



## AGRICULTURAL FINANCE CORPORATION(AFC)

### ADDENDUM SET 1 TO TENDER NO. AFC/OT/09/2023-2024- PROVISION OF ASSORTED INSURANCE COVERS

#### 1. Background

It has come to our attention that the cover on GPA as captioned in the tender is not in line with the provision of Work Injury Benefits Act 2007 Section 30(1) that Compensation for permanent disablement shall be calculated on the basis of ninety-six months' earnings. Additionally, we inadvertently omitted two other covers that are very crucial – Directors and Officers liability; and Cyber liability.

We therefore wish to make addendum to ten tender document as follows:

#### Cover NO. 11 GPA (NOW Changed to GPA/WIBA)

GPA/WIBA shall cover all Corporation Staff and seven (7) Board Members  
In respect to staff it shall cover:

- Death – 8 yrs Basic
- Permanent Total Disablement -8 yrs Basic
- Temporary Total Disablement -104 weeks
- 24-hour cover in and out of Kenya

The employee shall be entitled to;

- a. **Eight** years' basic salary in case of death, or
- b. In case of Permanent Total Disablement, a percentage of the **eight** years' Basic salary as may be determined by qualified competent medical doctor based on Total Disability Scale, or
- c. In case Temporary Total Disability weekly earnings up to 104 weeks, and in all cases plus

d. Medical expenses up to **KES 500,000** and Last Expense of **KES 100,000** (provided as a rider)

The provider shall state all exceptions for this cover in the bid document.

A schedule of AFC staff grades and number of employees per grade and estimated annual salary is shown below.

In respect to Directors it shall cover:

- Death – KES 3million
- Permanent Total Disablement – KES 3 million and
- Last Expense of KES 100,000.00

Grade	No. of Pax	Monthly Salary -Basic
G1	23	381,453.00
G10	13	1,949,620.00
G11	10	1,571,571.00
G12	10	1,941,690.00
G13	7	2,122,112.00
G2	94	3,291,804.00
G3	38	1,981,201.00
G4	18	1,284,845.00
G5	9	691,743.00
G6	8	452,504.00
G7	157	9,980,230.00
G8	67	6,257,749.00
G9	8	1,046,105.00
Z	1	620,000.00
	463	<b>33,572,627.00</b>

**\*\* Bidder to propose value addition to this cover that they offer over and above the requirements above.**

### Cover No. 12 Group Life

Group Life Insurance covers the employees in case of death. AFC staff policy is to pay Five years' basic salary in the event of death. The provider shall state all exceptions for this cover in the bid document.

Last expense per

Staff salaries are as shown on table above.

Benefits covered:

- Death- 5years' basic salary
- Permanent total Disablement- 5 years' basic salary

- Last Expense – Principal/spouse- KES 200,000 standalone benefit (ie this is not Accelerated) or if Dependant KES 150,000

\*\* Bidder to propose any other value addition they may enhance without an increase in premium

### Cover No. 16: Director and Officers Liability

#### Cover Features

Indemnity to directors and / or officers in respect of legal liability for wrongful acts committed in their respective capacities as directors or officers of the corporation.

Description	Limit of Indemnity per claim	Limit of indemnity per period of insurance
Limit of Indemnity		

#### Sections Covered

1. Personal Liability to Directors’ and Officers’
2. Company Reimbursements

#### Section 1 – Personal Liability to Directors’ and Officers’

This section responds to claims made against the directors, officers and employees for Wrongful Acts, where they are not entitled to an indemnity from the Company.

#### Section 2 – Company Reimbursement

This section responds to claims where the Company is entitled to give an indemnity to the directors, officers and employees for their Wrongful Acts. Having given the indemnity to the directors, officers and employees, the corporation looks this part of the policy for reimbursement for the amount of the indemnity given.

#### Extensions

- Extended discovery period – 60 days
- Lifetime Run-Off cover for retired insureds
- Emergency costs
- Investigation costs
- Corporate Manslaughter
- Extradition Proceedings
- Public Relations expenses
- Assets & Liberty Costs
- Worldwide
- Corporate (Entity) Liability cover
- Company pollution defense cost
- Breach of contract
- Company Crisis - Public relations expenses

### Cover No. 17: Cyber Liability

Summary of cover:

#### SECTION A: - CYBER LIABILITY

Covers third party claims due to a network security or privacy breach, as well as associated regulatory fines and penalties to the extent insurable by law. Cover is provided for:

- 1) Defense and settlement third-party liability claims arising from the compromised data, e.g. Victims of fraud resulting from their data being compromised, or clients whose IP has been leaked to a competitor, suing for damages.
- 2) Defense and settlement of third-party liability claims as a result of system security failures causing harm to third-party systems and data
- 3) Fines and penalties, to the extent insurable by law

#### SECTION B: CRISIS MANAGEMENT EXPENSES & NOTIFICATION EXPENSES

Covers costs to respond to a network security or privacy breach. Cover is provided for:

- 1) Costs for communications during the crisis, especially to keep affected parties informed and Notifications to the affected parties.
- 2) Public relations campaigns to limit reputational damage Remediation services to safeguard affected parties, e.g., credit monitoring.

#### SECTION C: FIRST PARTY EXPENSES

Covers the increased operating expenses experienced due to a network security breach. Cover is provided for:-

- 1) Expenses for security specialists, attorneys, forensic investigators and loss adjusters to contain, manage and recover from an incident.
- 2) Costs to restore/recover data and operations, or costs incurred until
- 3) Increased cost of working following a breach

#### SECTION D: LOSS OF BUSINESS INCOME

Covers the loss of income the insured would have earned had no Network Security Breach occurred.

#### SECTION E: CYBER EXTORTION

Covers costs to respond to a cyber-extortion incident. Cover is provided for:

- 1) Specialists to investigate and respond to the cyber extortion incident
- 2) Where alternative recovery is not possible, ransom demands may be settled

#### SECTION F: DIGITAL MEDIA LIABILITY

Covers third party digital media liability claims associated with disseminated content, including social media content.

#### SECTION G: INITIAL RESPONSE PHASE

Expenses for specialists to contain and manage an incident, for a pre-determined time without a deductible being applicable.  
ADDITIONAL COVERAGE - Outsourced Service Provider

Interest and sum insured:

Item No.	Description	Limit of indemnity per period of insurance
A	Cyber Liability	
B	Crisis Management and Notification Expenses	
C	First Party Expenses	
D	Loss of Business Income	
E	Cyber Extortion	
F	Digital Media Liability	
G	Initial Response Phase	
H	Additional Coverage - Outsourced Service Provider	

GEOGRAPHICAL LIMITS Territory: Worldwide  
Jurisdiction: Kenya

SPECIAL CLAUSES Retroactive date –  
Business identity theft  
Legal Assist endorsement  
Minimum security requirements  
Reporting & notification  
Cancellation & forfeiture

EXCLUSIONS Bodily Injury and Property Damage  
Contractual Breach  
Individual Conduct  
Prior Circumstances and Litigation  
Securities, Fiduciary, Intellectual Property  
Terrorism/ War, Riot & Confiscation  
Any trading Losses or trading Liabilities Monetary Value of  
any Electronic Fund Transfer  
Pollution Claims  
Software, Hardware, Computer System  
Rectifying Weakens  
Unauthorized Collection

## NEW SCHEDULE OF REQUIRED COVERS:

	Cover Description	Duration	Year 1 Premium in KES	Year 2 Premium in KES	Total Premium in KES
1.	Motor Private	2 years			
2.	Motor Contingent	2 years			
3.	Commercial Vehicles	2 years			
4.	Fire (Buildings)	2 years			
5.	Public Liability	2 years			
6.	Fidelity Guarantee	2 years			
7.	All risk	2 years			
8.	Burglary	2 years			
9.	Money in Transit	2 years			
10.	Computer( Microsure)	2 years			
11.	Group Personal Accident -Staff -Directors	2 years			
12.	Group Life - Staff	2 years			
13.	Group Mortgage	2 years			
14.	Domestic cover for Houses on mortgage	2 years			
15.	Credit life for staff loans	2 years			
16.	Directors & Officers liability	2 years			
17.	Cyber liability	2 Years			
	<b>Totals</b>				

### EXTENSION OF CLOSING DATE

Due to this changes the closing date is hereby extend to **Friday 19<sup>th</sup> April 2024** at **12.00Noon.**

Signed:



N.Njeru  
**Head of Procurement**