



BANK OF JAMAICA

Request for Proposal

**TENDER NAME: INSURANCE
PLACEMENT**

RFP#:2017-42-01-02

DEADLINE FOR SUBMISSION:

DATE: 14 August 2017

TIME: 3:00 P.M.

ISSUE DAY and DATE: 20 June 2017

TENDER NOTICE

INSURANCE PLACEMENT

BANK OF JAMAICA

Tenders are invited from insurance companies and brokers which are pre-qualified by the Financial Services Commission (FSC) and registered with the National Contracts Commissions (NCC) to provide insurance services to **BANK OF JAMAICA**

Pre-qualified brokers and insurers will be required to submit in their tenders:

- i) A copy of valid Tax Compliance Certificates (TCCs), indicating tax compliance at the time of submission of tenders;
- ii) A copy of NCC registration, reflecting validity at the time of tender;
- iii) A copy of valid Certificate of Registration from the Financial Services Commission (FSC).
- iv) A like-for-like proposal and a maximum of **two (2)** alternative proposal(s).

Cover is required for the following classes of insurance:-

Commercial All Risks	Fidelity Guarantee
Property All Risks	Private Motor Comprehensive
Engineering / Machinery Breakdown	Special Type Motor Comprehensive
House Owners Comprehensive	Motor Cycle Comprehensive
Employers Liability	Motor Contingent Liability
Public Liability	Group Personal Accident

The period of placement will be three (3) years.

The Request for Proposal Document will be available on the Bank's website (<http://www.boj.org.jm>) under the section "Tenders" as at **Tuesday, 20 June 2017**.

Each Tender should contain a summary of the risk(s) and should be submitted in duplicate (two identical copies) in sealed envelopes bearing the name of the bidder and clearly addressed as follows:-

RFP # 2017-42-01-02
General Insurance Services 2017 – 2020
Attention: Head of Procurement
Procurement Administration Section
Bank of Jamaica
Nethersole Place, Kingston, Jamaica, W.I.

Tenders must be deposited in the tender box at: Bank of Jamaica, Nethersole Place, Kingston.

The deadline for submission of tenders is **3:00 p.m.** on **14 August 2017**

TENDERS SUBMITTED AFTER THIS TIME AND DATE WILL BE REJECTED.
Tenders will be opened at 3:15 p.m. at the Bank of Jamaica

Recommendations for award(s) will not necessarily be made in favour of the lowest priced tender but the best overall proposal(s).

Please note that notwithstanding the information provided in this Notice the final instructions to bidders is as set out the following sections of this RFP and any further notification that may be posted on the Bank of Jamaica website. Bidders are therefore required to monitor the website for the most current information.

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NAME: BANK OF JAMAICA

1. INTRODUCTION

- 1.1. The Bank of Jamaica (hereinafter called “the Bank” invites tenders from insurance companies and brokers which are pre-qualified by the Financial Services Commission (FSC) and registered with the National Contracts Commission (NCC) to provide insurance services.
- 1.2. The contract under bid would be valid for a period of three (3) years, starting 2017.

2. COVER IS REQUIRED FOR THE FOLLOWING CLASSES OF INSURANCE

Commercial All Risks	Fidelity Guarantee
Property All Risks	Private Motor Comprehensive
Engineering / Machinery Breakdown	Special Type Motor Comprehensive
House Owners Comprehensive	Motor Cycle Comprehensive
Employers Liability	Motor Contingent Liability
Public Liability	Group Personal Accident

3. CONFIDENTIALITY/NON-DISCLOSURE

- 3.1. Bidders are reminded that the information contained in this Tender Document or accumulated through other written or verbal communication is strictly confidential. It is for proposal purposes only and is not to be disclosed or used for any other purpose.

4. INSTRUCTIONS TO BIDDERS

- 4.1. Applications for permission regarding overseas facultative placement with unregistered reinsurers must be submitted in writing to the Financial Services Commission (FSC) by the Insurer/Broker prior to the award of contract and accompanied by the required supporting documentation. [\(See Appendix 1\)](#).
- 4.2. Placement with **Lloyds of London** does not require FSC approval.
- 4.3. Brokers, which will be seeking to place facultative insurance business overseas, must be registered with the FSC as Facultative Brokers.
- 4.4. The tender proposals must be complete – coverage should be proposed for the entire portfolio as requested by the entity in its specification and not only for some risks.
- 4.5. Each tender must contain a summary of the risks. [\(See Appendix II\)](#).

- 4.6. Pre-qualified brokers/insurers will be required to **submit with their** tenders valid Tax Compliance Letters (TCLs) indicating that they are tax compliant at the time of submission of tenders.
- 4.7. Alternative proposals with Coverage and terms varying from the Specified (Like-for -Like) will be considered. Brokers may re-enter the market and use their knowledge to obtain better terms and try to negotiate more cost effective premium rates than the early market response on the like- for- like basis.
- 4.8. Recommendation for award will not necessarily be made to the lowest tender but in respect of the best overall proposal.
- 4.9. All tenders must contain Brokers Slips, which are signed, stamped and dated as evidence, substantiating Insurers' quotations. In the case of overseas placement all local brokers are required to obtain from their overseas correspondence brokers, supporting brokers' slips signed by **at least** the lead underwriter.
- 4.10. On presentation of tender package(s), the Bearer is to sign the tender register.
- 4.11. Late tenders will not be accepted.
- 4.12. No documentation will be accepted by the Bank, from the Broker after the close of tender.
- 4.13. **Each Broker/Insurer is required to submit two identical copies of the proposals in the tender packages.**
- 4.14. Sharing of risks between two (2) or more proposals (Split policies) - Brokers are required to provide documentary evidence indicating that each insurer is aware of and is in agreement with the rates and terms that may be quoted and its share of the risk.
- 4.15. Bidders are asked to take note of the following grounds for rejection of Proposals:
 - (i) The Insurer providing different rates, discounts, or loading to Brokers for the identical risks, or failing to justify special arrangements offered exclusively to a particular broker.
 - (ii) The Insurer varying the conditions indicated to different brokers in respect of minimum/maximum participation in a risk, and of tied risks.
 - (iii) The Insurer and/or Broker failing to state clearly or consistently the policies to be included in a Package arrangement.
 - (iv) Insurer and/or Broker failing to state clearly whether premiums are subject to a minimum value, and if so, whether they are adjustable (e.g. on subsequent declarations of insured values, stock levels, etc.)

- (v) The Insurer failing to indicate clearly how rates are to be applied, to which values, etc. (for example whether the rate is to be applied to Declared Value or Sum Insured and if to Declared Value the Day One Inflation Loading to be applied).
- 4.16. Insurers are being encouraged to comply with proper market conduct as failure can result in disqualification of a tender.
- 4.17. Failure to respond appropriately to any question or requirement in this Tender Document may subject the proposal to disqualification.
- 4.18. All bidder representations to the Bank whether verbal or written, must be factual and will be relied upon by the Bank in its evaluation.
- 4.19. The Bank does not bind itself to accept the lowest or any bid.

5. LANGUAGE AND CURRENCY OF OFFER

- 5.1. The Proposal submitted by the Bidder and all correspondence and documents relating to the Tender Document and Proposal shall be written in English.
- 5.2. The currency which should be used in the Bid is Jamaican Dollars.

6. PROPOSAL PREPARATION

- 6.1. All responses should comply with these instructions. Failure to comply may result in your proposal being disqualified from consideration by the Bank.
- 6.2. The Bidder shall name the person(s) authorized to negotiate on the Bidder's behalf and state their designations.
- 6.3. The Bidder shall submit in duplicate (two copies) a Like-for-Like proposal and one (1) or two (2) Alternatives. If two (2) Alternatives are submitted the Bidder must clearly indicate its recommended Alternative.
- 6.4. **Proposals must be clearly marked "Original" and "Copy" as appropriate. In the event of any discrepancy between them, the Original shall govern.**
- 6.5. The pages must be numbered consecutively and subject headings identified in a Table of Contents.
- 6.6. The Proposal will not be considered Responsive unless it has been submitted with ALL of the following items:
 - Current Tax Compliance Letter (TCL)
 - Valid National Contracts Commission Certificate
 - Signed Bid Submission Form ([See Appendix V](#))
 - Summary of the risk (s)
 - Evidence of Registration as a Facultative Placement Broker if Facultative Insurance is being proposed

- Evidence of Professional Indemnity Cover of at least **\$30 million** for local Broker
- Evidence of Fidelity Guarantee Insurance Cover for local Broker of at least **\$20 million**
- Summary of the Risk(s) **for each Proposal**
- Signed “Declaration Form” and “Disclaimer” (see Appendices III and IV)
- Name and designation of the person(s) authorised to negotiate on the Bidder’s behalf and their designations
- References from three (3) clients with risks of similar size and type to those of the Bank
- Completed and signed Statement of Acceptance of the Terms and Conditions of the Draft Standard Contract Form (see Appendix VII)

NON-RESPONSIVE PROPOSALS WILL BE DISQUALIFIED.

6.7. Bidders are required to ensure that no alterations are made to the text of the requirements specified by the Bank. Any alterations may result in the disqualification of the bid. Comments, explanations or clarifications may be attached to the response document and appropriately referred to.

7. ENQUIRIES

7.1. All queries and requests for clarification regarding the Request for Proposal shall be made by emailing:

bojtender@boj.org.jm
Subject: Queries/Clarification
RFQ # 2017-42-01-02 Insurance Placement.

7.2. Copies of the response with an explanation of the query will be sent to all prospective bidders. The source of the inquiry shall not be revealed.

7.3. Requests for clarification must be made before on or before **Friday, 23 June 2017** and responses will be provided by **Wednesday, 28 June 2017**.

8. AMENDMENTS OF TENDER DOCUMENT

8.1. At any time prior to the deadline for the submission of the proposal, the Bank may, for any reason, whether at its own initiative or in response to a question raised by a prospective bidder, modify the Request for Proposal.

8.2. Any amendments to the Request for Proposal will be notified by facsimile or e-mail to all prospective bidders and will be binding on them.

8.3. In order to allow prospective bidders reasonable time in which to take an amendment into account in preparing their proposals, the Bank may, at its discretion, extend the deadline for the submission of proposals.

9. PROPOSAL SUBMISSION

- 9.1. It is MANDATORY that all proposals be physically delivered to the Bank and after being stamped, placed in the designated receptacle (Tender Box) located in the Foyer of the Bank.
- 9.2. **Faxed copies of the proposal, and proposals sent by telex and email will not be accepted.**
- 9.3. Tenders with all the required documents are to be submitted no later than 14 August 2017 **at 3:00p.m.**
- 9.4. Proposals should be addressed as set out below:

“INSURANCE PLACEMENT”
RFP # 2017-42-01-02
General Insurance Services 2017 – 2020
Attention: Head of Procurement
Procurement Administration Section
Bank of Jamaica
Nethersole Place, Kingston, Jamaica, W.I.

- 9.5. The proposal document or any part thereof, once submitted prior to the deadline, becomes the property of the Bank
- 9.6. A submitted Proposal in the Bank’s possession may be altered or withdrawn provided that written notification of the modification or withdrawal is received prior to the submission deadline, appropriately marked and placed in the Bid Box. The Bidder’s authorized representative must sign the modification or withdrawal notice.
- 9.7. No proposal may be modified subsequent to the deadline for submission of proposals.
- 9.8. Responses of a general nature that are subject to interpretation will not be in the Bidder’s interest.
- 9.9. Proposals not satisfying the mandatory requirements in the specifications of the Invitation to tender shall be deemed non-compliant and the Proposal shall not receive further consideration.
- 9.10. All Proposals received before the due date shall remain sealed and deposited in a secure environment (the Tender Box) until public removal.
- 9.11. It is understood and accepted by the bidder that all decisions on whether a proposal satisfies the Mandatory Requirements and meets the stated evaluation criteria are for the judgment of the Bank in its sole discretion.
- 9.12. The Bank is not obligated to accept the lowest priced bid or any bid.

10. LATE PROPOSAL

- 10.1. Any bid received after the deadline prescribed by **Bank of Jamaica** will be rejected and/or returned to the Bidder unopened.
- 10.2. Bidders must allow sufficient delivery time to ensure receipt of their proposal by the times specified.
- 10.3. There will be no right of recourse or appeal after the final decision has been made.

11. TENDER OPENING

- 11.1. Tenders will be opened publicly at the Bank, Nethersole Place, Kingston **at 3:10p.m. on Monday 14 August 2017.**
- 11.2. To this end, all bidders or their representative(s) are invited to be present. At the tender opening ceremony, all parties will be required to sign the "Tender Opening Form".

12. BANK OF JAMAICA DISCLAIMER

- 12.1. The Bank will not be held liable in the event tenders are misplaced or prematurely opened as a result of the bidder's failure to properly follow instructions.

13. SELECTION PROCESS

13.1. Eligibility

Bids will be examined at the Tender Opening for compliance with the Eligibility Requirements. Bids that are not FULLY compliant will be rejected. Bids will be considered fully compliant if they:

- (i) Include a valid Tax Compliance Letter (TCL)
- (ii) Include a valid National Contracts Commission (NCC) Certificate of Registration.
- (iii) Signed Bid Submission Form (one form for each Proposal or one form with the premiums for all Proposals)
- (iv) Summary of the Risk (s) for the Like-for-Like and each Alternative
- (v) Evidence of Registration as a Facultative Placement Broker if Facultative Insurance is being proposed

13.2. Responsiveness

Bids that satisfy the Eligibility Requirements will be assessed for Responsiveness. Non-Responsive Bids will be rejected. To be Responsive a Bid must include **All** of the following:

- (i) Evidence of Professional Indemnity Cover of at least **\$30 million** for local Broker
- (ii) Evidence of Fidelity Guarantee Insurance Cover for local Broker of at least **\$20 million**
- (iii) Signed "Declaration Form" and "Disclaimer" ([see Appendices III and IV](#))
- (iv) Name and designation of the person(s) authorized to negotiate on the Bidder's

- behalf and their designations
- (v) References from three (3) clients with risks of similar size and type to those of the Bank
 - (vi) Completed and signed Statement of Acceptance of the Terms and Conditions of the Draft Standard Contract Form ([see Appendix VI](#))

13.3. **Evaluation Methodology**

The proposals presented in response to Tender Notices for insurance services will be assessed by an independent Consulting Actuary firm that will make recommendations for the award.

13.4. **Technical Criteria**

The Consulting Actuary will conduct a Technical evaluation of the Proposals based on the Criteria set out in [Appendix VI](#). [Proposals receiving less than 70 Points will be rejected. Proposals receiving at least 70 points will be subjected to the Financial evaluation, based on terms of cover and cost.](#) The Technical Assessment Score will not influence the Financial Assessment.

14. **GROUNDS FOR REJECTION OF TENDER**

Bidders are advised that further to the reasons for rejection of Proposals outlined in Section 4.15, the following are grounds for the rejection of Proposals:

- 14.1. Unspecified limits of cover (particularly for Motor Third Party, Employers Liability, Public Liability, & Fidelity Guarantee risks). If the cover proposed is “unlimited” then this should be clearly indicated.
- 14.2. Ambiguous quotations/rates i.e. would give rise to doubt in the interpretation of the proposal. For example:
 - (1) In a tender proposal a Broker/Insurer may stipulate a Rate of 10% and it is not clear as to whether it is applicable to the Sum Insured or Declared Value.*
 - (2) At the request of the Broker the Insurer gives different types of discounts but there is no explanation as to how these discounts should be applied- i.e. aggregated or step-wise).*
- 14.3. Multi-options for some of the risks are presented but without the Broker putting together complete sets of proposal.
- 14.4. Lack of signed, stamped and dated brokers’ slips.
- 14.5. Lack of supporting documentation for special arrangements (such as Package Discount etc.)
- 14.6. Varying the rates, terms and conditions as quoted by the insurer.
- 14.7. Failing to meet the Agency’s specified requirements on cover (particularly on important limits of cover, extensions etc.)
- 14.8. Failing to meet insurers’ conditions regarding minimum/maximum levels of participation, or quotations tied to acceptance of other risks.

- 14.9. Failing to provide satisfactory evidence that 100% cover has been secured for a risk, or that all participants in a co-insurance or multi-policy arrangement have agreed to the rates and terms.
- 14.10. Omission of risks, premium or proposed insurer.
- 14.11. Arithmetic errors e.g. Adding US \$ to J\$ without converting to a common currency.
- 14.12. Failure to submit two copies of the tenders that are **identical** in every respect.
- 14.13 Where an insurer had previously “No Quoted” unconditionally, but then offers quotations to a broker, without informing **all** brokers that he was now opened to proposals, the affected submission(s) will be disqualified.

15. NOTIFICATION OF RESULTS

- 15.1. Where a tender has been accepted, the bidder shall be notified in writing of its acceptance and of the Bank’s intent to enter into a formal contract. After the Successful Bidder furnishes the documents required in the acceptance letter, the Bank will notify the other Bidders that their bids were unsuccessful.
- 15.2. If negotiation with a successful Bidder does not result in a Final Agreement, the Bank reserves the right to discontinue negotiation and enter into negotiations with other Bidders based on their scores/rankings, or to discontinue negotiations and terminate the Invitation to Tender.
- 15.3. Failure on the part of the successful bidder to acknowledge receipt of the acceptance letter and accept the award within the period stipulated in the acceptance letter will constitute grounds for annulment of the award. In such event, the Bank may make the award without issuing a new Invitation to Tender to the next evaluated bidder.

APPENDICES



Procedure for Placing Insurance Business with Unregistered Insurers

Section 20 of the Insurance Act, 2001 and Part XIII of the Insurance Regulations, 2001

allow locally registered insurance entities to place insurance business with unregistered foreign insurance companies under certain specified conditions. Three important conditions are that:

- ***The insurance cover must not be available in Jamaica,***
- ***The Financial Services Commission must approve the transaction, and***
- ***The applicant must meet the prescribed requirements.***

Below are the detailed requirements for the placement of this type of insurance.

Insurance and Co-Insurance

Applies to: Facultative Placement Brokers (“FPB”) only.

1. Procedure for Placing Business

Before placing business with an unregistered insurer, a FPB or a locally registered insurance company (company) must do the following:

- a) Conduct a diligent search to determine if the full amount or type of insurance can be placed with an insurer or co-insured with another insurer registered in Jamaica to sell that class of business. This requires obtaining documentation from all insurers locally registered to transact the class of business in question, indicating the level of risk they are willing to take.
- b) Determine through proper due diligence, that the selected unregistered insurer meets the FSC’s eligibility requirements as set out in Regulations 143, 145 and 146 of the Insurance Regulations, 2001 which are summarized below.
- c) Apply to the FSC for permission to place the contract with the unregistered insurer, providing evidence of the diligent search (referred to in a) above), the due diligence on the eligibility requirements and any other documents that would assist the Commission in reaching a decision.

Upon approval by the FSC, the broker or company may proceed with placing the entire business or that portion of the business for which cover cannot be found in Jamaica.

2. Eligibility Requirements - Unregistered Insurer

An unregistered insurer must provide evidence to the FPB of meeting the eligibility requirements. These requirements include:

- a) Meeting the fit and proper criteria as defined under the Act - Section 2(3). This includes the completion of Fit and Proper questionnaires on the directors and senior managers
- b) Being authorized to sell insurance in its domiciliary jurisdiction
- c) Being authorized to write the class or type of insurance in question in its domiciliary jurisdiction
- d) Meeting the capital and surplus requirement. This requires the company to have capital and surplus or its equivalent under the laws of its domiciliary jurisdiction which equals the greater of:
 - (i). the minimum capital and surplus requirement under the Insurance Act, 2001 or
 - (ii). (b) an amount as prescribed by Regulation 28 in the case of general insurers or Regulation 29 in the case of long-term insurers
- e) Meeting any other requirement that may be prescribed by the FSC from time to time

3. Withdrawal of Eligibility

The FSC may declare an unregistered insurance company ineligible and notify each FPB, if the Commission believes that the insurer:

- a) Is in an unsound financial position
- b) Has acted in an untrustworthy manner
- c) No longer meets the standards set out in Section 11 of the Insurance Act
- d) Has willfully violated the laws of Jamaica, or
- e) Does not conduct a proper claim practice.

4. Actions Against Eligible Unregistered Insurers

An eligible unregistered insurer may be sued upon a cause of action arising in Jamaica under a facultative insurance placements contract made by it or evidence of insurance issued or delivered by the FPB. Policies issued by the eligible unregistered insurer must contain a provision stating the substance of this regulation and must also designate a person to whom the Commission must send all correspondence.

5. Duties of the Facultative Placement Broker and Local Insurance Company

No contract of insurance placed by a FPB shall be binding on the policyholder and no premium is due and payable until the FPB has notified the policyholder in writing, in a form acceptable to the Commission, that:

- a) the insurer with which the FPB places the insurance is not registered with the Commission and is not subject to its supervision; and

- b) in the event of insolvency of the insurer the policyholder may have to pursue losses in another jurisdiction.

6. Certificate, Cover Note, Binder or other Evidence of Insurance

Once the insurance is approved, if the policy is not readily available, the certificate, cover note or binder containing certain information, must be delivered within 30 days to the policyholder or to the producing broker. This information must include:

- i) For facultative placements - The name of the FPB and the following legend in bold ten-point type: **“This is evidence of insurance procured under Section 20 of the Insurance Act, 2001 and Part XIII of the Insurance Regulation, 2001. The insurer(s) is/(are) not regulated by the Commission”**;
- ii) The description and location of the property insured and its location;
- iii) General description of the coverage including material limitations, the premium, the rate and the taxes applicable;
- iv) Name and address of the policyholder, the FPB, the insurer or insurers, the proportion of the risk assumed by each insurer and the registration number of the FPB;
- v) Copies of any other agreements, conditions, endorsements, exclusions, clauses or any other material facts that would normally be included in the policy.

Once the policy is available, in addition to the information required for the certificate, cover note or binder, the policy must also designate the person in Jamaica to whom the Commission shall mail process.

If after the delivery of any evidence of the insurance there is:

- a change in the identity of the insurer(s), or
- a change in the proportion of risk assumed by the insurer(s) or
- any other material change in coverage, or
- a change in any other material as to the insurance coverage

then, within seven days of the change, an endorsement to the original document or an appropriate substitute for same showing the current status and insurers should be delivered to the policyholder or the producing broker.

7. Filing Requirements

Within thirty (30) days of placing insurance with an unregistered insurer, a report must be filed with the FSC. This report must include:

- the name and address of the policyholder;
- the identity of the insurer(s);
- the description of the subject and location of the risk;
- the premium;
- any other pertinent information that the Commission may reasonably require; and
- the effective date and terms of the insurance contract.

The affidavit must also be filed at the same time (See prescribed format attached).

By the end of the month following the end of each quarter, two (2) copies of a report showing business placed with unregistered insurers in the quarter must be filed with the FSC. This report must contain aggregate gross premiums written, aggregate return premiums and the amount of aggregate taxes remitted to the government.

8. Records

The following records on unregistered insurance placed must be maintained for a minimum of five (5) years following the **termination** of the contract and be available for examination at all times:

- i) A copy of the notice informing the policyholder that:
 - (a) the insurer is not registered with the Commission nor is subject to its supervision; and
 - (b) in the event of insolvency of that insurer, the policyholder may have to pursue losses in another jurisdiction.

Please note that this notice is required before the contract can be binding upon the policyholder and before any premiums are due and payable.

- ii) A copy of the quarterly report filed with the FSC.
- iii) A complete and true record of the insurance contract which includes a copy of the policy, certificate, cover note, any other evidence of insurance, any correspondence relating to the insurance and the application in accordance with Regulation 155(1).

It is important to note that the Commission, by granting permission to an entity to place insurance business with an unregistered insurer, does not assume any liability towards the applicant in relation to the insurance contract concerned or its placement [see Section 20 (3) of the Insurance Act].

This bulletin contains the general provisions for placing business with unregistered insurers. It does not replace the need for a careful review of the applicable provisions in the Insurance Act, 2001 and the Insurance Regulations, 2001.

All questions regarding this information bulletin on placing business with unregistered insurers should be directed to:

Janet Johnson-Haughton (Mrs)
Actg. Senior Director, Insurance
The Financial Services Commission
39-43 Barbados Avenue
P.O. Box 325
Kingston 5, Jamaica, W.I.
Telephone (876) 906-3010
Email: haughtonj@fscjamaica.org

AFFIDAVIT

Pursuant to Regulation 149(f) Insurance Regulations, 2001

RE: Insurance Placement with an Uninsured Unregistered Insurance Company

....., declares that it has

(Name of Facultative Placement Broker or Company)

employed diligent efforts to place the coverage stated in the report, which this affidavit forms a part of, with a company registered in Jamaica but was unsuccessful in part or in whole. Diligent efforts included contacting, in writing, every local insurance company registered to transact the relevant class of business and receiving a written response as to their partial or total inability to do so.

The following companies were contacted and they indicated their inability to provide the required coverage:

NO.	INSURANCE COMPANY	DATE CONTACTED	% ABLE TO COVER	NO.	INSURANCE COMPANY	DATE CONTACTED	% ABLE TO COVER
1				8			
2				9			
3				10			
4				11			
5				12			
6				13			
7				14			

Further, the Client policyholder was informed,
(name of policyholder)

in writing, prior to placement of the insurance that:

1. the facultative placement insurer(s) with whom the insurance was to be placed is not registered in Jamaica and is not subject to supervision by the Financial Services Commission or any other regulatory body in Jamaica; and
2. in the event of the insolvency of the facultative placement insurer(s), claims may have to be pursued in other jurisdictions.

I declare that the information given
(Name of Principal Officer)

above is accurate and complete.

Dated the _____ day of _____
(Date) (Month) (Year)

Signed by)
)
_____) _____

in the presence of:) Signature
)
_____) _____

Justice of the Peace/ Signature and Seal
Attorney at Law

Intermediary Name: _____

Period Ending: _____

Date: _____

FACULTATIVE INSURANCE PLACEMENTS

	Facultative Placement Insurer	Type of Policy	Gross Premiums Written	Return Premiums From Facultative Insurer	Return Premiums Paid to Policyholder	Date Remitted to Jamaica
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
		TOTAL				

To the best of my knowledge the above information represents an accurate account of facultative insurance placement transactions for quarter ending.....

NAME: _____

(Principal or officer)

SIGNATURE: _____

DATE: _____

MINISTRY OF FINANCE AND PLANNING

PROCUREMENT POLICY IMPLEMENTATION UNIT

TENDER GUIDELINES FOR THE PLACEMENT OF GOVERNMENT PORTFOLIOS

SUMMARY OF PROPOSAL

NAME OF RISK/POLICY	INSURABLE VALUES/SUMS INSURED (\$)	DESCRIPTION OF SCOPE OF COVERAGE	PROPOSED INSURER/(S)	QUOTED PREMIUM RATES/FLAT PREMIUMS	GROSS PREMIUM S (\$)	TYPE AND LEVEL OF DISCOUNT/S	VALUE OF DISCOUNT/S (\$)	NET PREMIUMS (\$)	REMARKS

DECLARATION FORM

Name of Bidder: _____

Address of Bidder: _____

We (_____) hereby declare that to the best of our information, knowledge and belief and after due inquiry, the Bidder is not insolvent nor has it taken any corporate action nor has any other steps been taken or legal proceedings started or threatened against the bidder for its winding up, dissolution or reorganization or for the appointment of a receiver, administrator, trustee or subsidiary of the Bidder or any or all of its assets and undertaking.

That, so far as we are aware after due enquiry, no litigation, arbitration or administrative proceedings are at present current, pending or threatened, which might if adversely determined have a material adverse effect on the business, assets or financial condition of the Bidder or those of any of its subsidiaries.

Signature and Seal

Date

Note: This letter of authority must be on the letterhead of the Auditor or Legal firm and must be included by the Bidder with its bid.

Disclaimer

TO: Bank of Jamaica
Nethersole Place
Kingston

NAME OF BIDDER:

ADDRESS OF BIDDER:

RFP NAME AND NUMBER: RFP # 2017-42-01-02 Insurance Placement

We, the above-mentioned Bidder for the bid referred to above, hereby verify that the information contained in our bid document is accurate and hereby acknowledge that the Bank of Jamaica does not give any representation, warranty or undertaking, expressed or implied in respect of the information contained in the bid document and no responsibility or liability will be accepted by the Bank of Jamaica as to the accuracy or completeness of the document or for any other written or oral information made available to bidders.

Signature and Seal

Date

NOTE: THIS LETTER OF AUTHORITY MUST BE ON THE LETTERHEAD OF THE CONTRACTOR/COMPANY AND MUST BE INCLUDED BY THE BIDDER WITH ITS BID

BID SUBMISSION FORM

Date: *[date]*

To: Bank of Jamaica
Nethersole Place
Kingston

RFP # 2017-42-01-02: Insurance Placement

Having examined the bidding documents including addenda No, we offer to execute the Contract of General Insurance Broker in accordance with the Conditions of Contract, specifications, drawings and activity schedule accompanying this Bid for one _____ Contract _____ Price _____ of _____ (J\$ _____) *[amount in numbers], [amount in words] [names of currencies].*

This Bid and your written acceptance of it shall constitute a binding Contract between us. We understand that you are not bound to accept the lowest or any Bid you receive.

We hereby confirm that this Bid complies with the Bid validity and Bid Security required by the bidding documents and specified in the Bidding Data Sheet.

Authorized Signature: _____

Name and Title of Signatory: _____

Email Address: _____

Name of Bidder: _____

Address: _____

(Company stamp/seal)

TECHNICAL EVALUATION

Bidders whose proposals scoring below the minimum score of seventy (70) points on the Technical Evaluation will be deemed non-responsive and the associated Financials will be returned

Item No.	Technical Evaluation Criteria	Maximum Points
1	Key Project Resource Persons and Qualifications	
<i>(i)</i>	<i>Identify the Members of the Team (minimum 3 persons)</i>	6
<i>(ii)</i>	<i>Indicate the role of each Members of the Team</i>	6
<i>(iii)</i>	<i>Indicate the relevant experience of each Member of the Team</i>	8
2	Evidence of Fidelity Guarantee Insurance Cover for local Broker of at least \$20 million	
3	Evidence of Professional Indemnity Cover of at least \$30 million for local Broker	
4	Audited Financial Statements for the Broker for the last 3 complete years prior to the deadline for the submission of tenders	10
5	Audited Financial Statements for the Insurer for the last 3 complete years prior to the deadline for the submission of tenders	10
6	With respect to the Commercial All Risks and Homeowners Comprehensive policies, if placed overseas then provide ratings of overseas Insurers from internationally recognised Rating Agency. If placed locally, provide evidence of reinsurance support (or statement that policies are covered under standard treaty) for local insurers.	30
7	Alternative Programme Structure (provide responses for each Alternative)	
<i>(i)</i>	<i>Identify the changes to the programme structure</i>	10
<i>(ii)</i>	<i>Provide a rationale for the changes</i>	5
<i>(iii)</i>	<i>Identify the cost savings versus coverage on the specified terms - by the same insurer</i>	5
8	Disclosure of Premium Rates for each Risk that has a Sum Insured (e.g. Commercial All Risks)	
<i>(i)</i>	<i>Flat Premium/No Disclosure</i>	0
<i>(ii)</i>	<i>Full Disclosure for each applicable risk (proportionate reduction for each such risk for which the premium rate is not disclosed)</i>	10
9	Full Disclosure of Fronting Fee, where applicable	
<i>(i)</i>	<i>N/A or Disclosed</i>	0
<i>(ii)</i>	<i>Not Disclosed (per risk)</i>	-5
		100

Statement of Acceptance of Terms and Conditions of Draft Standard Contract

We,-----_have
(Name of Bidder)

Reviewed the Draft Standard Contract at Appendix, of the Bank's tender document and acknowledge that we understand the terms and conditions contained therein.

The acceptance of this statement is to certify that _____ is in agreement
(Name of Bidder)

with the terms and conditions of the Draft Standard Contract and should we be awarded the contract resulting from this tender process, we shall abide by the terms and conditions therein.

Name and Title of Signatory: _____

Authorized Signature: _____

Date: _____

INSURANCE PLACEMENT - RFP#: 2017-42-01-02

General Conditions of Contract

A. General Provisions

1.1 Definitions

Unless the context otherwise requires, the following terms whenever used in this Contract have the following meanings:

- (a) The Adjudicator is the person appointed jointly by the Procuring Entity and the Contractor to resolve disputes in the first instance, as provided for in Sub-Clause 8.2 hereunder.
- (b) “Activity Schedule” is the priced and completed list of items of Services to be performed by the Service Provider forming part of his Bid;
- (c) “MOFP” means the Ministry of Finance and Planning of the Government of Jamaica;
- (d) “Completion Date” means the date of completion of the Services by the Service Provider as certified by the Procuring Entity
- (e) “Contract” means the Contract signed by the Parties, to which these General Conditions of Contract (GCC) are attached, together with all the documents listed in Clause 1 of such signed Contract;
- (f) “Contract Price” means the price to be paid for the performance of the Services, in accordance with Clause 6;
- (g) “Dayworks” means varied work inputs subject to payment on a time basis for the Service Provider’s employees and equipment, in addition to payments for associated materials and administration.
- (h) “Procuring Entity” means the party who employs the Service Provider
- (i) “Foreign Currency” means any currency other than the currency of the country of the Procuring Entity;
- (j) “GCC” means these General Conditions of Contract;
- (k) “Government” means the Government of the Jamaica;
- (l) “Local Currency” means the currency Jamaican Dollars;
- (m) “Member,” in case the Service Provider consist of a joint venture of more than one entity, means any of these entities; “Members” means all these entities, and “Member in Charge” means the entity specified in the SC to act on their behalf in

exercising all the Service Provider' rights and obligations towards the Procuring Entity under this Contract;

- (n) "Party" means the Procuring Entity or the Service Provider, as the case may be, and "Parties" means both of them;
- (o) "Personnel" means persons hired by the Service Provider or by any Subcontractor as employees and assigned to the performance of the Services or any part thereof;
- (p) "Service Provider" is a person or corporate body whose Bid to provide the Services has been accepted by the Procuring Entity;
- (q) "Service Provider's Bid" means the completed bidding document submitted by the Service Provider to the Procuring Entity
- (r) "SCC" means the Special Conditions of Contract by which the GCC may be amended or supplemented;
- (s) "Specifications" means the specifications of the service included in the bidding document submitted by the Service Provider to the Procuring Entity
- (t) "Services" means the work to be performed by the Service Provider pursuant to this Contract, as described in Appendix A; and in the Specifications and Schedule of Activities included in the Service Provider's Bid.
- (u) "Subcontractor" means any entity to which the Service Provider subcontracts any part of the Services in accordance with the provisions of Sub-Clauses 3.5 and 4.

1.2 Applicable Law

The Contract shall be interpreted in accordance with the laws of Jamaica.

1.3 Language

This Contract has been executed in English, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract.

1.4 Notices

Any notice, request, or consent made pursuant to this Contract shall be in writing and shall be deemed to have been made when delivered in person to an authorized representative of the Party to whom the communication is addressed, or when sent by registered mail, telex, telegram, or facsimile to such Party at the address **specified in the SCC.**

1.5 Location

The Services shall be performed at such locations as are specified in Appendix A, in the specifications and, where the location of a particular task is not so specified, at such locations as the Procuring Entity may approve.

1.6 Authorized Representatives

Any action required or permitted to be taken, and any document required or permitted to be executed, under this Contract by the Procuring Entity or the Service Provider may be taken or executed by the officials **specified in the SCC**.

1.7 Inspection and Audit by the GOJ

The Service Provider shall permit the Government of Jamaica to inspect its accounts and records relating to the performance of the Services and to have them audited by auditors appointed by them, if so required.

1.8 Taxes and Duties

The Service Provider, Subcontractors, and their Personnel shall pay such taxes, duties, fees, and other impositions as may be levied under the Applicable Law, the amount of which is deemed to have been included in the Contract Price.

2. Commencement, Completion, Modification, and Termination of Contract

2.1 Effectiveness of Contract

This Contract shall come into effect on the date the Contract is signed by both parties or such other later date as may be **stated in the SCC**.

2.2 Commencement of Services

2.2.1 Program

Before commencement of the Services, the Service Provider shall submit to the Procuring Entity for approval a Program showing the general methods, arrangements, order and timing for all activities. The Services shall be carried out in accordance with the approved Program as updated.

2.2.2 Starting Date

The Service Provider shall start carrying out the Services thirty (30) days after the date the Contract becomes effective, or at such other date as may be **specified in the SCC**.

2.3 Intended Completion Date

Unless terminated earlier pursuant to Sub-Clause 2.6, the Service Provider shall complete the activities by the Intended Completion Date, as is **specified in the SCC**. If the Service Provider does not complete the activities by the Intended Completion Date, it shall be liable to pay liquidated damage as per Sub-Clause 3.8. In this case, the Completion Date will be the date of completion of all activities.

2.4 Modification

Modification of the terms and conditions of this Contract, including any modification of the scope of the Services or of the Contract Price, may only be made by written agreement between the Parties and shall not be effective until the consent of the Bank or of the Association, as the case may be, has been obtained.

2.5 Force Majeure

2.5.1 Definition

For the purposes of this Contract, “Force Majeure” means an event which is beyond the reasonable control of a Party and which makes a Party’s performance of its obligations under the Contract impossible or so impractical as to be considered impossible under the circumstances.

2.5.2 No Breach of Contract

The failure of a Party to fulfill any of its obligations under the contract shall not be considered to be a breach of, or default under, this Contract insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event (a) has taken all reasonable precautions, due care and reasonable alternative measures in order to carry out the terms and conditions of this Contract, and (b) has informed the other Party as soon as possible about the occurrence of such an event.

2.5.3 Extension of Time

Any period within which a Party shall, pursuant to this Contract, complete any action or task, shall be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure.

2.5.4 Payments

During the period of their inability to perform the Services as a result of an event of Force Majeure, the Service Provider shall be entitled to continue to be paid under the terms of this Contract, as well as to be reimbursed for additional costs reasonably and necessarily incurred by them during such period for the purposes of the Services and in reactivating the Service after the end of such period.

2.6 Termination

2.6.1 By the Procuring Entity

The Procuring Entity may terminate this Contract, by not less than thirty (30) days’ written notice of termination to the Service Provider, to be given after the occurrence of any of the events specified in paragraphs (a) through (d) of this Sub-Clause 2.6.1:

- (a) if the Service Provider does not remedy a failure in the performance of its obligations under the Contract, within thirty (30) days after being notified or within any further period as the Procuring Entity may have subsequently approved in writing;
- (b) if the Service Provider become insolvent or bankrupt;
- (c) if, as the result of Force Majeure, the Service Provider is unable to perform a material portion of the Services for a period of not less than sixty (60) days; or
- (d) if the Service Provider, in the judgment of the Procuring Entity has engaged in corrupt or fraudulent practices in

competing for or in executing the Contract.

For the purposes of this Sub-Clause:

“corrupt practice” means the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the action of a public official in the procurement process or in contract execution;

“fraudulent practice” means a misrepresentation or omission of facts in order to influence a procurement process or the execution of a contract, to the detriment of Government of Jamaica and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive Government of the benefits of free and open competition;

“collusive practice” means a scheme or arrangement between two or more bidders, with or without the knowledge of the Procuring Entity, designed to establish bid prices at artificial non-competitive levels or to influence the action of any party in the procurement process or the execution of a contract; and

“coercive practice” means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the procurement process or affect the execution of a contract;

2.6.2 By the
Service
Provider

The Service Provider may terminate this Contract, by not less than thirty (30) days’ written notice to the Procuring Entity, such notice to be given after the occurrence of any of the events specified in paragraphs (a) and (b) of this Sub-Clause 2.6.2:

- (a) if the Procuring Entity fails to pay any monies due to the Service Provider pursuant to this Contract and not subject to dispute pursuant to Clause 7 within forty-five (45) days after receiving written notice from the Service Provider that such payment is overdue; or
- (b) if, as the result of Force Majeure, the Service Provider is unable to perform a material portion of the Services for a period of not less than sixty (60) days.

2.6.3 Payment

Upon termination of this Contract pursuant to Sub-Clauses 2.6.1

**upon
Termination**

or 2.6.2, the Procuring Entity shall make the following payments to the Service Provider:

- (a) remuneration pursuant to Clause 6 for Services satisfactorily performed prior to the effective date of termination;
- (b) except in the case of termination pursuant to paragraphs (a), (b), (d) of Sub-Clause 2.6.1, reimbursement of any reasonable cost incident to the prompt and orderly termination of the Contract, including the cost of the return travel of the Personnel.

3. Obligations of the Service Provider

3.1 General

The Service Provider shall perform the Services in accordance with the Specifications and the Activity Schedule, and carry out its obligations with all due diligence, efficiency, and economy, in accordance with generally accepted professional techniques and practices, and shall observe sound management practices, and employ appropriate advanced technology and safe methods. The Service Provider shall always act, in respect of any matter relating to this Contract or to the Services, as faithful adviser to the Procuring Entity, and shall at all times support and safeguard the Procuring Entity's legitimate interests in any dealings with Subcontractors or third parties.

3.2 Conflict of Interests

3.2.1 Service Provider Not to Benefit from Commissio ns and Discounts.

The remuneration of the Service Provider pursuant to Clause 6 shall constitute the Service Provider's sole remuneration in connection with this Contract or the Services, and the Service Provider shall not accept for their own benefit any trade commission, discount, or similar payment in connection with activities pursuant to this Contract or to the Services or in the discharge of their obligations under the Contract, and the Service Provider shall use their best efforts to ensure that the Personnel, any Subcontractors, and agents of either of them similarly shall not receive any such additional remuneration.

3.2.2 Service Provider and Affiliates Not to be Otherwise Interested in Project

The Service Provider agree that, during the term of this Contract and after its termination, the Service Provider and its affiliates, as well as any Subcontractor and any of its affiliates, shall be disqualified from providing goods, works, or Services (other than the Services and any continuation thereof) for any project resulting from or closely related to the Services.

3.2.3 Prohibition of Conflicting Activities

Neither the Service Provider nor its Subcontractors nor the Personnel shall engage, either directly or indirectly, in any of the following activities:

- (a) during the term of this Contract, any business or professional activities in Jamaica which would conflict with the activities assigned to them under this Contract;
- (b) during the term of this Contract, neither the Service Provider nor their Subcontractors shall hire public employees in active duty or on any type of leave, to perform any activity under this Contract;
- (c) after the termination of this Contract, such other activities as may be **specified in the SCC**.

3.3 Confidentiality

The Service Provider, its Subcontractors, and the Personnel of either of them shall not, either during the term or within two (2) years after the expiration of this Contract, disclose any proprietary or confidential information relating to the Project, the Services, this Contract, or the Procuring Entity's business or operations without the prior written consent of the Procuring Entity.

3.4 Insurance to be Taken Out by the Service Provider

The Service Provider (a) shall take out and maintain, and shall cause any Subcontractors to take out and maintain, at its (or the Subcontractors', as the case may be) own cost but on terms and conditions approved by the Procuring Entity, insurance against the risks, and for the coverage, as shall be **specified in the SCC**; and (b) at the Procuring Entity's request, shall provide evidence to the Procuring Entity showing that such insurance has been taken out and maintained and that the current premiums have been paid.

3.5 Service Provider's Actions Requiring Procuring Entity's Prior Approval

The Service Provider shall obtain the Procuring Entity's prior approval in writing before taking any of the following actions:

- (a) entering into a subcontract for the performance of any part of the Services,
- (b) appointing such members of the Personnel not listed by name in Appendix C ("Key Personnel and Subcontractors"),
- (c) changing the Program of activities; and
- (d) any other action that may be **specified in the SCC**.

3.6 Reporting Obligations

The Service Provider shall submit to the Procuring Entity the reports and documents specified in Appendix B in the form, in the numbers, and within the periods set forth in the said Appendix.

3.7 Documents Prepared by the Service Provider to Be the Property of the Procuring Entity

All plans, drawings, specifications, designs, reports, and other documents and software submitted by the Service Provider in accordance with Sub-Clause 3.6 shall become and remain the property of the Procuring Entity, and the Service Provider shall, not later than upon termination or expiration of this Contract, deliver all such documents and software to the Procuring Entity, together with a detailed inventory thereof. The Service Provider may retain a copy of such documents and software. Restrictions about the future use of these documents, if any, shall be specified in the SCC.

3.8 Liquidated Damages

3.8.1 Payments of Liquidated Damages

The Service Provider shall pay liquidated damages to the Procuring Entity at the rate per day stated in the SCC for each day that the Completion Date is later than the Intended Completion Date. The total amount of liquidated damages shall not exceed the amount defined in the SCC. The Procuring Entity may deduct liquidated damages from payments due to the Service Provider. Payment of liquidated damages shall not affect the Service Provider's liabilities.

3.8.2 Correction for Overpayment

If the Intended Completion Date is extended after liquidated damages have been paid, the Procuring Entity shall correct any overpayment of liquidated damages by the Service Provider by adjusting the next payment certificate. The Service Provider shall be paid interest on the overpayment, calculated from the date of payment to the date of repayment, at the rates specified in Sub-Clause 6.5.

3.8.3 Lack of performance penalty

If the Service Provider has not corrected a Defect within the time specified in the Procuring Entity's notice, a penalty for Lack of performance will be paid by the Service Provider. The amount to be paid will be calculated as a percentage of the cost of having the Defect corrected, assessed as described in Sub-Clause 7.2 and specified in the SCC.

3.9 Performance Security

The Service Provider shall provide the Performance Security to the Procuring Entity no later than the date specified in the Letter of acceptance. The Performance Security shall be issued in an amount and form and by a bank or surety acceptable to the Procuring Entity, and denominated in the types and proportions of the currencies in which the Contract Price is payable. The performance Security shall be valid until a date 28 days from the Completion Date of the Contract in case of a bank guarantee, and until one year from the Completion Date of the Contract in the case of a Performance Bond.

4. Service Provider's Personnel

4.1 Description of Personnel

The titles, agreed job descriptions, minimum qualifications, and estimated periods of engagement in the carrying out of the Services of the Service Provider's Key Personnel are described in Appendix C. The Key Personnel and Subcontractors listed by title as well as by name in Appendix C are hereby approved by the Procuring Entity.

4.2 Removal and/or Replacement of Personnel

- (a) Except as the Procuring Entity may otherwise agree, no changes shall be made in the Key Personnel. If, for any reason beyond the reasonable control of the Service Provider, it becomes necessary to replace any of the Key Personnel, the Service Provider shall provide as a replacement a person of equivalent or better qualifications.
- (b) If the Procuring Entity finds that any of the Personnel have (i) committed serious misconduct or have been charged with having committed a criminal action, or (ii) have reasonable cause to be dissatisfied with the performance of any of the Personnel, then the Service Provider shall, at the Procuring Entity's written request specifying the grounds thereof, provide as a replacement a person with qualifications and experience acceptable to the Procuring Entity.
- (c) The Service Provider shall have no claim for additional costs arising out of or incidental to any removal and/or replacement of Personnel.

5. Obligations of the Procuring Entity

5.1 Assistance and Exemptions

The Procuring Entity shall use its best efforts to ensure that the Government shall provide the Service Provider such assistance and exemptions as specified in the SCC.

5.2 Change in the Applicable Law

If, after the date of this Contract, there is any change in the Applicable Law with respect to taxes and duties which increases or decreases the cost of the Services rendered by the Service Provider, then the remuneration and reimbursable expenses otherwise payable to the Service Provider under this Contract shall be increased or decreased accordingly by agreement between the Parties, and corresponding adjustments shall be made to the amounts referred to in Sub-Clauses 6.2 (a) or (b), as the case may be.

5.3 Services and Facilities

The Procuring Entity shall make available to the Service Provider the Services and Facilities listed under Appendix F.

6. Payments to the Service Provider

6.1 Lump-Sum Remuneration

The Service Provider's remuneration shall not exceed the Contract Price and shall be a fixed lump-sum including all Subcontractors' costs, and all other costs incurred by the Service Provider in carrying out the Services described in Appendix A. Except as provided in Sub-Clause 5.2, the Contract Price may only be increased above the amounts stated in Sub-Clause 6.2 if the Parties have agreed to additional payments in accordance with Sub-Clauses 2.4 and 6.3.

6.2 Contract Price

- (a) The price payable in local currency is **set forth in the SCC.**
- (b) The price payable in foreign currency is **set forth in the SCC.**

6.3 Payment for Additional Services, and Performance Incentive Compensation

6.3.1 For the purpose of determining the remuneration due for additional Services as may be agreed under Sub-Clause 2.4, a breakdown of the lump-sum price is provided in Appendices D and E.

6.3.2 **If the SCC so specify,** the service provider shall be paid performance incentive compensation as set out in the Performance Incentive Compensation appendix.

6.4 Terms and Conditions of Payment

Payments will be made to the Service Provider according to the payment schedule **stated in the SCC.** **Unless otherwise stated in the SCC,** the advance payment (Advance for Mobilization, Materials and Supplies) shall be made against the provision by the Service Provider of a bank guarantee for the same amount, and shall be valid for the period **stated in the SCC.** Any other payment shall be made after the conditions **listed in the SCC** for such payment have been met, and the Service Provider have submitted an invoice to the Procuring Entity specifying the amount due.

6.5 Interest on Delayed Payments

If the Procuring Entity has delayed payments beyond fifteen (15) days after the due date stated in the SCC, interest shall be paid to the Service Provider for each day of delay at the rate stated in the SCC.

6.6 Price Adjustment

6.6.1 Prices shall be adjusted for fluctuations in the cost of inputs only if **provided for in the SCC.** If so provided, the amounts certified in each payment certificate, after deducting for Advance Payment, shall be adjusted by applying the respective price adjustment factor to the payment amounts due in each currency. A separate formula of the type indicated below applies to each Contract currency:

$$P_c = A_c + B_c \text{ Lmc/Loc} + C_c \text{ Imc/loc}$$

Where:

P_c is the adjustment factor for the portion of the Contract Price payable in a specific currency "c".

A_c , B_c and C_c are coefficients specified in the SCC, representing: A_c the nonadjustable portion; B_c the adjustable portion relative to labor costs and C_c the adjustable portion for other inputs, of the Contract Price payable in that specific currency “c”; and

L_{mc} is the index prevailing at the first day of the month of the corresponding invoice date and L_{oc} is the index prevailing 28 days before Bid opening for labor; both in the specific currency “c”.

l_{mc} is the index prevailing at the first day of the month of the corresponding invoice date and l_{oc} is the index prevailing 28 days before Bid opening for other inputs payable; both in the specific currency “c”.

If a price adjustment factor is applied to payments made in a currency other than the currency of the source of the index for a particular indexed input, a correction factor Z_o/Z_n will be applied to the respective component factor of p_n for the formula of the relevant currency. Z_o is the number of units of currency of the country of the index, equivalent to one unit of the currency payment on the date of the base index, and Z_n is the corresponding number of such currency units on the date of the current index.

6.6.2 If the value of the index is changed after it has been used in a calculation, the calculation shall be corrected and an adjustment made in the next payment certificate. The index value shall be deemed to take account of all changes in cost due to fluctuations in costs.

6.7 Dayworks

6.7.1 If applicable, the Daywork rates in the Service Provider’s Bid shall be used for small additional amounts of Services only when the Procuring Entity has given written instructions in advance for additional services to be paid in that way.

6.7.2 All work to be paid for as Dayworks shall be recorded by the Service Provider on forms approved by the Procuring Entity. Each completed form shall be verified and signed by the Procuring Entity representative as indicated in Sub-Clause 1.6 within two days of the Services being performed.

6.7.3 The Service Provider shall be paid for Dayworks subject to obtaining signed Dayworks forms as indicated in Sub-Clause 6.7.2

7. Quality Control

7.1 Identifying Defects

The principle and modalities of Inspection of the Services by the Procuring Entity shall be as **indicated in the SCC**. The Procuring Entity shall check the Service Provider's performance and notify him of any Defects that are found. Such checking shall not affect the Service Provider's responsibilities. The Procuring Entity may instruct the Service Provider to search for a Defect and to uncover and test any service that the Procuring Entity considers may have a Defect. Defect Liability Period is as **defined in the SCC**.

7.2 Correction of Defects, and Lack of Performance Penalty

- (a) The Procuring Entity shall give notice to the Service Provider of any Defects before the end of the Contract. The Defects liability period shall be extended for as long as Defects remain to be corrected.
- (b) Every time notice a Defect is given, the Service Provider shall correct the notified Defect within the length of time specified by the Procuring Entity's notice.
- (c) If the Service Provider has not corrected a Defect within the time specified in the Procuring Entity's notice, the Procuring Entity will assess the cost of having the Defect corrected, the Service Provider will pay this amount, and a Penalty for Lack of Performance calculated as described in Sub-Clause 3.8.

8. Settlement of Disputes

8.1 Dispute Settlement

Amicable Settlement

Any claim for loss or damage arising out of breach or termination of Agreement shall be settled between the Procuring Entity and Supplier by negotiation. If this negotiation is not successfully settled within fifteen (15) days after the date of initiation or negotiation or within such longer period as the parties may mutually agree, then the parties will jointly agree, within ten (10) days after the date of expiration of the period in which the parties should have successfully concluded their negotiations, to appoint a Mediator to assist in reaching an amicable resolution of dispute. This procedure shall be private and without prejudice. If the parties fail to agree upon the appointment of a Mediator within the stipulated period, then, within seven (7) days of expiration of this period, the Procuring Entity shall request appointment of a Mediator by the Dispute Resolution Foundation of Jamaica. The Mediator shall not have the power to impose a settlement on the parties. If the dispute is not resolved between the parties within

thirty (30) days after the appointment of the Mediator by the Dispute Resolution Foundation of Jamaica, or after such longer period as the parties may mutually agree, the mediator shall advise the parties of the failure of the Mediation.

For the purposes of this clause, a negotiation is deemed to have been initiated as of the date of receipt of notice by one party of a request from the other party to meet and negotiate the matter in dispute.

For the purposes of this clause, a Mediator is deemed to have been appointed as of the date of notice of such appointment being given to both parties.

Dispute Settlement

In the event of the failure of the mediation between parties, the mediator will record those verifiable facts that the parties have agreed. Subsequently the case will be handled by arbitration. The parties agree to accept the award of the Arbitrator as binding and irrevocable within the provisions of the Arbitration Act of Jamaica. The mediator's role in the dispute resolution process shall cease upon appointment of the Arbitrator. During the dispute settlement process, the Supplier shall continue to perform the work in accordance with this contract. Failure to do so shall be considered a breach of contract.

Arbitration

The seat of the arbitration shall be Jamaica and disputes shall be settled in accordance with the Arbitration Act of Jamaica. Rules of procedure to be adopted shall be those as published by the United Nations Commission on International Trade Law (UNCITRAL) *Arbitration Rules of 1976*.

SPECIAL CONDITIONS OF CONTRACT

Number of GC Clause	Amendments of, and Supplements to, Clauses in the General Conditions of Contract
1.1(e)	The contract name is Insurance Placement
1.1(h)	The Procuring Entity is <i>Bank of Jamaica</i>
1.1(m)	The Member in Charge is _____
1.1(p)	The Service Provider is _____
1.2	The Applicable Law is: _____
1.4	The addresses are: Procuring Entity: _____ Attention: _____ Telex: _____ Facsimile: _____ Service Provider: _____ Attention: _____ Telex: _____ Facsimile: _____
1.6	The Authorized Representatives are: For the Procuring Entity: _____ For the Service Provider: _____
2.1	The date on which this Contract shall come into effect is _____.
2.2.2	The Starting Date for the commencement of Services is _____.
2.3	The Intended Completion Date is _____.
3.2.3	Activities prohibited after termination of this Contract are: _____ _____

Number of GC Clause	Amendments of, and Supplements to, Clauses in the General Conditions of Contract
3.4	<p>The risks and coverage by insurance shall be:</p> <ul style="list-style-type: none"> (i) Third Party motor vehicle _____ (ii) Third Party liability _____ (iii) Procuring Entity’s liability and workers’ compensation _____ (iv) Professional liability _____ (v) Loss or damage to equipment and property _____
3.5(d)	The other actions are _____.]
3.7	<p>Restrictions on the use of documents prepared by the Service Provider are:</p> <p>_____</p>
3.8.1	<p>The liquidated damages rate is _____ per day</p> <p>The maximum amount of liquidated damages for the whole contract is _____ percent of the final Contract Price.</p>
3.8.3	The percentage _____ to be used for the calculation of lack of performance Penalty (ies) is _____.
5.1	<p>The assistance and exemptions provided to the Service Provider are:</p> <p>_____</p>
6.2(a)	The amount in local currency is _____.
6.2(b)	The amount in foreign currency or currencies is _____.
6.3.2	<p>The performance incentive paid to the Service Provider shall be:</p> <p>_____</p>
6.4	<p>Payments shall be made according to the following schedule:</p> <ul style="list-style-type: none"> • Advance for Mobilization, Materials and Supplies: _____ percent of the Contract Price shall be paid on the commencement date against the submission of a bank guarantee for the same. • Progress payments in accordance with the milestones established as follows, subject to certification by the Procuring Entity, that the Services have been rendered satisfactorily, pursuant to the performance indicators: <ul style="list-style-type: none"> ➢ _____ (indicate milestone and/or percentage) _____ ➢ _____ (indicate milestone and/or percentage) _____

Number of GC Clause	Amendments of, and Supplements to, Clauses in the General Conditions of Contract
	<p>and</p> <p>➤ _____(indicate milestone and/or percentage) _____</p> <p>Should the certification not be provided, or refused in writing by the Procuring Entity within one month of the date of the milestone, or of the date of receipt of the corresponding invoice, the certification will be deemed to have been provided, and the progress payment will be released at such date.</p> <ul style="list-style-type: none"> • The amortization of the Advance mentioned above shall commence when the progress payments have reached 25% of the contract price and be completed when the progress payments have reached 75%. • The bank guarantee for the advance payment shall be released when the advance payment has been fully amortized.
6.5	<p>Payment shall be made within _____ days of receipt of the invoice and the relevant documents specified in Sub-Clause 6.4, and within _____days in the case of the final payment.</p> <p>The interest rate is _____.</p>
6.6.1	<p>Price adjustment is _____ in accordance with Sub-Clause 6.6.</p> <p>The coefficients for adjustment of prices are _____:</p> <p>(a) For local currency:</p> <p style="padding-left: 40px;">A_L is _____</p> <p style="padding-left: 40px;">B_L is _____</p> <p style="padding-left: 40px;">C_L is _____</p> <p style="padding-left: 40px;">L_{mc} and L_{oc} are the index for Labor from _____</p> <p style="padding-left: 40px;">I_{mc} and I_{oc} are the index for _____ from _____</p> <p>(b) For foreign currency</p> <p style="padding-left: 40px;">A_F is _____</p> <p style="padding-left: 40px;">B_F is _____</p> <p style="padding-left: 40px;">C_F is _____</p> <p style="padding-left: 40px;">L_{mc} and L_{oc} are the index for Labor from _____</p> <p style="padding-left: 40px;">I_{mc} and I_{oc} are the index for _____ from _____</p>
7.1	<p>The principle and modalities of inspection of the Services by the Procuring Entity are as follows: _____</p>

Number of GC Clause	Amendments of, and Supplements to, Clauses in the General Conditions of Contract
	The Defects Liability Period is _____.