



**REQUEST FOR PROPOSALS FOR THE DESIGN, IMPLEMENTATION AND SUPPORT OF
AN ANTI-MONEY LAUNDERING SOLUTION
REFERENCE NO: MGL/AML/2025**

VENDOR'S NAME:

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1) CORPORATE OVERVIEW

Madison Group is a leading Kenyan-owned financial services company, offering life and general insurance as well as investment management through its three subsidiaries—Madison Life Assurance, Madison General Insurance and Madison Investment Managers. With a national presence of 27 branches organized under four regional offices, the Group provides tailored financial solutions under its motto "*Life Without Worry.*"

Headquartered in Nairobi, Madison has shown consistent growth, managing over KES 10 billion in investment funds and engaging in innovative community projects such as affordable housing and professional indemnity for healthcare workers. Its commitment lies in delivering accessible, reliable insurance and wealth management services to secure clients' financial futures.

2) INVITATION TO TENDER

Madison Group Limited invites proposals from experienced and qualified vendors for the design, implementation and ongoing support of a comprehensive Anti-Money Laundering (AML) solution.

This initiative aims to establish a robust AML framework that safeguards the Group against illicit financial activities, ensures full compliance with applicable regulatory requirements and upholds the integrity of financial transactions across all subsidiaries.

The desired solution should be scalable and adaptable, offering:

- Real-time monitoring and alerting capabilities
- Advanced analytics and risk-scoring tools
- Robust case management functionalities
- Secure integration with internal systems and external data sources

3) TENDERING INSTRUCTIONS

3.1. Eligibility

The RFP is open to registered Kenyan and international companies with valid business licenses and either KRA tax compliance or an equivalent from their respective jurisdictions.

3.2. Submission of Tender Documents

Completed tender documents should be sent via email to the email address procurement@madison.co.ke not later than 20th June 2025.

Submission of bids shall be in two password protected pdf documents. clearly named:

- **MGL/AML/2025 – Technical Proposal**
- **MGL/AML/2025 – Financial Proposal**

The bids should be addressed to:

**The Group Procurement
Madison Group Limited,
Madison House, Upper Hill Close
P.O Box 41163-00100,
NAIROBI, KENYA.**

Tel No: +254 20 2864000, +254 70 9922000

3.3. Clarifications

Prospective bidders can request for clarifications by sending an email to the Procurement Office, procurement@madison.co.ke. The Procurement office will respond in writing to requests for clarification received not later than three (3) days prior to the deadline for the submission of tenders.

3.4. Additional Information

The Company reserves the right to request submission of additional information from prospective bidders.

3.5. Withdrawal of Tender

The Company may at any time terminate this procurement process before the award of contract and shall not be liable to any person for the termination.

3.6. Tender Currencies

Prices shall be quoted in Kenya Shillings / USD.

4) PRE-QUALIFICATION INFORMATION

Attached to this document is a questionnaire (No. 7) to be completed by prospective bidders. The bidders must ensure that they provide documentation to support the information provided in the questionnaire. In addition to the questionnaire bidders will be required to provide information to satisfy the requirements set out from 5.1, 5.2, 5.3 and 5.4 below. Please note that incomplete tender documents will not be considered. All the documents that form part of the proposal must be completed in English.

It is understood and agreed that the tender documents for prospective bidders are to be used by the Company in determining, according to its sole judgement and discretion, the qualifications of prospective bidders to carry out the project.

Bidders will not be considered qualified unless in the judgment of the Company they are authorized, have the capability, experience, qualified personnel and working capital sufficient to satisfactorily execute the project.

4.1 Experience

Bidders must have at least five (5) years' experience in carrying out a similar task. They must demonstrate competence, willingness and capacity to provide the service within reasonable timelines.

Past performance will be given due consideration in the evaluation. Bidders must provide proof of having **successfully carried** out similar projects over the last two (2) years, preferably in the insurance and banking sector. The proof should be in the form of documented and verifiable references, extract of contracts and purchase orders/service orders.

4.2 Personnel

The bidders must provide the names, qualifications and experience and detailed CVs of the key personnel to execute the actual implementation. Bidders must provide a written undertaking that staff proposed for the work will be present for the whole project duration.

4.3 Financial Condition

Bidders must provide evidence of financial ability to execute the project. The vendor's financial condition will be evaluated using the audited financial statements for the last two years.

5) TECHNICAL PROPOSAL

The bidders must ensure that they provide documentation to support the information required in the technical evaluation. Please note that incomplete tender applications will not be considered. All the documents that form part of the proposal must be completed in English.

It is understood and agreed that the tender applications for prospective bidders are to be used by the Company in determining, according to its sole judgment and discretion, the qualifications of prospective bidders to carry out the project.

Bidders will not be considered qualified unless in the judgment of the Company they are authorized, have the capability, experience, qualified personnel, and working capital sufficient to satisfactorily execute the project.

Points awarded for the evaluation of Full Technical Proposals are as below:

Ref	Evaluation Criteria	Points
1	<p>Mandatory Documents (10 Marks)</p> <ul style="list-style-type: none">i. Certificate of Registration/Incorporation.ii. Valid and certified copy of Business permit/ relevant business licencesiii. Current CR12 issued by the Registrar of Companies (Not older than 6 months)iv. Tax compliance certificatev. VAT & PIN Certificatesvi. Current partner/reseller authorization certifications and compliance documentationvii. Filled Confidential Business Questionnaire Formviii. Duly filled, signed & stamped Sworn Statementix. Technical Submission Formx. Financial Submission Form <p>Please note that failure to submit some of the above documents could lead to disqualification of your bid.</p>	10
2	<p>Key Personnel</p> <ul style="list-style-type: none">i. Provide current CVs of a minimum of 3 key staff members who will be engaged in the assignment highlighting role in the Company, number of years of experience and number of years with the company (3 marks).ii. Provide copies of academic/professional certifications of the key staff members above. Bachelor's degree in a related qualification, project management, certification on the proposed platform, and relevant information security certifications should be included as well. (3 marks)	 3 3

3	<p>Past/present Clients Bidders must submit documentary evidence demonstrating successful execution of similar projects within the last five (5) years, preferably within the insurance and banking sectors.</p> <p>Each submission should include:</p> <ul style="list-style-type: none"> • At least four (4) client testimonials, reference letters, or project completion certificates. • Supporting documentation clearly indicating the value of each project, such as Local Service Orders (LSOs), contracts, or equivalent documents. • Completed details of each client as per Section B of this document. <p>Each qualifying client reference will be awarded 4 marks, up to a maximum of 16 marks.</p>	16
4	<p>Documentation and a sample Service Level Agreement (3 marks each) Highlight:</p> <ul style="list-style-type: none"> • Support contacts • Turnaround times • Escalation matrix 	9
5	<p>Terms of Reference AML system Terms of Reference (Duly filled with the required responses)</p>	50
6	<p>Project Management Approach (5 marks)</p> <ol style="list-style-type: none"> Provide a detailed methodology in regard to the requirements Provide a work plan indicating the timelines for the engagement <p>Business Impact & ROI (4 Marks) Indicate how your solution will contribute to the following</p> <ol style="list-style-type: none"> Value addition to business decision-making Reduction in data retrieval and processing time Cost-effectiveness and resource optimization 	<p>5</p> <p>4</p>
	TOTAL TECHNICAL SCORE	100
	FINANCIAL PROPOSAL	30

The minimum technical score required to qualify for the Financial Proposal Evaluation is **70 Points**. The Financial Proposal for bidders whose technical scores are less than 70 points will be rejected.

6) TECHNICAL PROPOSAL SUBMISSION FORM

[_____ Date_____

To: _____ [Name and address of Client)

Ladies/Gentlemen:

We, the undersigned, offer to provide **the design, implementation and support of an anti-money laundering solution** for _____ accordance with your Request for Proposal dated _____[Date] and our Proposal. We are hereby submitting our Proposal, which includes this Technical Proposal, [and a Financial Proposal].

We understand you are not bound to accept any Proposal that you receive.

We remain,

Yours sincerely,

_____ [Authorized Signature]:

_____ [Name and Title of Signatory]

_____ [Name of Firm]

_____ [Address)

7) FINANCIAL PROPOSAL & EVALUATION

Bidders shall provide a detailed price schedule as guided in the table below. In addition to the price schedule, bidders will be required to provide evidence of financial ability to execute the project including audited financial statements for the last three years.

Financial Proposal Evaluation (Weight 30%): The Evaluation Committee will determine whether the Financial Proposal has included all pricing components as per the tender document and evidence of financial capacity. Failure to provide the information requested may result in the rejection of the bid as non-responsive. Financial bids shall be compared for the complete scope of work as per the Price Proposal Schedule, inclusive of all taxes and duties.

Summary of Costs:

Costs	Amount (KES)
Provision of the design, implementation and support of an anti-money laundering solution for Madison Group Limited as per the terms of reference	
Implementation Services	
A breakdown of training costs on the platform (Where applicable)	
A breakdown of certification costs on the platform (Where applicable)	
Taxes	
Total Costs in KES	

Recurrent Costs from 2nd year onwards	Amount (KES)
Annual Maintenance Costs – AMC	
Support and Service Level Agreement (SLA)	
Taxes	
Total Costs in KES from 2nd year onwards	

Overall Ranking:

The combined result of the technical and financial proposals will determine the final, overall ranking. The company is not bound to award the tender to the highest-ranked bidder.

8) FINANCIAL PROPOSAL SUBMISSION FORM

_____ [Date]

To: _____

[Name and address of Client]

Ladies/Gentlemen:

We, the undersigned, offer to provide a scalable, flexible AML system for

(_____) in accordance with your Request for Proposal

dated (_____) [Date] and our Proposal. Our attached Financial Proposal is for the sum of

(_____)

[Amount in words and figures] inclusive of the taxes.

We remain,

Yours sincerely,

_____ [Authorized Signature]

_____ [Name and Title of Signatory]

_____ [Name of Firm]

_____ [Address]

9) FINANCIAL PROPOSAL

Bidders must provide a financial proposal separate from the technical proposal.

10) BUSINESS QUESTIONNAIRE

A. COMPANY INFORMATION

Company Name: _____

As per certificate of incorporation

Trading Name: _____

If different from company name

Date of incorporation: _____

Nature of Business: _____

Physical Location: _____

House: _____ Street/Road: _____

Postal Address: _____ Post Code: _____

City/Town: _____

KRA PIN: _____ Tax Compliance Status: _____

No. of Staff: _____ Permanent: _____ Casual/Temporary: _____

Key Partnerships/Certifications

(i) _____ (iv) _____

(ii) _____ (v) _____

(iii) _____ (iv) _____

(Attach all relevant business licences, current partner / reseller authorisation certifications and compliance documentation)

B. DIRECTORS AND SHAREHOLDING

Attach current CR12 (Not older than 6 months)

C. KEY PERSONELL

1. Name: _____

Academic Qualifications: _____

Professional Qualifications: _____

Role in the Company _____

No. of years of experience: _____

No. of years with company: _____

(Attach current CV and copies of Certifications)

2. Name: _____

Academic Qualifications: _____

Professional Qualifications: _____

Role in the Company _____

No. of years of experience: _____

No. of years with company: _____

(Attach current CV and copies of Certifications)

3. Name: _____

Academic Qualifications: _____

Professional Qualifications: _____

Role in the Company _____

No. of years of experience: _____

No. of years with company: _____

(Attach current CV and copies of Certifications)

4. Name: _____

Academic Qualifications: _____

Professional Qualifications: _____

Role in the Company _____

No. of years of experience:

No. of years with company: _____

(Attach current CV and copies of Certifications)

D. PAST/PRESENT CLIENTS

1. Name of Client: _____

Sector: _____

Address: _____ Telephone: _____

Name of Contact: _____ Position: _____

Email address of contact: _____ Value of Contract _____

Completed/Ongoing? _____ Duration of engagement _____

Key Successes:

(Attach proof of engagement with client, testimonials/references)

2. Name of Client: _____

Sector: _____

Address: _____ Telephone: _____

Name of Contact: _____ Position: _____

Email address of contact: _____ Value of Contract _____

Completed/Ongoing? _____ Duration of engagement _____

Key Successes:

(Attach proof of engagement with client, testimonials/references)

3. Name of Client: _____

Sector: _____

Address: _____ Telephone: _____

Name of Contact: _____ Position: _____

Email address of contact: _____ Value of Contract _____

Completed/Ongoing? _____ Duration of engagement _____

Key Successes:

(Attach proof of engagement with client, testimonials/references)

4. Name of Client: _____

Sector: _____

Address: _____ Telephone: _____

Name of Contact: _____ Position: _____

Email address of contact: _____ Value of Contract _____

Completed/Ongoing? _____ Duration of engagement _____

Key Successes:

(Attach proof of engagement with client, testimonials/references)

11) SWORN STATEMENT (MANDATORY)

Having studied the information in the document for the above project we/I hereby state:

- a. The information furnished in our application is accurate to the best of our knowledge.
- b. That I/We understand that I/We shall be disqualified should the information submitted here for purpose of seeking qualification be materially inaccurate or materially incomplete.
- c. We enclose all the required documents and information required for the RFP evaluations.

Company Name

Represented by

Date

Signature

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

12) TECHNICAL REQUIREMENTS FOR A SCALABLE, FLEXIBLE AML SYSTEM

Business Requirements

Section	Detailed Requirements
Know Your Customer (KYC)	<ul style="list-style-type: none"> The system must support automated Know Your Customer (KYC) verification, validating national ID, passport, and proof of address against regulatory databases. This solution should be able to maintain updated records of customers' transactions
Customer Due Diligence	<ul style="list-style-type: none"> The solution should be able to gather and verify information about customers and their business activities, including their identity and source of funds Support the implementation of robust KYC procedures that verifies customers' identities and understands the nature of their business Ability to continuously monitor customer relationships and transactions for suspicious activity Develop a customer risk profile - The system must be able to classify customers as low, medium, or high risk based on pre-set risk parameters, such as transaction history, geographic risk, and Politically Exposed Persons (PEP) status. The Solution should apply risk-based EDD for high-risk customers such as PEPs, high-value policyholders, or those from high-risk jurisdictions The system should be able to screen customers against PEP databases and flag high-risk individuals for additional due diligence.
Risk Assessment	<ul style="list-style-type: none"> Ability of the solution to identify and assess specific risks related to money laundering and terrorist financing, considering factors like customer base, products, location etc Ability to develop a risk-based approach within the solution that addresses identified risks, prioritises resources and controls accordingly Ability to continuously review and update risk assessments to reflect changes in the Madison subsidiaries' business and the evolving threat landscape
Transaction Monitoring	<ul style="list-style-type: none"> The system should have the ability to analyse transactions in real-time to detect/flag patterns of unusual or suspicious financial activity based on AML/CFT indicators. The system must detect and flag structured transactions designed to avoid reporting thresholds (smurfing) The system should be able to detect transactions/activities on related accounts The system must screen transactions and customer, beneficiaries, against the global sanction lists
Internal Controls and Audits	<ul style="list-style-type: none"> Support the implementation of strong internal controls that will prevent and detect money laundering and terrorist financing Allow independent testing of AML controls to ensure their effectiveness Ability to give secure access to logs and prevent unauthorised access to stored logs

Section	Detailed Requirements
Data Security & Regulatory Compliance	<ul style="list-style-type: none"> • Ability to implement robust data security measures to protect customer information and prevent unauthorized access • Ability to comply with data privacy laws and regulations • Ability to utilize advanced analytics to enhance the detection of illicit activities and improve the accuracy of transaction monitoring • Access to AML/CFT functionalities must be restricted based on user roles (e.g., compliance officers, auditors, IT admins).
Reporting and Record Keeping	<ul style="list-style-type: none"> • Keep accurate and up-to-date records of customer information, transactions, and AML related activities for at least 7 years • The system must allow retrieval of customer and transaction records for at least 7 years. • Ability to prioritize risk reporting to ensure that the most critical information is brought to the attention of the appropriate authorities • The system should allow retrieval of management reports such as, alert volumes, open alerts, closed alerts, false positives,
Integration and Automation	<ul style="list-style-type: none"> • The solution should be able to integrate to Madison Group's existing core systems and processes, in order to obtain additional data and improve the accuracy of its analyses, as well as validation before any master data creation • The system should be able to integrate with third-party databases for adverse media mention on customers • The system must integrate with third-party KYC databases, law enforcement, banking systems, BRS and IPRS for compliance verification. • The system should be able to integrate with existing security solutions for easy detection and response to anomalies
Case Management	<ul style="list-style-type: none"> • The system should provide case management tools for handling flagged transactions, adding notes, assigning investigations, and tracking resolution status. • The system should allow for escalation of high-risk cases to senior management when needed.

Technical requirements

The System must be configured to implement the following architecture

Component	Description
Data Sources	<ul style="list-style-type: none"> • Internal and external databases, watchlists, and sanctions lists
Data Processing	<ul style="list-style-type: none"> • Data ingestion, parsing, and normalization
Rules Engine	<ul style="list-style-type: none"> • A set of rules and algorithms to detect and alert on suspicious activities and transactions
Workflow Engine	<ul style="list-style-type: none"> • A set of workflows to process alerts and cases, including investigation, escalation, and reporting

Component	Description
User Interface	<ul style="list-style-type: none"> A web-based application for users to access the system's functionalities, including monitoring, investigation, and reporting
Reporting	<ul style="list-style-type: none"> A set of reports and dashboards to provide insights and metrics on AML activities, including transaction monitoring, investigations, and reporting
Security	<ul style="list-style-type: none"> A set of security measures to protect sensitive data and prevent unauthorized access, including encryption, authentication, authorization, and auditing
Infrastructure	<ul style="list-style-type: none"> A set of hardware and software components to support the system's functionalities, including servers, storage, networking, and cloud services

General Requirements

Section	Detailed Requirements
Scalability	<ul style="list-style-type: none"> The AML system should be able to handle a large volume of data and transactions
Real-time monitoring	<ul style="list-style-type: none"> The AML system should provide real-time monitoring capabilities to detect and alert people to suspicious activities and transactions in a timely manner, enabling quick and effective response to potential money laundering activities.
Compliance with Regulations	<ul style="list-style-type: none"> The system should comply with relevant regulations, including those related to AML, sanctions, and data privacy, to ensure legal and regulatory compliance
Security	<ul style="list-style-type: none"> The AML system should have robust security measures in place to protect sensitive financial data and prevent unauthorized access. This includes encryption of data, secure authentication and authorization mechanisms, and regular security audits and updates to address potential vulnerabilities.
Disaster Recovery	<ul style="list-style-type: none"> The system should have a disaster recovery plan in place, including regular data backups, redundant system architecture, and failover mechanisms, to ensure high availability and minimal downtime in case of system failures or disasters.
Audit and reporting	<ul style="list-style-type: none"> The system should have a robust audit and reporting capabilities to track and document all activities and transactions processed by the system, including suspicious activity reports (SARs), to meet regulatory requirements and facilitate auditing and reporting to relevant stakeholders.