

Addax Petroleum Development (Nigeria) Limited (RC No. RC 333615)

Addax Petroleum Exploration (Nigeria) Limited (RC NO. RC 333613)

Tender Opportunity

TB 3265: Provision of Combined Insurance Services in OMLs 123/124 & 126/137

NipeX Tender Number: 1200330

(1) Introduction:

Addax Petroleum Development (Nigeria) Limited (hereinafter referred to as “APD(N)L”) and Addax Petroleum Exploration (Nigeria) Limited (hereinafter together referred to as “Addax”) is seeking is seeking qualified Insurers for the provision of Insurance Services in its OML’s 123/124 & 126/137.

Addax invites submission from reputable Nigerian registered Insurance Companies having ‘world class’ experience in the provision of insurance services for major Oil and Gas companies. The contract duration is two (2) years with an option to extend for a further period of one (1) year.

(2) Scope of Services:

This Scope of Services covers the provision of insurance services (Group life Assurance, Marine, Motor Vehicle and Industrial All Risk) associated with all Company operations The Insurer shall retain a percentage of the risk in Nigeria and re-insure the excess capacity with leading foreign underwriters with A+ rating by S &P. The Insurer will liaise with the jointly appointed re-insurance Broker for the purpose of re-insurance with foreign Underwriter. The Insurer shall retain 70 percent of the risk in Nigeria. The insurer will also handle claims services, policy documentation, renewals, endorsement etc. as well as other related matters associated with Addax Operations in OMLs-123/124 and 126/137.

(3) Basic Requirements:

Any Insurance Company seeking to be selected must satisfy the following conditions:

(3.1) Be a Limited Liability Company registered in Nigeria and licensed by the National Insurance Commission (NAICOM) To transact General Insurance Business.

- (3.2) Have a paid up share capital of not less than N3billion for Non-life and N2 billion for Life as per its last published Accounts for its general business.
- (3.3) Have acquired good experience in Oil and Gas insurance business.
- (3.4) Have adequate and qualified staff with experience in Oil and Gas Insurance business.
- (3.5) Must be in good standing as regards prompt settlement of all claims reported to date.
- (3.6) Must be a good corporate citizen of Nigeria that pays its taxes as and when due.

(4) Supporting Documentation:

The interested Insurer must have the following documents:

- (4.1) A certified true copy of the Corporate Affairs Commission (CAC) of the Company's Certificate of Incorporation.
- (4.2) A certified true copy by NAICOM of the Company's license as an Insurer to transact non-life and/or general insurance business.
- (4.3) Current registration with the Department of Petroleum Resources (DPR).
- (4.4) Documentation/evidence demonstrating experience in similar Oil and Gas insurance cover that Insurer has provided in the last 3 years (2011 to 2013), including clients' name and dates of cover (please attach copies of participation slips/treaties).
- (4.5) Provide company profile indicating Nigerian Shareholding, Company's financial details, and published annual Report and Accounts for the past 3years (2011 to 2013).
- (4.6) Evidence of NAICOM's approval of Annual Returns and Accounts for previous underwriting year (2013).
- (4.7) A profile of six (6) top management staff of the Company with their qualifications and insurance working experience in Oil and Gas insurance business.
- (4.8) Provide evidence of qualified professional staff and training

(4.9) In case of Joint Venture, an attached copy of the joint venture agreement and details of the interest of each of the Joint venture partner, the role of each party clearly indicated.

(4.10) A signed Declaration by the Chief Executive Officer that the Company has settled all discharged claims.

(4.11) Company's Tax Clearance certificates for the past three (3) years (2013 to 2014).

(4.12) Give brief description of re-insurance strategy and provide names of foreign Re-Insurers and principal Brokers.

(4.13) Provide relevant information of two (2) contact persons: name, telephone, fax numbers and email address.

(4.14) Certified true copy of NAICOM approval of Recapitalization and Consolidation to continue to transact business within the Federal Republic of Nigeria.

(4.15) Evidence of statutory deposit with CBN.

(4.16) Documentary evidence showing clearly the pre-capitalization status and the additional capital raised.

(4.17) Evidence of VAT remission and Tax Clearance Certificate.

(4.18) Certificate of compliance from the Pension Commission (PENCOM).

(4.19) Certificate of compliance from the Industrial Training Fund (ITF).

(4.20) Group Life Insurance Certificate for Employees.

(4.21) Evidence of Employees Compensation Act (NSTIF)

In addition to submitting the foregoing documentation through NipeX, the interested Insurer shall submit evidence of the foregoing documents in 1) electronic format (2 no. CD ROMs)

and 2) hard copy format (2no. hard copies) in a sealed envelope, on or before the tender closing date [(date)], to the following address:

(Tender Ref No and Contract Description)

(Company's Address)

(5) Mandatory Requirements:

(5.1) To be eligible for this tender exercise, interested contractors are required to be pre-qualified as essential service vendor in 3.14.30 -Life Insurance Services and 3.14.32- Non-Life Insurance Services in NipeX Joint Qualification System (NJQS) data base. All successfully pre-qualified suppliers in this category will receive an Invitation to Technical Tender (ITT).

(5.2) To determine if you are pre-qualified and view the product/service category you are listed for, open www.nipexng.com and access NJQS with your login details, click continue Joint Qualification Scheme tool, click check my supplier status and then click supplier product group.

(5.3) If you are not listed in a product/service category and you are registered with DPR to do business, contact NipeX office at 30, Oyinkan Abayomi Drive, Ikoyi, Lagos with your DPR certificate as evidence for verification and necessary update.

(5.6) To initiate the JQS prequalification process, access www.nipexng.com to download the application form, make necessary payments and contact NipeX office for further action.

(5.7) To be eligible, all tenders must comply with the Nigerian Content Requirements in the NipeX system.

(6) Nigerian Content Requirements:

Tenderers are to note that they will be requested during the technical tender to provide details of their relevant strategy to ensure that they fully comply with the Nigerian Oil & Gas Industry Content Act, 2010 as provided at www.nnpcgroup.com and www.nigcontent.com , in view of the fact that non-compliance will constitute a fatal flaw in all contract evaluations.

The Nigerian Content Development Monitoring Board (NCDMB) will require each Tenderer to:

- Demonstrate that the entity proposed for execution of the service, is a Nigerian Registered Company, or Nigerian Registered Company as the contracting entity in genuine alliance or joint venture with foreign company with details on scope and responsibilities of parties for this work. Such companies must show evidence of joint venture binding agreement duly signed by the CEO of both companies including evidence or plans of physical operational presence and set-up in Nigeria
- Furnish details of company ownership and share holding structure. With photocopies of its CAC Forms CAC2 and CAC7.
- Provide evidence of what percentage of its key management positions are held by Nigerians and what percentage of the total Workforce are Nigerians and also show overall percentage of work to be performed by Nigerian resources relative to total work volume.
- Provide a Nigerian Content Plan with detailed description of the role, work scope, man-hours and responsibilities of all the Nigerian companies and personnel that will be involved in executing the work.
- State proposed total scope of work to be conducted by Nigerian personnel (whether contracted directly or under subcontract agreements) with names and addresses including evidences of well equipped offices and workshop.
- Provide evidence of NAICOM's approval of Annual Returns and Accounts for previous underwriting year.
- Provide certified true copy of NAICOM approval of recapitalization and Consolidation to continue to transact insurance business within the Federal Republic of Nigeria.
- Provide detailed plan for staff training and development on insurance.
- Provide evidence of domiciliation of project management and procurement centers in Nigeria with physical addresses (not P.O. Box).
- Provide detailed description of the location of in-country office.
- Provide details on any other Nigerian Content initiative the company is involved in.

(7) Closing Date:

Only Tenderers who are registered with the relevant NJQS product category as at **4th day of August, 2015 being the advert closing date** shall be invited to submit Technical Bids.

(8) Additional Information:

This advertisement of "Invitation to tender" shall not be construed to be a commitment on the part of NNPC/Addax to award any form of contract to any company and/or associated companies, sub-contractors or agents, nor shall it entitle any company submitting documents to claim any indemnity from NNPC/Addax and/or any of its partners.

Please visit the NipeX portal at www.nipexng.com for this Advert and other relevant information.