



TENDER REF NO – SHSC/TENDER/SC/003/2021

**TENDER NAME – PROVISION OF DEPOSIT AND GROUP CREDIT
INSURANCE COVER**

NOVEMBER 2021

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SECTION I TENDER NOTICE

INVITATION TO TENDER REF. No. SHSC/TENDER/SC/003/2021: PROVISION OF DEPOSIT AND GROUP CREDIT INSURANCE COVER

Sheria Sacco Society Limited invites tenders from pre-qualified suppliers for the provision of Deposit and Group Credit Insurance Cover.

Suppliers must submit proof that they meet the following criteria: -

- Be an established insurance firm/underwriter
- Must have been in business for not less than five years
- Must attach audited accounts for the last three (3) years (2018-2020)
- Must be registered with the IRA
- Must attach a list of five largest Corporate Insurance Cover accounts they currently operate.
- Tenderers should take note that only those with physical address, valid trade license/business, tax compliance will be considered.
- Prices quoted must remain valid for 90 (ninety) days from the closing date of this tender notice.

Complete tender documents (Financial and technical) MUST be sent to tenders@sheriasacco.coop. **Financial proposals should be separated for both the deposit and credit insurance** so as to be received on or before **1st December, 2021 at 12:00 noon. Late bids shall be rejected**

SECTION II SPECIAL CONDITIONS OF CONTRACT

2.1 Conditions to be met by the Insurance Company

2.1.1 Must be registered with the Insurance Regulatory Authority for the current year and a copy of the current license be submitted.

2.1.2 Must have done annual gross premiums in previous year (2020) of at least Ksh 200 million

2.1.3 Must give a list of 5 (five) reputable clients and the total clients premiums for the previous year.

2.1.4 Must submit a copy of the audited accounts for the previous 3 years (2018-2020).

Must submit copies of the following documents:

- (a) PIN/VAT Certificate
- (b) Tax Compliance Certificate
- (c) Business Registration Certification (County Council)
- (d) Certificate of Registration / Incorporation

- 2.1.5 Must State willingness to accept claims for all deceased members irrespective of cause of death (Suicidal cases not excluded)
- 2.1.6 Service provider should provide a proof of being able to offer the insurance cover and honor claims without delay.
- 2.1.7 The Provider must **cover loans allocated to guarantors** (Defaulted cases allocated to guarantors)
- 2.1.8 Must cover **rescheduled loans** and loans granted moratorium thus extending repayment period.
- 2.1.9 Must provide exclusions and any limitations to the cover

2.2 SPECIAL CONDITIONS OF CONTRACT

Reference of general conditions of contract	Special conditions of contract
Delivery of services	As per the schedule of requirements and special conditions
Duration of Cover	One year from the date of the contract
Renewal of Cover	SACCO shall have the discretion to renew the cover subject to satisfactory performance by the service provider
Payment	Within 30 days after submission of invoice/claim
Applicable law	Laws of Kenya
Proposals	<p>The Technical proposal shall be in a separate email from the Financial proposal and shall not include any financial information.</p> <p>The Financial proposal should have in the same email but separate Deposit cover and credit cover and include the payable taxes. The fees shall be expressed in Kenya Shillings.</p> <p>Both the technical and financial proposals shall be defined clearly in the email bearing the name of the company and either financial/technical bid the specific email represents.</p>
Notices	THE CHIEF EXECUTIVE OFFICER SHERIA SACCO SOCIETY LIMITED, P. O. BOX 34390, 00100 NAIROBI.

SECTION III – SCHEDULE OF REQUIREMENTS

Sheria Sacco Society Limited intends to procure a Deposit and Credit Insurance Cover to cover the Members' non- withdrawable deposits and loan portfolio. The cover to also include loans to be issued and deposits to be contributed during the period January – December 2022.

Period of Cover	1 year from commencement of the contract			
Renewal of the Cover	At the discretion of the SACCO subject to satisfactory performance by the service provider			
Delivery of services	365 days			
Number of Members and Outstanding loan portfolio Statistics				
	FINANCIAL YEAR	NO OF MEMBERS	Members with Loans	LOAN BALANCE
	Oct-21	15,568.00	7,765.00	6,463,082,507.19
	Dec-20	15,038.00	7,770.00	5,971,565,621.51
	Dec-19	15,143.00	7,711.00	5,560,620,952.00
	Dec-18	13,463.00	7,392.00	4,734,253,894.00
Scope of Cover	Cover all existing loans and new loans to be issued between the period January 2022 – December 2022			

Number of Members and Deposits held Statistics for the past three years			
	FINANCIAL YEAR	NO OF MEMBERS	NON-WITHDRAWABLE DEPOSIT BALANCE
	Oct-21	15,568.00	4,656,100,552.20
	Dec-20	15,038.00	4,188,455,900.21
	Dec-19	15,143.00	3,845,049,597.00
	Dec-18	13,463.00	3,472,188,027.00
Scope of Cover	Cover Non-withdrawable deposits for All Sacco members as at the end of December 2021 and New Members being recruited within the period January 2022 – December 2022		

DETAILS OF INSURANCE COVER

	SPECIFICATIONS FOR THE DEPOSIT INSURANCE COVER	COVER DETAILS
1	Age limit	100 years
2	Death	The insurance company to pay Outstanding Non-withdrawable deposits as at date of death
3	Total Permanent Disability	The insurance company to pay the Outstanding Non-withdrawable deposits as at date of declaration of TPD
	Any Additional benefits / Conditions	
a	Critical Illness	
b	Last Expense Cover	
c	Any other	

	SPECIFICATIONS FOR THE CREDIT INSURANCE COVER	COVER DETAILS
1	Age limit	100 years
2	Death	The insurance company shall pay 100% of the outstanding loan and interest as at date of death
3	Total Permanent Disability	The insurance company shall pay 100% of the principal loan outstanding and interest
4	Retirement on Medical grounds	The insurance company shall pay 100% of the principal loan outstanding and interest
	Additional benefits / Conditions	
a	Critical Illness	The insurance company shall pay at least 50% of outstanding loan and interest.
b	Last Expense Cover	Ksh 100,000 for Principal member and Ksh 50,000 for Spouse and at least 3 dependents
c	Individual cover limit per borrower	Minimum of Ksh 60,000,000 Million
e	GPA (for 12 Committee members)	Death = 300,000 , PD 300,000

NOTE:

1. The above cover limits are our minimum requirement. You may propose better terms.
2. Include special terms, exclusions and enhancements in your proposal

SECTION IV - STANDARD FORMS

Notes on the standard forms

1. **Form of Tender** - The form of tender must be completed by the tenderer and submitted with the tender documents. It must also be dully signed by dully authorized representatives of the tender.
2. **Price Schedule form** - The price schedule form must similarly be completed and submitted with the tender.
3. **Contract form** - The contract form shall not be completed by the tenderer at the time of submitting the tender. The contract form shall be completed after contract award and should incorporate the accepted contract price.
4. **Confidential Business Questionnaire Form** – This form must be completed by the tenderer and submitted with the tender.

FORM OF TENDER

To:
(Name and address of procuring entity)

Date

Tender No.....

Tender Name.....

Gentlemen and /or Ladies: -

1. Having examined the Tender documents including addenda No. (Insert numbers) the receipt of which is hereby duly acknowledged, we the undersigned, offer to provide Insurance Service under this tender in conformity with the said tender document for the sum as indicated in the financial proposal or such other sums as may be ascertained in accordance with the schedule of prices attached herewith and made part of this tender.
2. We undertake, if our tender is accepted, to provide the insurance cover services in accordance with the conditions of the tender.
3. We agree to abide by this Tender for a period of(numbers) days from the date fixed for tender opening of the instructions to Tenderers, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.
4. This Tender, together with your written acceptance thereof and your notification of award, shall constitute a contract between us subject to the signing of the contract by both parties.
5. We understand that you are not bound to accept the lowest or any tender you may receive.

Dated this _____ day of _____ 2022

.....
(Signature)

.....
(in capacity)

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

PRICE SCHEDULE FORM

S/NO	ITEM DESCRIPTION	TOTAL PREMIUM (KSh.)
1.	CREDIT INSURANCE COVER	
2.	DEPOSIT INSURANCE COVER	
NB. To be submitted in the financial proposal		

CONFIDENTIAL BUSINESS QUESTIONNAIRE

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

Business Name.....
 Location of Business premises.....
 Plot No.....Street/ Road.....
 Postal Address.....
 Tel. No.....Fax.....Email.....
 Nature of Business
 Registration Certificate No.....
 Maximum value of business which you can handle at any one time
 KSh.....
 Name of your Bankers.....Branch.....

	Part 2 (a) – Sole Proprietor Your name in full Age Nationality Country of origin Citizenship details
	Part 2 (b) Partnership Given details of partners as follows: Name Nationality Citizenship Details Shares 1. 2. 3. 4.
	Part 2 (c) – Registered Company Private or Public State the nominal and issued capital of company-Nominal KSh.. Issued KSh.. Given details of all directors as follows Name Nationality Citizenship Details Shares 1..... 2..... 3..... 4..... 5.....
Date Seal/Signature of Tenderer	

SECTION V. EVALUATION CRITERIA

The technical proposal will carry a weight of 80% while the financial weight will carry 20%. Only those who meet the Mandatory requirements and 70% minimum technical requirements will be evaluated further. The bids will be evaluated using the criteria set as below.

MANDATORY REQUIREMENTS

A. MANDATORY REQUIREMENT		
	REQUIREMENT	COMPLIED
1	Certificate of Registration/Letter of Incorporation	Mandatory
2	VAT/PIN Certificate	Mandatory
3	Valid copy of the Current Business permit	Mandatory
4	Copy of a Valid Tax compliance Certificate	Mandatory
5	Audited Financial Account (2018-2020)	Mandatory
6	Signed form of Tender	Mandatory
7	Completed confidential Business Questionnaire	Mandatory
8	Underwriting registration certificate by IRA	Mandatory
9	Professional/Trade membership certificate	Mandatory
10	Litigation history	Must Declare

TECHNICAL CAPABILITY

B. TECHNICAL EVALUATION		
1	<p>Specific experience of the firm</p> <p>Evidence of providing Deposit and Credit Insurance Cover/ Loan guard Policy to five (5) Financial Institutions in the last three (3) years including the value of the Policies underwritten which should not be less than Kenyan Shillings Five Hundred (500) Million per client.</p> <p>Attach at least five (5) of the contracts awards/ LPO or Letter of award (5 points each).</p>	25
2.	<p>Financial Stability:</p> <p>Provide evidence of having Annual Gross Insurance Premiums Turnover of not less than Ksh. 500 Million in the last three (3) years, 2018, 2019 and 2020 (Audited Accounts for the years must be submitted to support) (5marks each)</p>	15

3.	Good Claim Settlement: Provide recommendation letters from at least five (5) major clients as evidence of good claim settlement record of Deposit and Credit Insurance claims (A Letter from each of the five (5) clients confirming this aspect must be attached) (3 Marks each)	15
4.	Claim Administration: <ul style="list-style-type: none"> • Attach evidence of at least Four (4) claims paid in the last two (2) years in relation to Deposit and Credit Insurance Cover. (8 marks). • A write up clearly indicating Turnaround time as evidenced by the attached claim documents on settlement of these claims. <ul style="list-style-type: none"> ✓ for claims settled within 1 Month (6 marks), ✓ for claims within 2 Months (4 marks) and ✓ for claims done within 3 Months (2 Marks) 	20
5.	Qualification of Key Personnel: Provide qualifications and experience of at least 5 professional staff in the team. Attach CVs and copies of educational & professional certificates, certified by the bidding Company. Staff must have experience of at least 5 years. (2 points each). <ul style="list-style-type: none"> i) Principle Officer – Minimum master’s degree and relevant degree ii) Finance Manager – Minimum relevant bachelor’s degree and CPAK or its equivalent iii) Relationship Manager/Account Manager - Minimum relevant bachelor’s degree iv) technical personnel (1) – Minimum relevant bachelor’s degree v) technical personnel (2) – Minimum relevant bachelor’s degree 	10
6.	Adequacy of Additional benefits / Conditions Critical illness - 4 Marks Last Expense Cover -3 Marks GPA (for 12 Committee members) - 4 Marks Individual cover limit per borrower - 4 Marks	15
	Total Score	100
	Pass mark %	70

Notes on Technical evaluation criteria:

When responding to the request for Proposals, the Tenderer should note that only firms attaining over 70% Technical score (**S_t**) during Technical Evaluation will proceed to Financial Evaluation.

EVALUATION OF FINANCIAL PROPOSAL**Formula for Financial Evaluation**

The financial score (**S_f**), for each bidder will be determined based on the lowest financial bid as follows

$$\mathbf{S_f = 100 \times F_m / F}$$

Where:

S_f = Financial Score

F = Financial Bid of the Bidder under consideration.

F_m = Lowest Financial Bid.

The Combined Score (S) will be calculated as follows:

$$\mathbf{S = (S_t \times T\%) + (S_f \times P\%)}$$

T = 80% and P = 20%

Declaration Form

Having studied the tender document information for the above activity, We/I hereby state:

- a. The information furnished in our application is accurate to the best of our Knowledge.
- b. That in case of being short-listed we acknowledge that this grants us the right to participate in due time in the provision of the above required services
- c. We enclose all the required documents and information required for the RFP.

Date

Applicant's Name

Represented by

Signature

(Full name and designation of the person signing and stamp or seal.)