for the job as the Key Staff Member or Key Subcontractor who is not available. To satisfy itself as to the suitability of the Proposed Substitute Key Staff Member or Proposed Substitute Key Subcontractor, KPLC may, among other things:

- a) check the references of the Proposed Substitute Key Staff Member or Proposed Key Subcontractor, and/or
 - b) require the Proposed Substitute Key Staff Member or Proposed Substitute Key Subcontractor to attend an interview with KPLC. Any costs incurred in the Proposed Substitute Key Staff Member or Proposed Substitute Key Subcontractor attending the interview will be for the Contractor's Account.
- c. Payment by the Contractor of a Substitution Fee of the amount specified in Schedule E.

8.3 Labor Laws

The Contractor shall comply with all the relevant labour Laws applicable to the Contractor's Personnel, including Laws relating to their employment, employment of children, health, safety, welfare, immigration and emigration, and shall allow them all their legal rights. The Contractor shall require his employees to obey all applicable Laws, including those concerning safety at work.

8.4 Health and Safety

The Contractor shall at all times take all reasonable precautions to maintain the health and safety of the Contractor's Personnel.

8.5 Contractor's Personnel Qualifications

The Contractor's Personnel shall be appropriately qualified, skilled and experienced in their respective trades or occupations. KPLC's Representative may require the Contractor to remove (or cause to be removed) from the Facilities or the performance of the Services, any Contractor's Personnel, including the Contractor's Representative if applicable, who:

- a. Persists in any misconduct or lack of care,
- b. Carries out duties in competently or negligently,
- c. Fails to conform with any provisions of the Contract, or
- d. persists in any conduct which is prejudicial to safety, health, or the protection of the environment. If requested by KPLC, the Contractor shall then substitute the person removed with another person. This substitution must be in accordance with Sub-Clause 8.2.

8.6 Foreign Personnel

The Contractor may bring into Kenya any foreign personnel who are necessary for the execution of the Services except for the categories of staff **specified in the SCC** that, in accordance with applicable Kenya Laws, must be hired locally if and to the extent that a sufficient number of appropriately qualified staff is locally available. The Contractor shall ensure that these personnel are provided with the required residence visas and work permits. KPLC will, if requested by the Contractor, use his best endeavors in a timely and expeditious manner to assist the Contractor in obtaining any local, state, national, or government permission required for bringing in the Contractor's personnel. The Contractor shall be responsible for the return of these personnel to the place where they were recruited or to their domicile. In the event of the death in Kenya of any of these personnel or members of their families, the Contractor shall similarly be responsible for making the appropriate arrangements for their return or burial.

9 Procurement and Management of Capital Works and Finance

9.1 Responsibility to Manage Utility Capital Works and Finance

Unless otherwise specified in Schedule F, the Contractor will not be directly responsible for Capital Works or sourcing finance, but will be responsible for managing the Utility Personnel responsible for these functions, to the extent that this is within the definition of Services to be performed, and the Delegation of Management Authority.

9.2 Responsibilities for Specified Capital Works

The Contractor will be responsible for designing, procuring, managing and supervising Capital Works to the extent set out in Schedule F. The cost of Specified Capital Works will be to the Utility's Account, unless otherwise specified in Schedule F. The Contractor will not receive any remuneration for discharging its responsibilities under this Sub-Clause 9.2, unless otherwise specified in Schedule G.

9.3 Responsibilities for Specified Finance

The Contractor will be responsible for sourcing, negotiating or otherwise procuring finance for the Utility as specified in Schedule F. The Contractor will not receive any remuneration for discharging its responsibilities under this Sub-Clause, unless otherwise specified in Schedule G.

9.4 Procurement Rules

9.4.1 Procurement for Utility operations

In discharging its responsibilities to procure, or manage the procurement of, materials, supplies and services for the operations of the Utility, the Contractor will follow good commercial practice designed to ensure fairness, transparency and value for money, including any specific procurement rules set out in Schedule H.

9.4.2 Procurement for Provision of the Services

The Contractors free to procure anything required for the provisions of Services as it wishes provided that:

- a. This Contract was awarded competitively to the satisfaction of KPLC, and
- b. The thing being procured is for the Contractor's Account. Except that if there are any provisions governing the procurement of things required for the provisions of the Services stated in Schedule H, the Contractor shall comply with those provisions.

9.4.3 Procurement for Utility Capital Works and Specified Capital Works

In discharging its responsibilities to procure, or manage the procurement of anything required for Utility Capital Works and Specified Capital Works, the Contractor will follow good commercial practice designed to ensure fairness, transparency and value for money, including any specific procurement rules set out in Schedule H.

10 Contractor's reporting

10.1 Contractor's reporting requirements

Unless otherwise stated in Schedule K, monthly progress reports shall be prepared by the Contractor and submitted to KPLC's Representative in six copies. The first report shall cover the period up to the end of the first calendar month following the Commencement Date. Reports shall be submitted monthly thereafter, each within 7 days after the last day of the period to which it relates. The Contractor shall comply with all other reporting requirements specified in Schedule K.

11 Delegation of Management Authority to the Contractor

11.1 Delegation of Management Authority

Regardless of the relationship and interdependency between the Utility Board and KPLC, as may be defined by the Utility's charter or other internal documents, for the purpose of this Contract, KPLC is the Party to the Contract and is deemed to act on behalf and with the authorization of the Utility Board. In this capacity, KPLC confers on the Contractor the Delegated Management Authority over the areas and to the in Schedule I. This delegation is irrevocable during the term of the Contract.

11.2 Contractor to be advisor on other management matters

All management authority not explicitly delegated to the Contractors retained by KPLC. If in the Contractor's opinion it would be beneficial to the performance of the Services and achievement of the Objectives

for such management authority to be exercised in a particular way, the Contractor shall advise KPLC of this, and provide reasons in writing. KPLC will give the Contractor written notice of its decision within the period **specified in the SCC**. If KPLC decides not to follow the Contractor's advice, it will give written reasons for its decision when it informs the Contractor.

The Contractor shall comply with the decisions of KPLC in management matters which are not the subject of Delegated Management Authority, to the extent that this is consistent with this Contract, and in particular with Schedule B, Schedule F, and Schedule H.

11.3 Further Delegation during the term of the Contract

KPLC may delegate further powers to the Contractor during the term of the Contract. Such further delegations are to be in writing. The delegations may be revocable or irrevocable, as specified in the delegation. Such delegations will be effective unless the Contractor refuses to accept the delegation. To be effective, such refusal must be given in writing within 30 days of receiving the notice of delegation.

11.4 Purpose of Exercise of Delegated Management Authority

The Contractor shall exercise any Delegated Management Authority to perform the Services and meet the Performance Targets, in accordance with good utility management practices.

11.5 Suspension of Delegated Management Authority

The delegation of powers shall be suspended during periods of Suspension of the Service, in accordance with Sub-Clause 18.2 [KPLC's Entitlement to Suspend the Services and Delegated Management Authority].

11.6 Utility's Personnel

The Utility's Personnel will continue to be employed by the Utility. They will not become employees of the Contractor by virtue of this Contract.

The Contractor's Personnel will not be employees of the Utility by virtue of this Contract.

The Contractor's power to manage the Utility's Personnel will be as set out in the delegation of management authority to the Contractor under this Clause.

11.7 Utility Personnel Retrenchment

Provisions related to staff retrenchment set out in Schedule L will be binding on the Parties.

12 Contractor's Remuneration and Costs

12.1 Contractor's Remuneration

12.1.1 Amount and conditions of payment-The amount and conditions of payment of the Contractor's Remuneration shall be as specified in Schedule G.

Responsibility for Payment-Payment of the Remuneration shall be the responsibility of KPLC, unless otherwise specified in Schedule G.

12.1.2 Payment to be made without penalty or deduction- The Remuneration shall be paid in full without penalty or deduction unless otherwise provided in Schedule G, or this Contract.

12.1.3 Dates for payment- The dates for payment of the Contractor's Remuneration shall be as specified in Schedule G.

12.1.4 Currencies of Payment - The Contractor's Remuneration shall be paid in the currency or currencies named in Schedule G.

12.1.5 Adjustment of Remuneration for Inflation - The Contractor's Remuneration shall be adjusted as stated in Schedule G.

12.2 Advance Payment

12.2.1 The Advance Payment or payment to the Contractor in advance of work done, if any, shall be as specified in Schedule G.

12.2.2 Any advance payment shall be paid as an interest-free loan for mobilization, when the Contractor submits a guarantee in accordance with this Sub-Clause. The total Advance Payment, the number and timing of installments (if more than one), and the applicable currencies and proportions, shall be as stated in Schedule G.

12.2.3 The guarantee shall be in amounts and currencies equal to the Advance Payment. This guarantee shall be issued by an entity and from within a country (or other jurisdiction) approved by KPLC, and shall be in the form annexed to the Particular Conditions or in another form approved by KPLC.

12.2.4 The Contractor shall ensure that the guarantee is valid and enforceable until the advance payment has been repaid, but its amount may be progressively reduced by the amount repaid by the Contractor. If the terms of the guarantee specify its expiry date, and the advance payment has not been repaid by the date 28 days prior to the expiry date, the Contractor shall extend the validity of the guarantee until the advance payment has been repaid.

12.2.5 Unless stated otherwise in Schedule G, the advance payment shall be repaid through equal percentage deductions from the Contractor's Base Remuneration.

12.2.6 If the advance payment has not been repaid prior to the Termination of the Contract, the whole of the balance then outstanding shall immediately become due and payable by the Contractor to KPLC.

12.3 Delayed Payment

12.3.1 If the Contractor does not receive payment in accordance with Sub-Clause 12.1 [Contractor's Remuneration], the Contractor shall be entitled to receive financing charges compounded monthly on the amount unpaid during the period of delay. This period shall be deemed to commence on the date for payment.

12.3.2 Unless otherwise stated in Schedule G, these financing charges shall be calculated at the annual rate of three percentage points above the discount rate of the Central Bank of Kenya of the currency of payment, and shall be paid in such currency.

12.3.3 The Contractor shall be entitled to this payment without formal notice or certification, and without prejudice to any other right or remedy.

12.4 Sufficiency of the Contractor's Remuneration

The Contractor shall be deemed to have satisfied himself as to the correctness and sufficiency of the Contractor's Remuneration, taking into account all available data, and fully understanding the Services to be provided, and the conditions in which the Services are to be performed.

12.5 Contractor's Costs and Account

12.5.1 Contractor' Account

An item which is expressed to be "for the Contractor's Account" shall be paid for by the Contractor from its own funds and not from the funds of KPLC or the Utility. The Contractor will be responsible for meeting the cost of items for the Contractor's Account whether or not the Contractor's Remuneration is sufficient to cover the cost, or whether or not the cost was anticipated, and whether or not the Contractor has the funds available.

12.6 Utility Financial Issues

12.6.1 Utility's Account

An item which is expressed to be "for the Utility's Account" shall be paid for by KPLC. All costs which are not specified by this Contract to be for the Contractor's Account, or the responsibility of another person, shall be for KPLC's Account.

12.6.2 Procedure if the Utility's incomings are not sufficient to cover its outgoings

The Utility shall cause the Parties responsible for its financial management to manage it prudently and in accordance with good commercial practice, and attempt to pay the obligations of the Utility as they fall due. In the event that the Utility is unable to pay its obligations as they fall due, the Utility shall cause the Parties responsible for its financial management to follow the rules and processes set out in Schedule J.

12 Obligations and Rights of KPLC

12.1 Access to land

KPLC here by grants free of charge to the Contractor, as from the Commencement Date, access to all land within the Service Area in respect of which access is required for the performance of the Services by the Contractor.

12.2 Right to use facilities

KPLC hereby grants free of charge to the Contractor, as from the Commencement Date, the right to access and use the Facilities. If the Contractor suffers delay and/or incurs Cost as a result of a failure by KPLC to give any such right, the Contractor shall be entitled on request to an adjustment in the Opera Services Requirements Remuneration sufficient to put it in the same position it would have been in had KPLC honored its obligations under this Sub-Clause.

12.3 Payments by KPLC

KPLC shall make payments to the Contractor in accordance with the terms of this Contract.

12.4 Support by KPLC

KPLC shall use its best efforts to ensure that the Government shall provide the Contractor such assistance as may be required (e.g., issuance of permits, licenses, approvals, authorizations, etc.) during the term of this Contract. KPLC shall use its best efforts to ensure adequate finance pursuant to the Project as defined here into fund any capital investment program and shall keep the Contractor informed of the progress of such applications and negotiations.

12.5 Supervision by KPLC

- a. KPLC shall supervise the Contractor in the performance of its obligations under this Contract.
- b. KPLC shall review and approve or comment upon all reports submitted by the Contractor pursuant Clause 14 [KPLC's Reporting].
- c. KPLC shall be given reasonable access during normal working hours to premises, works and sites of the Contractor for the purposes of inspection and certification. For the avoidance of doubt the term "KPLC" as used herein shall include duly authorized officers, employees, representatives of KPLC and the Financial and Technical Audi Services Requirements.

12.6 Permits, Licenses or Approvals

KPLC shall (where he is in a position to do so) provide reasonable assistance to the Contractor at the request of the Contractor:

- i. By obtaining copies of the Laws of Kenya which are relevant to the Contract but are not readily available, and
- ii. For the Contractor's applications for any permits, licenses or approvals required by the Laws of Kenya:
 - a. Which the Contractors required to obtain
 - b. For the delivery of Goods, including clearance through customs, and
 - c. For the export of Contractor's Equipment when it is removed from the Facilities.

12.7 Utility's Personnel Cooperation

KPLC and the Utility shall be responsible for ensuring that the Utility's Personnel and other Contractor on the Facilities co-operate with the Contractor's efforts in performance of the Services.

12.8 KPLC's Financial Arrangements

KPLC shall submit, within 28 days after receiving any request from the Contractor, reasonable evidence that financial arrangements have been made and are being maintained which will enable KPLC to pay the Contractor's Remuneration (as estimated at that time) in accordance with Clause 12 [Contractor's Remuneration]. Before KPLC makes any material change to his financial arrangements, KPLC shall give notice to the Contractor with detailed particulars.

13 KPLC's Reporting

13.1 KPLC's reporting requirements

KPLC shall comply with the reporting requirements specified in Schedule K.

14 Intellectual and Industrial Property Rights

14.1 Intellectual Property and Copyright

As between the Parties, the Contractor shall retain the copyright and other intellectual property rights in any technical or KPLC's Representative inventions or innovations made by or on behalf of the Contractor in providing the Services and in the Contractor's, Parent's and Shareholders' proprietary software, as applicable, that the Contractor modified for use in connection with the Services (the "Contractor's Innovations and Software").

The Contractor, by signing the Contract, gives KPLC a non-terminable, transferable, non-exclusive, royalty-free license to copy, use and communicate the Contractor's Innovations and Software and any other software used or purchased by the Contractor in the performance of the Services (the "Other Software"), including making and using modifications of them. This license shall,

- a. apply throughout the actual or intended working life, whichever is longer, of the relevant parts of the Facilities;
- b. entitle any person in proper possession of the relevant part of the Facilities to copy, use and communicate the Contractor's Innovations and Software and the Other Software for the purposes of managing, operating and maintaining the Facilities;
- c. in the case of Contractor's Innovations and Software and the Other Software which are in the form of computer programs and other software, permit their use on any computer at the Facilities and other places as envisaged by the Contract, including replacements of any computers supplied by the Contractor; and
- d. entitle KPLC to make the Contractor's Innovations and Software and the Other Software available for inspection by a prospective Tenderer who may be involved in the process to select a Subsequent Contractor.

As between the Parties, KPLC owns and will continue to own all data with respect to the Facilities and Customers.

15.2 Intellectual Property Infringements

15.2.1 Meaning of Infringement and Claim

In this Sub-Clause, "infringement" means an infringement (or alleged infringement) of any patent, registered design, copyright, trademark, tradename, trade secret or other intellectual or industrial property right relating to the Services; and "claim" means a claim (or proceedings pursuing a claim) alleging an infringement.

15.2.2 Notice of Claims

Whenever a Party does not give notice to the other Party of any claim within 28 days of receiving the claim, the first Party shall be deemed to have waived any right to indemnity under Sub-Clause 15.2 [Intellectual Property Infringement].

15.2.3 Contractor to Indemnify KPLC

The Contractor shall indemnify and hold KPLC and the Utility harmless against and from any other claim which arises out of or in relation to the performance of the Services or the Contractor' management of the Utility.

15.2.4 KPLC to indemnify Contractor

KPLC shall indemnify and hold the Contractor harmless against and from any claim alleging an infringement which is or was:

- i. An unavoidable result of the Contractor's compliance with the Contract, or
- ii. A result of any Services being used by KPLC:
 1. For a purpose other than that indicated by, or reasonably to be inferred from, the Contract, or
 2. in conjunction with anything not supplied by the Contractor, unless such use was disclosed to the Contract or prior to the Base Date or is stated in the Contract.

15.2.5 Right to manage settlement and litigation

If a Party is entitled to be indemnified under this Sub-Clause 15.2 [Intellectual Property Infringement], the indemnifying Party may (at its cost) conduct negotiations for the settlement of the claim, and any litigation or arbitration which may arise from it. The other Party shall, at the request and cost of the indemnifying Party, assist in contesting the claim. This other Party (and its Personnel) shall not make any admission which might be prejudicial to the indemnifying Party, unless the indemnifying Party failed to take over the conduct of any negotiations, litigation or arbitration upon being requested to do so by such other Party.

15.3 Confidentiality Obligations of the Contractor

15.3.2 Confidentiality

The Contractor shall keep confidential and shall not, without the written consent of KPLC, divulge to any Third Party any documents, data or other information arising directly or indirectly from the performance of Services under the Contract, whether such information has been furnished prior to, during or following termination of the Contract.

However, the Contractor may furnish to its Subcontractor such documents, data and other information to the extent required for the Subcontractor to perform their work under the Contract, in which event the Contractor shall obtain from such Subcontractor an undertaking of confidentiality similar to that imposed on the Contractor under this Sub-Clause 15.3 [Confidentiality Obligations of the Contractor].

15.3.3 Use of information

The Contractor shall not use such documents, data and other information received from KPLC for any purpose other than as are required for the performance of the Contract. The Contractor shall not publish, permit to be published, or disclose any particulars of the Contract, Assets or Facilities in any trade or technical paper or advertising materials without the prior written consent of KPLC.

15.3.4 Exceptions for publicly available information

- i. The obligations of the Contractor under Sub-Clause 15.3 [Confidentiality Obligations of the Contractor] shall not apply to that information which,
- ii. Now or hereafter enters the public domain through no fault of the Contractor;
- iii. can be proven to have been possessed by the Contractor at the time of disclosure and which was not previously obtained, directly or indirectly, from the Procuring Entity; or

- iv. otherwise lawfully becomes available to the Contractor from a Third Party that has no obligation of confidentiality.

15.4 Confidentiality and Publication Obligations of KPLC

Unless otherwise stated in the SCC, KPLC has the right and intention to publish the Contract in its entirety in its website and in such other media as it deems appropriate.

16 Liability, Risk Allocation, Securities, Bonds and Insurance

16.2 Limitation of Liability

Neither Party shall be liable to the other Party for loss of use of any Services, loss of profit, loss of any contractor for any indirect or consequential loss or damage which may be suffered by the other Party in connection with the Contract, whether in contract, Services Requirements or otherwise, other than as specifically provided in Sub- Clause 21.9 [Payment on Termination by KPLC for Cause]; Sub-Clause 16.2 [Indemnities]; Sub- Clause 16.7 [Consequences of KPLC's Risks] and Sub-Clause 15.1 [Intellectual Property and Copyright]. The total liability of the Contractor to KPLC, under or in connection with the Contract, whether in contract, Services Requirements or otherwise, shall not exceed the sum **stated in the SCC**, or (if such multiplier or other sum is not so stated), the Contract Base Remuneration.

This Sub-Clause shall not limit liability in any case of fraud, deliberate default, gross negligence, or reckless misconduct by the defaulting Party.

16.3 Indemnities

- a. The Contractor shall indemnify and hold harmless KPLC, KPLC's Personnel, and their respective agents, against and from all claims, damages, losses and expenses (including legal fees and expenses) in respect of:
- b. bodily injury, sickness, disease or death, of any person whatsoever arising out of or in the course of or by reason of the execution and completion of the Services, unless attributable to any negligence, willful actor breach of the Contract by KPLC, KPLC's Personnel, or any of the irrelative agents, and
- c. damage to or loss of any property, real or personal, to the extent that such damage or loss arises out of or in the course of or by reason of the Contractor's performance or non-performance of the Services and the remedying of any defects, unless and to the extent that any such damage or loss is attributable to any negligence, willful act or breach of the Contract by KPLC, KPLC's Personnel, their respective agents, or any one directly or indirectly employed by any of them.
- d. KPLC shall indemnify and hold harmless the Contractor, the Contractor's Personnel, and their respective agents, against and from all claims, damages, losses and expenses (including legal fees and expenses) in respect of (1) bodily injury, sickness, disease or death, which is attributable to any negligence, willful act or breach of the Contract by KPLC, KPLC's Personnel, or any of their respective agents.

16.4 Performance Security

16.3.1 Unless an amount is **not stated in the Particular Conditions of Contract**, the Contractor shall obtain (at his cost) a Performance Security for proper performance, in the form, amount and currencies **stated in the SCC**. The Contractor shall deliver the Performance Security to KPLC within 28 days after receiving the Form of Acceptance, and shall send a copy to the Independent Expert. The Performance Security shall be issued by an entity and from within Kenya (or other jurisdiction) approved by KPLC, and shall be in the form annexed to the Particular Conditions or in another form approved by KPLC. If the 16.3 institution issuing the Performance Security is located outside Kenya of KPLC, it shall have a corresponding financial institution located in Kenya of KPLC to make it enforceable.

6.3.2 The Contractor shall ensure that the Performance Security is valid and enforceable until the Contractor has executed and completed the Services and been released from liability under this Contract. If the terms of the Performance Security specify its expiry date, and the Contractor has not become entitled to receive the

performance Certificate by the date 28 days prior to the expiry date, the Contractor shall extend the validity of the Performance Security until the Services have been completed and any defects have been remedied.

KPLC shall not make a claim under the Performance Security, except for amounts to which KPLC is entitled under the Contract.

16.3.3 KPLC shall not make a claim under the Performance Security unless the Independent Expert first certifies that there are “prima facie” grounds for making a claim. KPLC shall indemnify and hold the Contractor harmless against and from all damages, losses and expenses (including legal fees and expenses) resulting from a claim under the Performance Security to the extent to which KPLC was not entitled to make the claim. KPLC shall return the Performance Security to the Contractor within 21 days after receiving a copy of the Performance Certificate.

16.5 General Requirements for Insurances

16.5.1 In this Clause, “insuring Party” means, for each type of insurance, the Party responsible for effecting and maintaining the insurance specified in the relevant Sub-Clause.

Wherever the Contractors the insuring Party, each insurance shall be effected with insurers and in terms approved by KPLC. These terms shall be consistent with any terms agreed by both Parties before the date of the Form of Acceptance. This agreement of terms shall take precedence over the provisions of this Clause.

16.5.2 Wherever KPLC is the insuring Party, each insurance shall be effected with insurers and in terms consistent with the details annexed in Schedule M. If a policy is required to indemnify joint insured, the cover shall apply separately to each insured as though a separate policy had been issued for each of the joint insured. If a policy indemnifies additional joint insured, namely in addition to the insured specified in this Clause, (i) the Contractor shall act under the policy on behalf of these additional joint insured except that KPLC shall act for KPLC's Personnel, (ii) additional joint insured shall not be entitled to receive payments directly from the insurer or to have any other direct dealings with the insurer, and (iii) the insuring Party shall require all additional joint insured to comply with the conditions stipulated in the policy. Each policy insuring against loss or damage shall provide for payments to be made in the currencies required to rectify the loss or damage. Payments received from insurers shall be used for the rectification of the loss or damage.

16.5.3 The relevant insuring Party shall, within the respective periods **stated in the Special Conditions of Contract** (calculated from the Commencement Date), submit to the other Party:

- a. Evidence that the insurances described in this Clause have been effected, and
- b. copies of the policies for the insurances as required by Schedule M.

16.5.4 When each premium is paid, the insuring Party shall submit evidence of payment to the other Party. Each Party shall comply with the conditions stipulated in each of the insurance policies. The insuring Party shall keep the insurers informed of any relevant changes to the execution of the Services and ensure that insurance is maintained in accordance with this Clause.

16.5.5 Neither Party shall make any material alteration to the terms of any insurance without the prior approval of the other Party. If an insurer makes (or attempts to make) any alteration, the Party first notified by the insurer shall promptly give notice to the other Party.

16.5.6 If the insuring Party fails to effect and keep in force any of the insurances it is required to effect and maintain under the Contract, or fails to provide satisfactory Services Requirements evidence and copies of policies in accordance with this Sub-Clause, the other Party may (at its option and without prejudice to any other right or remedy) effect insurance for the relevant coverage and pay the premiums due. The insuring Party shall pay the amount of these premiums to the other Party, and the Contractor's Remuneration shall be adjusted accordingly.

16.5.7 Nothing in this Clause limits the obligations, liabilities or responsibilities of the Contractor or KPLC, under the other terms of the Contract otherwise. Any amounts not insured or not recovered from the insurers shall be borne by the Contractor and/or KPLC in accordance with these obligations, liabilities or responsibilities. However, if the insuring Party fails to effect and keep in force an insurance which is available and which it is required to effect and maintain under the Contract, and the other Party neither approves the omission nor effects insurance for the coverage relevant to this default, any moneys which should have been recoverable under this insurance shall be paid by the insuring Party.

16.6 Insurance Required

Each Party shall effect and maintain insurance as specified in Schedule M.

16.7 KPLC's Risks

The risks referred to in Sub-Clause 16.7 [Consequences of KPLC's Risks] below, in so far as they directly affect the execution of the Services in Kenya are:

- a) war, hostilities (whether war be declared or not), invasion, act of foreign enemies,
- b) rebellion, terrorism, sabotage by persons other than the Contractor's Personnel and other employees of the Contractor and Subcontractor, revolution, insurrection, military or usurped power, or civil war, within Kenya,
- c) riot, commotion or disorder within Kenya by persons other than the Contractor's Personnel and other employees of the Contractor and Subcontractor,
- d) munitions of war, explosive materials, ionizing radiation or contamination by radio-activity, within Kenya, except as may be attributable to the Contractor's use of such munitions, explosives, radiation or radio- activity,
- e) pressure waves caused by aircraft or other aerial devices traveling at sonic or supersonic speeds,
- f) use or occupation by KPLC of any part of the Permanent Services, except as may be specified in the Contract,
- g) any operation of the forces of nature which is Unforeseeable.

16.8 Consequences of KPLC's Risks

16.8.2 Notwithstanding anything contained in the Contract, the Contractor shall have no liability whatsoever for or with respect to,

- a. Destruction of or damage to the Facilities or any part thereof;
- b. Destruction of or damage to property of KPLC or any Third Party; or
- c. Injury or loss of life, if such destruction, damage, injury or loss of life is caused by any KPLC's Risks, and KPLC shall indemnify and hold the Contractor harmless from and against any and all claims, liabilities, actions, lawsuits, damages, costs, charges or expenses arising on consequence of or in connection with the same.

16.8.3 If the Facilities or any property of the Contract or used or intended to be used for the purposes of the Services sustains destruction or damage by reason of any KPLC's Risks, KPLC shall pay for,

- a. Replacing or making good any property or investments of the Contractor destroyed or damaged; and
- b. Replacing or making good any such destruction or damage to the Facilities or any part thereof, so far as may be required by KPLC, and as may be necessary for completion of the Services.

16.8.4 If KPLC does not require the Contractor to replace or make good any such destruction or damage to the Facilities, KPLC shall either request a change in accordance with Sub-Clause 19.1 [KPLC Variations] excluding the performance of the Services in respect of that part of the Facilities thereby destroyed or damaged or, where the loss, destruction or damage affects a substantial part of the Facilities, shall terminate the Contract, pursuant to Sub-Clause 17.7 [Release from Performance].

Notwithstanding anything contained in the Contract, KPLC shall pay the Contractor for any increased Costs that are in anyway attributable to, consequent on, resulting from, or in any way connected with any KPLC's Risks, if the Contractor notifies KPLC in writing of any such increased cost as soon as practicable.

16.8.5 If, during the term of the Contract, any KPLC's Risks occur that financially or otherwise materially affect the execution of the contract by the Contractor, the Contractor shall use its reasonable efforts to execute the Contract with due and proper consideration given to the safety of its and its Subcontractor's personnel engaged in the work on the Services. If the execution of the Services becomes impossible or is substantially prevented for a single period of more than 60 days or an aggregate period of more than 120 days on account of any KPLC's Risks, the Parties will attempt to develop a mutually satisfactory Services Requirements solution, failing which either Party may terminate the Contract by giving a notice to the other.

In the event of termination pursuant to this Sub-clause, the rights and obligations of KPLC and the Contractor shall be as specified in Sub-Clause 17.7 [Release from Performance].

17 Force Majeure

17.5 Definition of Force Majeure

In this Clause, "Force Majeure" means an exceptional event or circumstance:

- a. Which is beyond a Party's control,
- b. Which such Party could not reasonably have provided against before entering into the Contract,
- c. which, having arisen, such Party could not reasonably have avoided or overcome, and
- d. which is not substantially attributable to the other Party.

Force Majeure may include, but is not limited to, exceptional events or circumstances of the kind listed below, so long as conditions (a) to (d) above are satisfied:

- i. war, hostilities (whether war be declared or not), invasion, act of foreign enemies,
- ii. rebellion, terrorism, sabotage by persons other than the Contractor's Personnel and other employees of the Contractor and Subcontractor, revolution, insurrection, military or usurped power, or civil war,
- iii. riot, commotion, disorder, strike or lockout by persons other than the Contractor's Personnel and other employees of the Contractor and Subcontractor, or KPLC's Personnel
- iv. munitions of war, explosive materials, ionizing radiation or contamination by radio-activity, except as may be attributable to the Contractor's use of such munitions, explosives, radiation or radio-activity, and
- v. natural catastrophes such as earthquake, hurricane, typhoon or volcanic activity.

17.6 Notice of Force Majeure

If a Party is or will be prevented from performing its substantial obligations under the Contract by Force Majeure, then it shall give notice to the other Party of the event or circumstances constituting the Force Majeure and shall specify the obligations, the performance of which is or will be prevented. The notice shall be given within 14 days after the Party became aware, or should have become aware, of the relevant event or circumstance constituting Force Majeure.

The Party shall, having given notice, be excused performance of its obligations for so long as such Force Majeure prevents it from performing them.

Notwithstanding any other provision of this Clause, Force Majeure shall not apply to obligations of either Party to make payments to the other Party under the Contract

17.7 Duty to Minimize Delay

Each Party shall at all times use all reasonable endeavors to minimize any delay in the performance of the Contract as a result of Force Majeure. A Party shall give notice to the other Party when it ceases to be affected by the Force Majeure.

17.8 Consequences of Force Majeure

If the Contractor is prevented from performing its substantial obligations under the Contract by Force Majeure of which notice has been given under Sub-Clause 17.2 [Notice of Force Majeure], and suffers delay and/or incurs Cost by reason of such Force Majeure, the Contractor shall be entitled to:

- a. An extension of time for any such delay, if completion of the services is or will be delayed, and
- b. if the event or circumstance is of the kind described in sub-paragraphs (i) to (iv) of Sub-Clause 17.1 [Definition of Force Majeure] and, in the case of sub-paragraphs (ii) to (iv), occurs in Kenya, payment of any such Cost.

17.9 Force Majeure Affecting Subcontractor

If any Subcontractor is entitled under any contract or agreement relating to the Services to relief from force majeure on terms additional to or broader than those specified in this Clause, such additional or broader force majeure events or circumstances shall not excuse the Contractor's non-performance or entitle him to relief under this Clause.

17.10 Optional Termination, Payment and Release

If the execution of substantially all the Services in progress is prevented for a continuous period of 84 days by reason of Force Majeure of which notice has been given under Sub-Clause 17.2 [Notice of Force Majeure], or for multiple periods which total more than 140 days due to the same notified Force Majeure, the neither Party may give to the other Party a notice of termination of the Contract. In this event, the termination shall take effect 7 days after the notice is given, and the Contractor shall proceed in accordance with Sub-Clause 21.12 [Actions on Termination].

17.11 Release from Performance

Notwithstanding any other provision of this Clause, if any event or circumstance outside the control of the Parties (including, but not limited to, Force Majeure) arises which makes it impossible or unlawful for either or both Parties to fulfill its or their contractual obligations or which, under the law governing the Contract, entitles the Parties to be released from further performance of the Contract, then upon notice by either Party to the other Party of such event or circumstance:

- a. The Parties shall be discharged from further performance, without prejudice to the rights of either Party in respect of any previous breach of the Contract, and
- b. the sum payable by KPLC to the Contractor shall be the same as would have been payable under Sub-Clause 21.11 [Payment on Termination for Prolonged Force Majeure] if the Contract had been terminated under Sub-Clause 17.6 [Optional Termination, Payment and Release].

18 Suspension of Services

18.5 Suspension for non-payment

If KPLC:

- a. Fails to pay the Contractor any sum due under the Contract within the period specified in the Contract;
- b. Fails to approve any invoice or supporting documents without just cause under the Contract;
- c. commits a substantial breach of the Contract, including preventing the exercise of the Contractor's Delegated Management Authority
- d. fails to provide possession of or access to the Facilities
- e. the Contractor may, after giving not less than 14 days' notice to KPLC, suspend work (or reduce the rate of work) unless and until the failure or breach which gave rise to the suspension has been rectified.

18.6 No prejudice to other remedies

The Contractor's action shall not prejudice his entitlements to financing charges under Sub-Clause 12.3 [Delayed Payment] and to termination under Sub-Clause 21.7 [Termination by the Contractor for Cause].

18.7 Compensation for costs from suspension

If the Contract or suffers delay and/or incurs Cost as a result of suspending work (or reducing the rate of work) in accordance with this Sub-Clause, the Contractor shall be entitled to:

- i. An extension of time for any such delay, and
- ii. Payment of a costs actually and reasonably incurred as a result of the suspension

18.8 KPLC's Entitlement to Suspend the Services and Delegated Management Authority

KPLC may suspend the Services and Delegation of Management Authority, if this is necessary in the public interest, by notice to the Contractor. Such notice shall specify the effective date of the suspension, the reasons for the suspension, and the date on which the suspension will end.

If KPLC suspends the Services in accordance with this Sub-Clause 18.2, the Contractor shall then cease to perform its obligations under the Contract. However, the Contractor shall still be entitled to the Contractor Remuneration under the Contract. If the suspension continues for more than 90 days, the Contractor may, by notice to KPLC, treat the suspension as Termination for KPLC Convenience.

19 Contract Variation, Extension and Retendering

19.1 KPLC Variations

- a) At any time during the Term of the Contract KPLC's Representative may request a Variation by giving to the Contractor Variation Request. A Variation Request shall specify
 - a. A brief description of the Change to the Services
 - b. The effect on any other provisions of the Contract
 - c. A reasonable period within which the Contractor is required to respond.

19.2 Decision on KPLC's Variation Request

On receiving a Variation Request the Contractor shall respond in writing as soon as practicable, and in any event within the period stipulated in accordance with Sub-Clause 19.1 [KPLC Variations], either by giving reasons why he cannot comply (if this is the case) or by submitting a Variation Proposal containing:

- a) A description of the proposed work to be performed and a program for its execution,
- b) An estimate of the adjustment in Opera Services Requirements Remuneration which would be necessary to put the Contractor in the same financial position as if the Variation were not implemented

KPLC shall then:

- a) Accept the Variation Proposal, which shall then modify the Contracts as far as is specified in the Variation Proposal; or
- b) Notify the Contractor that it has decided not to proceed with Variation or
- c) Notify the Contractor that it does not agree with the proposed adjustment in Opera Services Requirements Remuneration or other terms of the Contract, and refer the issue for determination through the Dispute Resolution procedure under Sub-Clause 20.1 [Dispute Resolution].

19.3 Value Management

The Contractor may, at any time, submit to KPLC's Representative a written Value Management Proposal which (in the Contractor's opinion) will, if adopted:

- i) Reduce the cost of providing the services; or
- ii) Further the Objectives of the Contract; or
- iii) Otherwise be of benefit to KPLC or the Utility.

The Value Management Proposal shall be prepared at the cost of the Contractor and shall include:

- a) Description of the proposed Change to the Services
- b) A description of the proposed work to be performed and a program for its execution,
- c) Any proposed adjustment in Opera Services Requirements Remuneration
- d) The effect on any other provisions of the Contract.

If the Value Management Proposal would allow the same Services to be performed at lower cost, then the proposed adjustment in the Operational Services Requirements Remuneration shall be such as to share the benefits of the savings equally between the Contractor and KPLC.

If the effect of the Value Management Proposal would be to increase both the scope of the Services and the cost of the Services, then the proposed adjustment in the Operational Services Requirements Remuneration shall be such as to put the Contractor in the same financial position as it would be if the Value Management Proposal were not implemented

19.4 Decision on Value Management Proposal

On receiving a Value Management Proposal, KPLC shall either:

- a) Accept the Value Management Proposal, which shall then modify the Contract so far as is specified in the Value Management Proposal; or
- b) Decline to accept the Value Management Proposal.

19.5 Adjustments for Changes in Law

“Change in Law” means a change in the Laws of Kenya (including the introduction of new Laws and the repeal or modification of existing Laws) or in the judicial or official governmental interpretation of such Laws, made after the Base Date, which affect the Contract or in the performance of obligations under the Contract.

If the Contractor incurs additional Cost as a result of a Change in Law, the Operational Services Requirements Remuneration shall be adjusted so as put the Contractor in the same financial position as it would be if the Change in Law had not occurred.

If the Parties cannot agree on the required adjustment to the Operational Services Requirements Remuneration, either Party may refer the issue for determination through the procedure under Sub-Clause 20.1 [Dispute Resolution].

19.6 Extension and Subsequent Tendering

a) Extension of the Contract

Unless otherwise provided for in Schedule N, the Contract may be extended for an additional period of no more than the initial term of the Contract. Such an extension may be requested by KPLC, following the process set out in 19.1 [KPLC Variation], or by the Contractor following the process set out in 19.2 [Value Management], must be agreed by the Parties, and may not be determined under the Dispute Resolution process.

However, the Parties may agree to refer the invitation to an extension to the Independent Expert. If the parties refer the invitation to an extension to the Independent Expert they shall agree, prior to the referral, whether the Independent Expert's recommendation will be advisory only, or binding.

If requested to make a recommendation under this section, the Independent Expert shall be guided by:

- a. The Objectives of the Contract
- b. Such additional objectives as KPLC may inform him of which appear to him to be reasonable
- c. The need for the Contractor to make a fair profit on its efforts, which he may assess by reference to the profits actually achieved or expected to be achieved under the Contract
- d. The desirability of rewarding the Contractor for success in achieving KPLC's objectives.

b) Subsequent Tendering for a Similar Contract

Unless otherwise provided in Schedule N, the Contractor shall not be precluded from Tendering for any similar contract which is offered by KPLC or the Utility after the termination or expiration of this contract. In case of such a subsequent Tendering, the Contractor will be requested by KPLC to provide in due time a detailed report satisfactory Services Requirements to KPLC about the Services under this Contract, such Report to be made available by KPLC to all other potential Tenderers.

20 Dispute Resolution

20.1 Amicable Settlement

- a. If any dispute arises out of or in connection with this Contract, either Party may give notice to the other Party of the same, where upon the Parties shall meet promptly and in a good faith attempt to reach an amicable settlement.
- b. In the event that the Parties do not resolve a dispute in accordance with this Sub-Clause within twenty (20) days of notice of the dispute being given, the neither Party may refer the dispute to the Independent Expert for determination pursuant to the procedure set for thin Sub-Clause 20.2 [Independent Expert].

20.2 Independent Expert

- a) By the date of Contract signing, the Contractor shall indicate to KPLC in writing its acceptance of one of the potential Independent Experts **proposed in the Special Conditions of Contract** by KPLC or otherwise present to KPLC for its acceptance, a counter-proposal with the names of one or more individuals. KPLC shall respond in writing to the Contractor by the date **stated in the Particular Conditions of Contract**, and in case of a negative response, with a copy to the appointing entity or official **named in the Particular Conditions of Contract**, who shall then appoint the Independent Expert after due consultation with both Parties. If the Contractor fails to indicate its acceptance of one of KPLC-proposed individuals or present a counter- proposal, or if KPLC fails to respond to the Contractor's counter proposal by the due dates indicated above for each event, or if the Parties fail to agree upon the appointment of a replacement person within 42 days after the date on which the Independent Expert declines to act or is unable to act as a result of death, disability, resignation or termination of appointment, then the appointing entity or official **named in the Special Conditions of Contract** shall, upon request of either or both of the Parties and after due consultation with both Parties, appoint the Independent Expert. The appointment(s) made by the appointing entity or official shall be final and conclusive. Each Party shall be responsible for paying one-half of the remuneration of the appointing entity or official.
- b) The Independent Expert shall be a professional experienced in the type of services covered under the Contract and with the interpretation of contractual documents, and shall be fluent in the language for communications defined in the Contract. The Independent Expert shall be (and the terms of this appointment shall so provide that he or she is) independent of the Parties and shall act impartially. The Independent Expert's appointment may be terminated only by mutual agreement between the Parties. The Expert's terms of appointment shall expire as the Parties may mutually agree.
- c) In making its determination, the Independent Expert shall:
 - a. have regard to the Services required to be performed hereunder and the terms and conditions of this Contract; and
 - b. ensure that the position of the Parties is res Services Requirements to the position they would have been in if the event triggering the dispute under this Section had not occurred and all the Parties had complied with the Contract.
 - c. The Party who initially issued the notice of intention to refer the dispute to the Independent Expert shall within ten (10) days of such notice submit to the Independent Expert and to the other Party the following documents:
 - a. A description of the dispute;
 - b. A statement of that Party's position; and
 - c. Copies of relevant documentary evidence in support.
 - d. Within ten (10) days of receipt of the above documents, the other Party shall submit:
 1. A description of the dispute;
 2. A statement of that Party's position; and
 3. Copies of relevant documentary evidence in support.
 - e. The Independent Expert may call for such further documentary evidence and/or interview such persons as it deems necessary in order to reach their decision.
 - f. The expert shall give notice to the Parties of its decision within twenty (20) days of receipt of the documents provided under Section d) or e) as the case may be.

- g. Unless this Contract has already been terminated or abandoned, the Parties shall in every case continue to proceed with the performance of their rights and obligations under this Contract with all due diligence whilst the Independent Expert is reviewing the dispute.
 - a. The decision of the Independent Expert shall be binding unless and until one Party, within ten (10) days of the date of such decision, issues a notice of intention to refer the matter to arbitration in accordance with Sub-Clause 20.1.4 [Arbitration].
- j) Each Party shall bear its own costs of preparing the materials for and making presentations to the Expert.

20.3 Payment of the Independent Expert

The costs of engaging the Independent Expert shall be borne equally by the Parties. The Independent Expert shall be paid as follows, in the currency named in the Special Conditions of Contract or as otherwise indicated in the appointment notice issued in accordance with Sub-Clause 20.2 [Independent Expert]:

- a) A retainer fee per calendar month, which shall be considered as payment in full for:
 - i) Being available on 28 days' notice for all site visits and hearings;
 - ii) Becoming and remaining conversant with all project developments and maintaining relevant files;
 - iii) All office and overhead expenses including secretarial services, photocopying and office supplies incurred in connection with this duties; and
 - iv) All services performed hereunder except those referred to in sub-paragraphs (b) and (c) of this Sub-Clause.

The retainer fee shall be paid with effect from the last day of the calendar month in which the appointment becomes effective; until the last day of the calendar month in which the Contract expires, unless the Independent Expert resigns or his appointment is otherwise terminated by the Parties.

- a) A daily fee which shall be considered as payment in full for:
 - a. each day or part of a day up to a maximum of two days' travel time in each direction for the journey between the Independent Expert's home and the site, or another location of a meeting that the Independent Expert is required to attend;
 - b. each working day on Site visits, hearings or preparing decisions; and
 - c. each day spent reading submissions in preparation for a hearing.
- b) all reasonable expenses including necessary travel expenses (air fare in less than first class, hotel and subsistence and other direct travel expenses) incurred in connection with the Independent Expert's duties, as well as the cost of telephone calls, courier charges, faxes and telexes: a receipt shall be required for each item in excess of five percent of the daily fee referred to in sub-paragraph (b) of this Sub-Clause;
- c) any taxes properly levied in Kenya on payments made to the Independent Expert (unless a national or permanent resident of Kenya) under this Sub-Clause.

20.4 Arbitration

All disputes arising out of or in connection with this Contract, not settled by amicable settlement or by the Independent Expert, in respect of which the Independent Expert's determination has not become final and binding, shall be finally settled by arbitration. Unless otherwise agreed by both Parties:

- a) For contracts with foreign Contractor:
 - a. international arbitration with proceedings administered by the international arbitration institution appointed in the SCC, in accordance with the rules of arbitration of the appointed institution;
 - b. the place of arbitration shall be the place specified in the SCC or such other place selected in accordance with the applicable arbitration rules; and
 - c. the arbitration shall be conducted in the English language as defined in Sub-Clause 1.4; and
- b) For contracts with domestic Contractor, arbitration with proceedings conducted in accordance with the laws of Kenya.
- c) The arbitral Services Requirements shall have full power to open up, review and revise any determination of the Independent Expert, relevant to the dispute. Nothing shall disqualify representatives of the Parties from being called as a witness and giving evidence before the arbitral Services Requirements on any matter whatsoever relevant to the dispute.

- d) Neither Party shall be limited in the proceedings before the arbitral Services Requirements to the evidence or arguments previously put before the Independent Expert to obtain its determination, or to the reasons for dissatisfaction given in its notice of dissatisfaction. Any decision of the Independent Expert shall be admissible in evidence in the arbitration.
- e) Arbitration may be commenced prior to or after completion of the Services. The obligations of the Parties and the Independent Expert shall not be altered by reason of any arbitration being conducted during the progress of the Services.

20.5 Survival

The dispute resolution provisions contained in Sub-Clause 20.1.4 [Arbitration] shall survive termination of this Contract.

21 Default and Termination

21.1 Notification and Cure Plans

If a Default occurs, the Party not in Default may, in addition to any other remedies it has, give the Defaulting Party a notice in writing (“**Default Notice**”) specifying:

- a) That a Default has occurred;
- b) The events or circumstances constituting the Default; and
- c) If the Default is capable of being cured or remedied, a reasonable Cure Period in which to cure or remedy the Default. The Party not in Default may specify in the Default Notice:
- d) That it requires the Defaulting Party to provide to the Party not in Default a written plan (“**Cure Plan**”) which specifies the reason the Default occurred, how the Defaulting Party intends to remedy the Default, the time that the Defaulting Party will require to remedy the Default and includes additional information on such matters as the Party not in Default requires; and
- e) A reasonable time by which the Defaulting Party must provide the Cure Plan to the Party not in Default. The Party not in Default may, by notice to the Defaulting Party, vary the Cure Period having regard to information provided to it in relation to a Cure Plan.

21.2 Remedying the Default within the Applicable Cure Period

Upon receipt of a Default Notice, if the Default is capable of being cured or remedied, the Defaulting Party must cure or remedy the Default within the Cure Period.

In addition to its obligations under Sub-Clause 21.1 [Notification and Cure Plans], if the Party not in Default has required the Defaulting Party to provide a Cure Plan, the Defaulting Party must:

- a) Provide a Cure Plan within the time requested by the Defaulting Party;
- b) Comply with the Cure Plan; and
- c) report to the Party not in Default on progress in relation to the Cure Plan at the times and in the manner specified by the Party not in Default. The Defaulting Party may, by notice to the Defaulting Party, request an extension to a Cure Period. The Defaulting Party may only request such an extension once in relation to a particular Default. The notice must specify:
 - i. the reason why the Defaulting Party is not able to cure or remedy the Default within the existing Cure Period,
 - ii. the additional time that the Defaulting Party requires to cure or remedy the Default and
 - iii. any other information that is relevant to the Party not in Default's assessment of the request.

The Defaulting Party may not give such a notice unless it has diligently sought to cure or remedy the relevant Default. The Party not in Default must not unreasonably withhold its consent to an invitation to such an extension of a Cure Period unless the Party not in Default believes, on reasonable grounds, that the extension of the Cure Period would have a material adverse effect on the provision of the Services or the use by the Party not in Default of the Facilities.

21.3 Failure to cure

If the Party not in Default has given a Default Notice to the Defaulting Party and:

- a) Where the Default is capable of being cured or remedied, the Defaulting Party does not provide a Cure Plan acceptable to the Party not in Default within the time required in the Default Notice (if applicable);
- b) Where the Default is capable of being cured or remedied, the Defaulting Party does not diligently pursue the Cure Plan (if applicable) or otherwise comply with its obligations under Sub-Clause 21.2 [Remediating the Default within the Applicable Cure Period];
- c) where the Default is capable of being cured or remedied, the Default is not cured or remedied within the Cure Period and, if applicable, in accordance with the Cure Plan; or
- d) the Default is not capable of being cured or remedied.
The Party not in Default may (without prejudice to any of its other rights with respect to the Default), exercise all or any of the following remedies:
 - i. sue the Defaulting Party for compensation for the Default, and exercise all available legal and equitable remedies including without limitation suing for specific performance, injunctive relief or such other orders as the Party not in Default considers appropriate;
 - ii. terminate this Agreement.

21.4 Ways the Contract may be terminated

The Contract may be terminated by:

- a) KPLC for Convenience, in accordance with Sub-Clause 21.5 [Termination by KPLC for Convenience],
- b) KPLC for Cause, in accordance with Sub-Clause 21.6 [Termination by KPLC for Cause], or
- c) The Contractor for Cause, in accordance with Sub-Clause 21.7 [Termination by the Contractor for Cause].

21.5 Termination by KPLC for Convenience

21.5.1 KPLC shall be entitled to terminate the Contract, at any time for KPLC's convenience, by giving notice of such termination to the Contractor. The termination shall take effect 28 days after the later of the dates on which the Contractor receives this notice or KPLC returns the Performance Security.

21.5.2 KPLC shall not terminate the Contract under this Sub-Clause in order to arrange for the Services to be executed by another Contractor or to avoid a termination of the Contract by the Contractor under Sub-Clause 21.7 [Termination by the Contractor for Cause].

21.5.3 After this termination, the Contractor shall proceed in accordance with Sub-Clause 21.12 [Actions on Termination] and shall be paid in accordance with Sub-Clause 21.8 [Payment on Termination by KPLC for Convenience].

21.6 Termination by KPLC for Cause

KPLC shall be entitled to terminate the Contract for cause, if the Contractor:

- a) In accordance with Sub-Clause 21.3 [Failure to Cure], is the Defaulting Party referred to in that Sub-Clause,
- b) Fails to comply with Sub-Clause 16.3 [Performance Security],
- c) Abandons the Services or otherwise plainly demonstrates the intention not to continue performance of his obligations under the Contract,
- d) Without reasonable excuse fails to proceed with the Services,
- e) Subcontracts the whole of the Services or assigns the Contract without the required agreement,
- f) Becomes bankrupt or insolvent, goes into liquidation, has a receiving or administration order made against him, compounds with his credit Services Requirements, or carries on business under a receiver, trustee or manager for the benefit of his credit Services Requirements, or if any act is done or event occurs which (under applicable Laws) has a similar effect to any of these acts or events, or

- g) gives or offers to give (directly or indirectly) to any person any bribe, gift, gratuity, commission or other thing of value, as an inducement or reward:
 - i) for doing or for bearing to do any action in relation to the Contract, or
 - ii) for showing or for bearing to show favor or disfavor to any person in relation to the Contract,
 - iii) or if any of the Contractor's Personnel, agents or Subcontractor gives or offers to give (directly or indirectly) to any person any such inducement or reward as is described in this sub-paragraph (f). However, lawful inducements and rewards to Contractor's Personnel shall not entitle termination, or.
- h) In the judgment of KPLC, 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. In any of these events or circumstances, KPLC may, upon giving 14 days' notice to the Contractor, terminate the Contract and expel the Contractor from the Facilities. However, in the case of sub-paragraph (e), (f) or (h), KPLC may by notice terminate the Contract immediately.

KPLC's election to terminate the Contract shall not prejudice any other rights of KPLC, under the Contract or otherwise.

21.7 Termination by the Contractor for Cause

The Contractor shall be entitled to terminate the Contract if:

- a) In accordance with Sub-Clause 21.3 [Failure to Cure], if the Contractors the Defaulting Party referred to in that Sub-Clause,
- b) KPLC fails to pay any part of the Contractor' Remuneration within 56 days of it falling due
- c) KPLC substantially fails to perform his obligations under the Contract in such manner as to materially and adversely affect the ability of the Contractor to perform the Contract,
- d) KPLC fails to comply with Sub-Clause 3.1 [Assignment], or
- e) KPLC becomes bankrupt or insolvent, goes into liquidation, has a receiving or administration order made against him, compounds with his credit Services Requirements, or carries on business under a receiver, trustee or manager for the benefit of his credit Services Requirements, or if any act is done or event occurs which (under applicable Laws) has a similar effect to any of these acts or events.

21.8 Payment on Termination by KPLC for Convenience

21.8.1 Upon termination of this Contract pursuant to Sub-Clause 21.5 [Termination by KPLC for Convenience] KPLC shall make the following payments to the Contractor:

- a. Any portion of the Remuneration payable to the Contractor for Services satisfactory Services Requirements performed or Performance Target achieved prior to the Termination of the Contract;
- b. the Costs reasonably incurred by the Contractor in the removal of the Contractor's Equipment, Materials and Supplies from the Facilities and in the repatriation of the Contractor's Personnel and its Subcontractor's personnel;
- c. any amounts required to be paid by the Contractor to its Subcontractor in connection with the termination of any Subcontracts, including any reasonable cancellation charges;
- d. the reasonable Costs incurred by the Contractor in protecting and handing over the Facilities pursuant to Sub-Clause 21.12 [Actions on Termination]; and
- e. the reasonable Costs of satisfying all other obligations, commitments and claims that the Contractor may in good faith have undertaken with Third Parties in connection with the Contract and that are not otherwise covered by this Sub-Clause 21.8 [Payment on Termination by KPLC for Convenience].
- f. The only payments to be made to the Contractor on termination by KPLC pursuant to Sub-Clause
- g. [Termination by KPLC for Convenience] are those set out in this Sub-Clause 21.8. The Contractor shall not make any other claim for lost or foregone profits, revenues, consequential damages or any other costs, damages, expenses or losses of any kind as a result of or in connection with the termination of this Contract.

21.9 Payment on Termination by KPLC for Cause

Upon termination of this Contract pursuant to Sub-Clause 21.6 [Termination by KPLC for Cause], KPLC shall make the following payments to the Contractor:

- a) Any portion of the Remuneration payable to the Contractor for Services satisfactory Services Requirements performed or Performance Target achieved prior to the Termination of the Contract and
- b) the reasonable Costs incurred by the Contractor in protecting and handing over the Facilities pursuant to Sub-Clause 21.12 [Actions on Termination]. The only payments to be made to the Contractor on termination by KPLC pursuant to Sub-Clause 21.6 [Termination by KPLC for Cause] are those set out in this Sub-Clause 21.9. The Contractor shall not make another claim for lost or foregone profits, revenues, consequential damages or any other costs, damages, expenses or losses of any kind as a result of or in connection with the termination of this Contract.

21.10 Payment on Termination by the Contractor for Cause

Upon termination of this Contract pursuant to Sub-Clause 21.7 [Termination by the Contractor for Cause] KPLC shall make the following payments to the Contractor:

- a) Any portion of the Remuneration payable to the Contractor for Services satisfactory Services Requirements performed or Performance Target achieved prior to the Termination of the Contract;
- b) The Costs reasonably incurred by the Contractor in the removal of the Contractor' Equipment, Materials and Supplies from the Facilities and in the repatriation of the Contractor' Personnel and its Subcontractor's personnel;
- c) Any amounts required to be paid by the Contractor to its Subcontractor in connection with the termination of any Subcontracts, including any reasonable cancellation charges;
- d) the reasonable Costs incurred by the Contractor in protecting and handing over the Facilities pursuant to Sub-Clause 21.12 [Actions on Termination];
- e) the reasonable Costs of satisfying all other obligations, commitments and claims that the Contractor may in good faith have undertaken with Third Parties in connection with the Contract and that are not otherwise covered by this Sub-Clause 21.8 [Payment on Termination by KPLC for Convenience]; and
- f) a payment in compensation for lost profits under the contract, which shall be either:
 - i) the amount for Liquidated Damages on Termination for KPLC Convenience **specified in the SCC**, or if no such amount is specified,
 - ii) the amount of profit the Contractor would be expected to lose as a result of early termination of the contract. The Contractor shall submit an estimate of this amount. KPLC shall either pay this amount, or submit it to dispute resolution under Sub-Clause 20.1 [Dispute Resolution].
- g) The only payments to be made to the Contractor on termination by KPLC pursuant to Sub- Clause 21.7 [Termination by the Contractor for Cause] are those set out in this Sub-Clause 21.10. The Contractor shall not make another claim for lost or foregone profits, revenues, consequential damages or any other costs, damages, expenses or losses of any kind as a result of or in connection with the termination of this Contract.

21.11 Payment on Termination for Prolonged Force Majeure

Upon termination of this Contract pursuant to Sub-Clause 17.6 [Optional Termination, Payment and Release] KPLC shall make the following payments to the Contractor:

- a) Any portion of the Remuneration payable to the Contractor for Services satisfactory Services Requirements performed or Performance Target achieved prior to the Termination of the Contract
- b) the Costs reasonably incurred by the Contractor in the removal of the Contractor's Equipment, Materials and Supplies from the Facilities and in the repatriation of the Contractor's Personnel and its Subcontractor's personnel;
- c) any amounts required to be paid by the Contractor to its Subcontractor in connection with the termination of any Subcontracts, including any reasonable cancellation charges;
- d) the reasonable Costs incurred by the Contractor in protecting and handing over the Facilities pursuant to Sub-Clause 21.12 [Actions on Termination].

- e) The reasonable Costs of satisfying all other obligations, commitments and claims that the Contractor may in good faith have undertaken with Third Parties in connection with the Contract and that are not otherwise covered by this Sub-Clause 21.11 [Payment on Termination for Prolonged Force Majeure].

21.12 Actions on Termination

In all cases of Termination, the Contractor shall promptly:

- a) Cease all further work, except for such work as KPLC may specify in the notice of termination for the sole purpose of protecting the Facilities, or handing the over for safe and un interrupted operation by KPLC or another party, including co-operating with KPLC in such manner as KPLC reasonably requires to ensure that the Services provided by the Contractor can be provided by another service provider or by KPLC itself.
- b) Leave the Facilities
- c) Deliver to KPLC all records related to the Contract and Services
- d) Deliver all documents, know-how, information technology software and other intellectual property required for the provision of the Services and management of the Utility which were required to be left with KPLC or Utility at the Termination of the Contract under Clauses 6 [Know-How Transfer and Training] and 15 [Intellectual and Industrial Property Rights].

SECTION VII - SPECIAL CONDITIONS OF CONTRACT

The following **Special Conditions of Contract** shall supplement the GCC. Whenever there is a conflict, the provisions herein shall prevail over those in the GCC.

SCC Clause	Condition
2.1(f)	<i>Other effectiveness conditions</i>
2.3 Period of Contract	<i>Period of Contract shall be [12]months</i>
3.5 Contractor's responsibility for the acts or defaults of its sub-contractor	<i>[insert any statements different from the requirements established under sub-clause 3.5 (a)-(d)]</i>
3.8 Compliance with Laws	<i>[insert any statements different from the requirements established under sub-clause 3.8]</i>
3.10 Inspections and Audit by the PPRA	<p><i>1. KPLC or its representative(s) shall have the right to inspect and/or to test the services to confirm their conformity to the contract specifications. KPLC shall notify the Contractor in writing in a timely manner, of the identity of any representative(s) retained for these purposes. Such visit and or inspection/ test shall in no way prejudice KPLC's rights and privileges.</i></p> <p><i>2. In appropriate circumstances, Inspection/ Test Report(s) shall be completed upon conclusion of the inspection/ tests.</i></p> <p><i>3. The inspections and tests may be conducted in the premises of the Contractor or its subcontractor(s). If conducted on the premises of the Contractor or its subcontractor(s), all reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to KPLC.</i></p> <p><i>4. Should any inspected or tested services fail to conform to the specifications, KPLC may reject the Service(s), and the Contractor shall either replace or remedy the rejected services or make alterations necessary to meet specification requirements free of cost to KPLC.</i></p> <p><i>5. KPLC's right to inspect, test and where necessary, reject the services after provision shall in no way be limited or waived by reason of the services having previously been inspected, tested and passed by KPLC or its representative(s) prior to the services performance / delivery.</i></p> <p><i>6. For the avoidance of doubt, any acknowledgement by KPLC on the Contractor's or sub-contractor's document shall not be conclusive proof or evidence of satisfactory performance without duly authorized approval by KPLC.</i></p>
4.1 Services to be performed and other obligations	<p>1. Warranty</p> <p><i>a) Where applicable, the Contractor warrants that the Services provided under the contract are of the highest quality or current specification and incorporate all recent improvements unless provided otherwise in the contract. The Contractor further warrants that any materials/ equipment provided under this</i></p>

	<p><i>contract shall have no defect arising from manufacture, materials or workmanship or from any act or omission of the Contractor that may develop under normal use of the materials/ equipment provided under the conditions obtaining in Kenya.</i></p> <p><i>b) This Warranty will remain valid for one (1) year after the services, or any part thereof as the case may be, have been performed as indicated in the contract.</i></p> <p><i>c) KPLC shall promptly notify the Contractor in writing of any claims arising under this Warranty.</i></p> <p><i>d) Upon receipt of such a notice, the Contractor shall, with all reasonable speed, remedy the defective services without cost to KPLC.</i></p> <p><i>e) If the Contractor having been notified, fails to remedy the defect(s) within a reasonable period, KPLC may proceed to take such remedial action as may be necessary, at the Contractor's risk and expense and without prejudice to any other rights which KPLC may have against the Contractor under the contract.</i></p> <p>2. Waiver <i>Any omission or failure by KPLC to exercise any of its rights or enforce any of the penalties arising from the obligations imposed on the Contractor shall in no way, manner or otherwise howsoever, alter, amend, prejudice, vary, waive or be deemed to alter, amend, prejudice, vary, waive or otherwise whatsoever any of KPLC's powers and rights as expressly provided in and as regards this contract.</i></p>								
<p>8.6 Categories of staff that must be hired locally if and to the extent that a sufficient number of appropriately qualified staff is locally available</p>									
<p>11.2 Period within which KPLC should make a decision on contractor's management advice.</p>	<p>[] days</p>								
<p>12.3 Payment by KPLC</p>	<p><i>1 Payments shall be made promptly by KPLC and shall not be less than thirty (30) days from completion of satisfactory performance and submission of invoice together with other required and related documents or as otherwise prescribed in the contract.</i></p> <p><i>The payment milestones are as follows:</i></p> <table border="1" data-bbox="603 1727 1484 2022"> <thead> <tr> <th>Reports</th> <th>Percentage of payment</th> </tr> </thead> <tbody> <tr> <td><i>Inception Report</i></td> <td>20%</td> </tr> <tr> <td><i>Interim Report</i></td> <td>70%</td> </tr> <tr> <td><i>Final Report</i></td> <td>10%</td> </tr> </tbody> </table>	Reports	Percentage of payment	<i>Inception Report</i>	20%	<i>Interim Report</i>	70%	<i>Final Report</i>	10%
Reports	Percentage of payment								
<i>Inception Report</i>	20%								
<i>Interim Report</i>	70%								
<i>Final Report</i>	10%								

	<p>2 <i>Payment shall primarily be through KPLC's cheque or Real Time Gross Settlement (RTGS) or telegraphic transfer. Where applicable, a copy of a valid Performance Security, stamped, certified as authentic by KPLC, shall form part of the documents to be presented to KPLC before any payment is made.</i></p> <p>3 <i>A Contractor who requests for a Letter of Credit (hereinafter abbreviated as LC)–</i></p> <p>a) <i>Shall meet the LC bank charges levied by its bank while KPLC shall meet the LC bank charges levied by its bank.</i></p> <p>b) <i>Any extension and or amendment charges and any other costs that may result from the Contractor's delays, requests, mistakes or occasioned howsoever by the Contractor shall be to the Beneficiary's account.</i></p> <p>c) <i>The maximum number of extensions and amendments shall be limited to two (2).</i></p> <p>d) <i>Notwithstanding sub-clause 7.12.3 (a), should the Contractor require a confirmed LC, then all confirmation and any other related charges levied by both the Contractor's and KPLC's bank shall be to the Beneficiary's account.</i></p> <p>e) <i>The LC shall be opened only for the specific Order within the validity period of the contract.</i></p> <p>f) <i>LCs shall be partial for partial performance or full for whole performance as per the contract.</i></p> <p>g) <i>The Contractor shall be required to submit a proforma invoice for each lot</i></p> <p><i>for use in the placement of order and opening of the LC. The proforma invoice shall be on total all-inclusive costs basis.</i></p> <p>h) <i>A copy of the Performance Security, stamped and certified as authentic by KPLC, whose expiry date should not be less than sixty (60) days from the LC expiry date, shall form part of the documents to be presented to the Bank before any payment is effected.</i></p> <p>4 <i>KPLC shall have the sole discretion to accept or decline any Contractor's payment request through Letters of Credit without giving any reason for any decline.</i></p>
16 Insurance	<i>The Contractor shall be responsible for and keep in force current appropriate insurance covers for its property and persons engaged in the performance and or provision of the Services under the contract.</i>
16.3 Indemnities	<i>The Contractor shall (except in respect to losses, injuries or damage resulting from any act or neglect of KPLC) indemnify and keep indemnified KPLC against all losses and claims for injuries or damage to any person or property whatsoever which may arise out of or in consequence of the contract and against all claims, demands, proceedings, damages, costs, charges, and expenses whatsoever in respect thereof or in relation thereto</i>
16.2 Limitation of Liability	<i>Not applicable</i>

16.3 Performance Security	<p><i>1 Within fourteen (14) days of the date of the notification of contract award, the Contractor shall furnish to KPLC the Performance Security which shall be either one or a combination of the following: -</i></p> <p><i>a) an original Bank or Insurance Guarantee that is strictly in the form and content as prescribed in the Performance Security Form (Bank or Insurance Guarantee) in the Tender Document.</i></p> <p><i>b) Confirmed Standby Letters of Credit (LC). All costs, expenses and charges levied by all banks party to the LC including confirmation charges shall be prepaid by the successful Tenderer. Certain mandatory conditions of the LC shall be as prescribed in the Performance Security Form (LC) in the Tender Document.</i></p> <p><i>2 The Performance Security shall be issued by a commercial bank licensed by the Central Bank of Kenya. The bank must be located in Kenya OR by an insurance company duly registered and approved by the Insurance Regulatory Authority.</i></p> <p><i>3 The Performance Security shall be the sum of nought point five percent (0.5%) of the contract price. It shall be in the currency of the contract price.</i></p> <p><i>4 Failure of the Contractor to furnish the Performance Security, the award shall be annulled and the Tender Security forfeited, in which event KPLC may notify the next lowest evaluated Tenderer that its Tender has been accepted.</i></p> <p><i>5 The proceeds of the Performance Security shall be payable to KPLC as compensation for any loss resulting from the Contractor's failure to comply with its obligations in accordance with the contract without KPLC being required to demonstrate the loss it has suffered.</i></p> <p><i>6 The Performance Security shall be valid for a minimum of thirty (30) days after satisfactory delivery for both Foreign and Local Contractors.</i></p> <p><i>7 KPLC shall seek authentication of the Performance Security from the issuing bank or insurance company. It is the responsibility of the Contractor to sensitize its issuing bank or insurance company on the need to respond directly and expeditiously to queries from KPLC. The period for response shall not exceed three (3) days from the date of KPLC's query. Should there be no conclusive response by the Bank or insurance company within this period, such Contractor's Performance Security may be deemed as invalid and the Contract nullified, unless information to the contrary is received by KPLC two (2) days before the expiry of the Contractor's Tender Security.</i></p> <p><i>8 Subject to the provisions of this contract, the Performance Security will be discharged by KPLC and returned to the Contractor not earlier than thirty (30) days following the date of completion of the Contractor's obligations under the contract, including any warranty obligations, under the contract.</i></p>
20.2 List of KPLC-proposed potential Independent Experts	Not applicable
20.4 (a) International Arbitration Institution	Select United Nations Commission on International Trade Law (UNCITRAL); or the International Chamber of Commerce (ICC).

21.10 (f) Liquidated damages	<i>Not Applicable</i>
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SECTION VIII - CONTRACT FORMS

To:

Name:[insert authorized representative's name] Address:[insert authorized representative's address]
 Telephone numbers: [insert authorized representative's telephone/fax numbers] Email Address:[insert authorized representative's email address]

DATE OF TRANSMISSION: This Notification is sent by: [email] on [date] (local time) **IMPORTANT:** For the attention of Tenderer's authorized representative

Dear Sirs/ Madams,

1 NOTIFICATION OF INTENTION TO AWARD

KPLC:[insert the name of KPLC]
Contract title:..... [insert the name of the contract]
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.

a The successful Tenderer

Name:.....[insert name of successful Tenderer]
 Address:.....[insert address of the successful Tenderer] Contract price:.....[insert contract price of the successful Tenderer]

- b** Tenderers [INSTRUCTIONS: insert names of all Tenderers. As applicable, insert prices, technical scores and combined scores. Where the selection method requires it, state the price offered by each Tenderer as read out, and as evaluated. Include over all technical scores and scores assigned for each criterion and sub-criterion.]

	Name of Tenderer	Technical scores	Financial Proposal Price	Evaluated Financial Proposal Cost	Combined score and ranking (if applicable)	
1						
2						
3						
4						
5						

- c 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.]**

d. How to request a debriefing [This applies only if your Tender was unsuccessful as stated under point (3) above] 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 invitation to debriefing as follows:

Attention:[insert full name of person, if applicable]

Title/position:[insert title/position]

Agency:[insert name of KPLC]

Email address:[insert email address]

If your invitation to 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 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 contend 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.

e. 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 KPLC]

Email address:.....[insert email address]

[At this point in the procurement process] [Upon receipt of this notification] 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:

In summary, there are four essential requirements:

1. You must be an 'interested party'. In this case, that means a Tenderer who has submitted a Tender in this selection process, 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.

f Standstill Period

DEADLINE: The Standstill Period is due to end at midnight on *[insert date]* (local time).

The Standstill Period lasts fourteen (14) 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..... *[insert the name of KPLC]:*

Signature: _____

Name: _____

Title/position: _____

Telephone: _____

Email: _____

Date _____

Notes:

- 1. This Notification of Intention to Award shall be sent to each Tenderer whose Financial Proposal was opened. Send this Notification to the authorized representative of the Tenderer].*
- 2. The Notification must be sent to all Tenderers simultaneously. This means on the same date and as close to the same time as possible.]*

2 NOTIFICATION OF AWARD

Form of Acceptance

[Form head paper of KPLC]

.....*[date]*

To:.....*[name and address of the Contractor]*

This is to notify you that your Tender dated *[date]* for execution of the *[name of the Contract and identification number, as given in the Particular Conditions of Contract]* for the Contractor's Remuneration of the equivalent of *[amount in numbers and words] [name of currency]*, as corrected and modified in accordance with the Instructions to Tenderers, is hereby 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, Annex to the Particular Conditions
- Contract Forms, of the Tendering Document

Authorized Signature: Name and

Title of Signal Services Requirements: Name of Agency:

.....

Attachment: Contract Agreement

3 Contract Agreement

THIS AGREEMENT made this.....day of.....20.... BETWEEN THE KENYA POWER & LIGHTING COMPANY PLC, a limited liability company duly incorporated under the Companies Act, Chapter 486 of the Laws of Kenya, with its registered office situated at Stima Plaza, Kolobot Road, Parklands, Nairobi in the Republic of Kenya and of Post Office Box Number 30099 - 00100, Nairobi in the Republic aforesaid (hereinafter referred to as the “KPLC”) of the one part,

AND

..... (Contractor’s full name and principal place of business) a duly registered entity according to the laws of..... (state country) and of Post Office Box Number.....(full address physical and postal of Contractor) in the Republic aforesaid, (hereinafter referred to as the “Contractor” of the other part;

WHEREAS KPLC invited tenders for certain services, that is to say for(KPLC insert description of services) under Tender Number..... (KPLC insert tender number)

AND WHEREAS KPLC has accepted the Tender by the Contractor for the services in the sum of(KPLC specify the total amount in words which should include any payable taxes, duties and insurance where applicable e.g. Value Added Tax) (hereinafter called “the Contract Price”).

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS: -

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract and the Tender Document.
2. Unless the context or express provision otherwise requires: -
 - a) reference to “this Agreement” includes its recitals, any schedules and documents mentioned hereunder and any reference to this Agreement or to any other document includes a reference to the other document as varied supplemented and or replaced in any manner from time to time.
 - b) any reference to any Act shall include any statutory extension, amendment, modification, re-amendment or replacement of such Act and any rule, regulation or order made thereunder.
 - c) words importing the masculine gender only, include the feminine gender or (as the case may be) the neutral gender.
 - d) words importing the singular number only include the plural number and vice-versa and where there are two or more persons included in the expression the “Contractor” the covenants, agreements obligations expressed to be made or performed by the Contractor shall be deemed to be made or performed by such persons jointly and severally.
 - e) where there are two or more persons included in the expression the “Contractor” any act default or omission by the Contractor shall be deemed to be an act default or omission by any one or more of such persons.
3. In consideration of the payment to be made by KPLC to the Contractor as hereinbefore mentioned, the Contractor hereby covenants with KPLC to perform and provide the services and remedy any defects thereon in conformity in all respects with the provisions of the Contract.
4. KPLC hereby covenants to pay the Contractor in consideration of the proper performance and provision of the services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.
5. The following documents shall constitute the Contract between KPLC and the Contractor and each shall be read and construed as an integral part of the Contract: -
 - a) this Contract Agreement
 - b) the Special Conditions of Contract as per the Tender Document
 - c) the General Conditions of Contract as per the Tender Document
 - d) the Price Schedules submitted by the Contractor and agreed upon with KPLC.
 - e) the Details of Service as per KPLC’s Tender Document
 - f) the Schedule of Requirements
 - g) KPLC’s Notification of Award dated.....

- h) the Tender Form signed by the Contractor
- i)

6. In the event of any ambiguity or conflict between the contract documents listed above, the order of precedence shall be the order in which the contract documents are listed in 5 above except where otherwise mutually agreed in writing.

7. The Commencement Date shall be the working day immediately following the fulfillment of all the following: -

- a) Execution of this Contract Agreement by KPLC and the Contractor.
- b) Issuance of the Professional Indemnity Cover by the Contractor and confirmation of its authenticity by KPLC.
- c) Issuance of the Official Order by KPLC to the Contractor.
- d) Where applicable, Opening of the Letter of Credit by KPLC.

8. The period of contract validity shall begin from the Commencement date and end on either -

- a) one hundred and eighty five (185) days after the last date of the agreed performance schedule, or,
- b) where a Letter of Credit is adopted as a method of payment, sixty (60) days after the expiry date of the Letter of Credit or the expiry date of the last of any such opened Letter of Credit whichever is later.

9. It shall be the responsibility of the Contractor to ensure that its Professional Indemnity Cover is valid at all times during the period of contract validity and further is in the full amount as contracted.

10. Any amendment, change, addition, deletion or variation howsoever to this Contract shall only be valid and effective where expressed in writing and signed by both parties.

11. No failure or delay to exercise any power, right or remedy by KPLC shall operate as a waiver of that right, power or remedy and no single or partial exercise of any other right, power or remedy.

12. Notwithstanding proper completion of performance or parts thereof, all the provisions of this Contract shall continue in full force and effect to the extent that any of them remain to be implemented or performed unless otherwise expressly agreed upon by both parties.

13. Any notice required to be given in writing to any Party herein shall be deemed to have been sufficiently served, if where delivered personally, one day after such delivery; notices by electronic mail and facsimile shall be deemed to be served one day after the date of such transmission and delivery respectively, notices sent by post shall be deemed served seven (7) days after posting by registered post (and proof of posting shall be proof of service), notices sent by courier shall be deemed served two (2) days after such receipt by the courier service for Local Suppliers and five (5) days for Foreign Suppliers.

14. For the purposes of Notices, the address of KPLC shall be Company Secretary, The Kenya Power & Lighting Company Limited, 7th Floor, Stima Plaza, Kolobot Road, Post Office Box Number 30099 – 00100, Nairobi, Kenya, Facsimile + 254-20-3750240/ 3514485. The address for the Contractor shall be the Contractor's address as stated by it in the Confidential Business Questionnaire provided in the Tender Document.

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

SIGNED for and on behalf
of KPLC

MANAGING DIRECTOR &
CHIEF EXECUTIVE OFFICER

and in the presence of:-

GENERAL MANAGER LEGAL, REGULATORY AFFAIRS &

COMPANY SECRETARY

SEALED with the COMMON SEAL or STAMP
of the CONTRACTOR

MANAGING PARTNER

Affix Contractor's Seal OR Stamp here

MANAGING PARTNER'S FULL NAMES

and in the presence of:-

PARTNER

PARTNER'S FULL NAMES

DRAWN BY: -
Imelda Bore Advocate,
C/o The Kenya Power & Lighting Company Plc,
7th Floor, Stima Plaza,
Kolobot Road, Parklands,
Post Office Box Number 30099-00100,
Nairobi, Kenya.

Telephones: + 254-20-3201000/ 731

FORM NO. 4 BENEFICIAL OWNERSHIP DISCLOSURE FORM

(Amended and issued pursuant to PPRA CIRCULAR No. 02/2022)

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 pursuant to Regulation 13 (2A) and 13 (6) of the Companies (Beneficial Ownership Information) Regulations, 2020. 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 legal person (tenderer) or arrangements or a natural person on whose behalf a transaction is conducted, and includes those persons who exercise ultimate effective control over a legal person (Tenderer) or arrangement.

Tender Reference No.: _____ [insert identification no] Name
of the Tender Title/Description: _____ [insert name of the assignment] to:
_____ [insert complete name of Procuring Entity]

In response to the requirement in 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 here by provide the following beneficial ownership information.

Details of beneficial ownership

	Details of all Beneficial Owners		% of shares a person holds in the company Directly or indirectly	% of voting rights a person holds in the company	Whether a person directly or indirectly holds a right to appoint or remove a member of the board of directors of the company or an equivalent governing body of the Tenderer (Yes / No)	Whether a person directly or indirectly exercises significant influence or control over the Company (tenderer) (Yes / No)
1.	Full Name		Directly----- ----- % of shares	Directly.....% of voting rights	1. Having the right to appoint a majority of the board of the directors or an equivalent governing body of the Tenderer: Yes -----No----	1. Exercises significant influence or control over the Company body of the Company (tenderer) Yes -----No-- --
	National identity card number or Passport number					
	Personal Identification Number (where applicable)		Indirectly---- ----- % of shares	Indirectly----- % of voting rights	2. Is this right held directly or indirectly?: Direct..... Indirect.....	2. Is this influence or control exercised directly or indirectly? Direct..... Indirect.....
	Nationality					
	Date of birth [dd/mm/yyyy]					
	Postal address					
	Residential address					
	Telephone number					
	Email address					
Occupation or profession						

Details of all Beneficial Owners		% of shares a person holds in the company Directly or indirectly	% of voting rights a person holds in the company	Whether a person directly or indirectly holds a right to appoint or remove a member of the board of directors of the company or an equivalent governing body of the Tenderer (Yes / No)	Whether a person directly or indirectly exercises significant influence or control over the Company (tenderer) (Yes / No)
					...
2.	Full Name	Directly----- ----- % of shares Indirectly---- ----- % of shares	Directly.....% of voting rights Indirectly----- % of voting rights	1. Having the right to appoint a majority of the board of the directors or an equivalent governing body of the Tenderer: Yes ----No----	1. Exercises significant influence or control over the Company body of the Company (tenderer) Yes ----No-- -- 2. Is this influence or control exercised directly or indirectly? Direct..... Indirect..... Direct..... Indirect.....
	National identity card number or Passport number				
	Personal Identification Number (where applicable)				
	Nationality(ies)				
	Date of birth [dd/mm/yyyy]				
	Postal address				
	Residential address				
	Telephone number				
	Email address				
Occupation or profession					
3. e.t .c					

II) Am fully aware that beneficial ownership information above shall be reported to the Public Procurement Regulatory Authority together with other details in relation to contract awards and shall be maintained in the Government Portal, published and made publicly available pursuant to Regulation 13(5) of the Companies (Beneficial Ownership Information) Regulations, 2020. (Notwithstanding this paragraph Personally Identifiable Information in line with the Data Protection Act shall not be published or made public). *Note that Personally Identifiable Information (PII) is defined as any information that can be used to distinguish one person from another and can be used to deanonymize previously anonymous data. This information includes National identity card number or Passport number, Personal Identification Number, Date of birth, Residential address, email address and Telephone number.*

III) In determining who meets the threshold of who a beneficial owner is, the Tenderer must consider a natural person who in relation to the company:

- (a) holds at least ten percent of the issued shares in the company either directly or indirectly;

- (b) exercises at least ten percent of the voting rights in the company either directly or indirectly;
- (c) holds a right, directly or indirectly, to appoint or remove a director of the company; or
- (d) exercises significant influence or control, directly or indirectly, over the company.

IV) What is stated to herein above is true to the best of my knowledge, information and belief.

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]*

Designation 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 this [insert date of signing] day of..... [Insert month], [insert year]

Bidder Official Stamp