

Rural Electrification & Renewable Energy Corporation

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REF: REREC/T/15/MSC

26th March, 2024

All Labour and Transport Contractors (RFX: 1000000496)

Dear Sir/Madam

To:

RENEWAL OF PERFORMANCE BOND AND CONTRACTOR'S ALL RE: RISK INSURANCE IN RESPECT OF TENDER REFERENCE NO. RFX NO.1000000496, FRAMEWORK AGREEMENT FOR THE PROVISION OF LABOUR AND TRANSPORT SERVICES/WORKS

Reference is made to the above matter and the Framework Agreement between your company and the Corporation for the provision of labor and transport services/works (hereafter referred to as the 'Framework Agreement').

As you are aware, the current term of the Framework Agreement is set to expire on October 31, 2024. Considering this timeline, it is imperative to note that the implementation schedules (inclusive of the defects liability period) for any potential Calloff/Project Contracts that may be awarded to your company between now and the aforementioned expiry date will inevitably extend beyond the expiry date of the Framework Agreement.

In light of the foregoing, and with the aim to ensure adherence to the requirements outlined in GCC 1.1 (u) and GCC 50.1 of the Framework Agreement, it is imperative to ensure that your company possesses valid securities. This is essential for your company to remain eligible for any subsequent awards of Call-off/Project Contracts between now and October 31, 2024.

The purpose of this letter is to urgently request you to furnishing the Corporation with a Bank Performance Bond of Kshs.500,000.00, along with an Insurance Policy of Kshs.10,000,000.00. These securities should bear an expiry date no earlier than September 2025. Your prompt attention to this matter is greatly appreciated.

Yours faithfully,

FRED ODUO

MANAGER, SUPPLY CHAIN



