



**REPUBLIC OF KENYA**  
**THE NATIONAL TREASURY**

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THE NATIONAL TREASURY  
P O BOX 30007 – 00100  
NAIROBI

14<sup>th</sup> July, 2017

TO ALL BIDDERS

**RE: LEASING OF MOTOR VEHICLES PHASE IV: TENDER NO. TNT/037/2016-2017**  
**ADDENDUM I**

The National Treasury has issued the following addendum to the tender for leasing of motor vehicles phase IV.

No.	Clarification/Information Required	Comments by National Treasury
1.	Lot 10 specifications (page 117) the header states a 9 – 10 ton, 4x2, High sided truck with superstructure and canvas, but the general section describes a standard production, 4x2 7-8 tone payload truck, high sided with superstructure and canvas Please clarify if the required payload is 9 – 10 ton as per the header description or 7 – 8 ton as per the general description	<b>Should be 9 – 10 ton, 4 x 2, High sided truck with superstructure and canvas and NOT 4x2 7-8 tone payload truck, high sided with superstructure and canvas</b>
2.	<b>Clause 4(f)</b> states that: "All payments under this agreement and the rental addendum shall only be made for services rendered hence the Lessor to ensure that they invoice only those vehicles that are in use and not those in the garages, accident vehicles and those not yet replaced". <ul style="list-style-type: none"><li>This effectively restricts payments of the rentals to vehicles in use as any particular moment which is quite unreasonable, firstly because the rentals are paid for lease of vehicles, not service of the vehicles and so should not be affected by matters of service or repair of the vehicles. Even when the vehicles are in for service they are still on lease and replacement vehicles are provided if there is any delay by the</li></ul>	The clause to be retained since the National Treasury needs confirmation from the users that the services have been rendered to their satisfaction.  The same shall also be included in the SLA.  For total loss, the National Treasury cannot pay for a vehicle which is not in operation hence the need for the users to confirm that the invoices are correct before payments are effected.

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	<p>service provider. Secondly matters of vehicle in garages, under repair or accident vehicles are dealt with by the service level agreement. This clause needs to be removed from the Master Lease Agreement</p> <ul style="list-style-type: none"> <li>It also means that all the instances of total loss, the rentals that are to be paid until determination of the total loss or capital balance upon determination of the loss will not be paid until the vehicles are replaced. Replacement vehicles are however not part of the remedies for total loss.</li> </ul>	
3.	<p><b>Clause 4(g)</b> states that; "Any payment under this Agreement and the Rental Addendum shall not be made for vehicles covering over 50 Km from County Headquarters for servicing and repairs. Such mileages shall be borne by the Lessor and shall be deducted from the required 160,000 kms before any payments are effected".</p> <ul style="list-style-type: none"> <li>This provision is also related to service and not to rentals and so should be addressed in the SLA. Secondly, we do not have service centres in all the counties and it is bound to happen that vehicles are driven more than 50 kms from county headquarters for servicing. Maintaining the clause will in effect affect the payment for a number of other services not related to the distance travelled. The clause should be removed or in the alternative, negotiation for a longer distance, say 200 kms or so.</li> </ul>	<p>This is also part of the evaluation criteria page 20 of the tender document.</p> <p>To be included in the SLA</p> <p>The purpose of this is to mitigate on distance considered as part of the 160,000 Kms yet they are covered to service and repair the vehicles. Hence the need to have garages / partnerships as per the requirements.</p> <p>A longer distance not allowable.</p>
4.	<p>The default interest clause was removed. We would request that it be reinstated as it is a key requirement to get financing for the lease.</p>	<p><b>Not acceptable</b></p> <p>The government pays within 30 days upon receipt and confirmation of invoices by the users.</p>
5.	<p><b>Clause 4 (h)</b> states that: "That all the invoices submitted for payments shall be confirmed by the respective users before any payments are effected".</p>	<p>Invoices must be confirmed by the users before any payments are made.</p>

