

AMENDMENT#3



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:

5. A copy of valid Tax Compliance Certificates (TCCs), indicating tax compliance at the time of submission of tenders;
6. A copy of NCC registration, reflecting validity at the time of tender;
7. A copy of valid Certificate of Registration from the Financial Services Commission (FSC).
8. 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 in 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

SITE VISIT: A site visit of the Bank’s properties will be conducted on Thursday, 29 June 2017 at 10:00 a.m. Please liaise with Mr. Milton Vassell at 922-0750 ext: 2300 or by email at milton.vassell@boj.org.jm.

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:
 - 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.
 - The Insurer varying the conditions indicated to different brokers in respect of minimum/maximum participation in a risk, and of tied risks.

- The Insurer and/or Broker failing to state clearly or consistently the policies to be included in a Package arrangement.
- 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.)
- 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:

1. Current Tax Compliance Letter (TCL)

2. Valid National Contracts Commission Certificate
3. **A copy of valid Certificate of Registration from the Financial Services Commission (FSC).**
4. Signed Bid Submission Form (See Appendix V)
5. Evidence of Registration as a Facultative Placement Broker if Facultative Insurance is being proposed
6. Evidence of Professional Indemnity Cover of at least **\$30 million** for local Broker
7. Evidence of Fidelity Guarantee Insurance Cover for local Broker of at least **\$20 million**
8. Summary of the Risk(s) **for each Proposal**
9. Signed “Declaration Form” and “Disclaimer” (see Appendices III and IV)
10. Name and designation of the person(s) authorised to negotiate on the Bidder’s behalf and their designations
11. References from three (3) clients with risks of similar size and type to those of the Bank
12. 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:

address: 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, 30 June 2017** and responses will be provided by **Wednesday, 05 July 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 include:

- A valid Tax Compliance Letter (TCL)
- A valid National Contracts Commission (NCC) Certificate of Registration.
- **Signed Form of Tender (one form for each Proposal or one form with the premiums for all Proposals)**
- Summary of the Risk (s) for the Like-for-Like and each Alternative
- Evidence of Registration as a Facultative Placement Broker if Facultative Insurance is being proposed
- **A copy of valid Certificate of Registration from the Financial Services Commission (FSC).**

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:

- e) Evidence of Professional Indemnity Cover of at least **\$30 million** for local Broker
- f) Evidence of Fidelity Guarantee Insurance Cover for local Broker of at least **\$20 million**
- g) Signed “Declaration Form” and “Disclaimer” (see Appendices III and IV)
- h) Name and designation of the person(s) authorized to negotiate on the Bidder’s behalf and their designations
- i) References from three (3) clients with risks of similar size and type to those of the Bank
- j) 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.
 - a. 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:

- (i) The insurance cover must not be available in Jamaica,***
- (ii) The Financial Services Commission must approve the transaction, and***
- (iii) 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:

- 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.

- 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.
- 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.

- **Eligibility Requirements - Unregistered Insurer**

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

- 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
 - Being authorized to sell insurance in its domiciliary jurisdiction
 - Being authorized to write the class or type of insurance in question in its domiciliary jurisdiction
 - 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:
 - the minimum capital and surplus requirement under the Insurance Act, 2001 or
 - (b) an amount as prescribed by Regulation 28 in the case of general insurers or Regulation 29 in the case of long-term insurers
1. Meeting any other requirement that may be prescribed by the FSC from time to time

- **Withdrawal of Eligibility**

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

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

- **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.

- **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:

- i) the insurer with which the FPB places the insurance is not registered with the Commission and is not subject to its supervision; and
- ii) in the event of insolvency of the insurer the policyholder may have to pursue losses in another jurisdiction.

- **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:

1. 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”**;
2. The description and location of the property insured and its location;
3. General description of the coverage including material limitations, the premium, the rate and the taxes applicable;
4. 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;
5. 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.

- **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.

- **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:

- A copy of the notice informing the policyholder that:
4. the insurer is not registered with the Commission nor is subject to its supervision; and
 5. 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.

- A copy of the quarterly report filed with the FSC.
- 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:

2. 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
3. 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

FORM OF TENDER

Note: Tenderers are required to fill all blank spaces in this Tender Form

TO: _____

Sirs:

Re: _____

1. Having examined the Request for Proposal and accompanying Conditions for the execution of the above-named product and services, we the undersigned, offer to provide the services as described to the satisfaction of the Client for the rates as indicated in the Proposal

_____ Dollars (\$_____)

2. We acknowledge that the Technical Documents forms part of our Bid.

3. We undertake, if our Tender is accepted, to commence the project within _____ working days of receipt of the order to commence.

4. If our tender is accepted, we will enter into contract with you based on the Terms and Conditions of the attached Contract for the Procurement of

5. We agree to abide by this tender for the period of _____ calendar days from the date fixed for receiving the same and it shall remain binding upon us and may be accepted at any time before expiration of that period.

6. We acknowledge that the basis of selection will be on the Quality Cost-Based Selection Methodology.

7. We understand that the Appendices to the Form of Tender form an integral part of this tender.

Dated this _____ day of _____ 20__

Signature _____

in the capacity of _____

duly authorized to sign tenders for and on behalf of:

(CAPITALS PLEASE)

Witness: _____

Address: _____

Occupation: _____

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	
Eligibility Checklist		
1	Current Tax Compliance Letter (TCL)	Y/N
2	Valid National Contracts Commission Certificate	Y/N
3	Signed Bid Submission Form	Y/N
4	Summary of the Risk(s) for each Proposal	Y/N
5	Evidence of Registration as a Facultative Placement Broker if Facultative Insurance is being proposed	Y/N
6	A copy of valid Certificate of Registration from the Financial Services Commission (FSC).	Y/N
Responsiveness Checklist		
1	Evidence of Professional Indemnity Cover of at least \$30 million for local Broker	Y/N
2	Evidence of Fidelity Guarantee Insurance Cover for local Broker of at least \$20 million	Y/N
3	Signed "Declaration Form" and "Disclaimer"	Y/N
4	Name and designation of the person(s) authorised to negotiate on the Bidder's behalf and their designations	Y/N
5	References from three (3) clients with risks of similar size and type to those of the Bank	Y/N
6	Completed and signed Statement of Acceptance of the Terms and Conditions of the Draft Standard Contract Form	Y/N
		Y/N
		Maximum Points
1	Key Project Resource Persons and Qualifications	20
(i)	Identify the Members of the Team (minimum 3 persons)	6
(ii)	Indicate the role of each Members of the Team	6
(iii)	Indicate the relevant experience of each Member of the Team	8
Audited Financials		20
2	Audited Financial Statements for the Broker for the last 3 complete years prior to the deadline for the submission of tenders	10
3	Audited Financial Statements for the Insurer for the last 3 complete years prior to the deadline for the submission of tenders	10
Insurance Credit Rating		30
4	With respect to the Commercial All Risks and Homeowners Comprehensive policies, if placed overseas then provide ratings of overseas Insurers from internationally recognized Rating Agency. If placed locally, provide evidence of reinsurance support (or statement that policies are covered under standard treaty) for local insurers.	30
Alternative Programme Structure (provide responses for each Alternative)		20
(i)	Identify the changes to the programme structure	10
(ii)	Provide a rationale for the changes	5
(iii)	Identify the cost savings versus coverage on the specified terms-by the same insurer	5
Disclosure of Premium Rates for each Risk that has a Sum Insured (e.g. Commercial All Risks)		10
(i)	Flat Premium/No Disclosure	0
(ii)	Full Disclosure for each applicable risk (proportionate reduction for each such risk for which the premium rate is not disclosed)	10
Full Disclosure of Fronting Fee, where applicable		0
(i)	N/A or Disclosed	0
(ii)	Not Disclosed (per risk)	-5
		100

INSURANCE BROKER'S CONTRACT

BETWEEN

AND

BROKERS JAMAICA LIMITED

AGREEMENT

THIS AGREEMENT is dated the _____ day of _____, 20____, and made BETWEEN , _____the with offices at _____, in the Parish of Kingston , (hereinafter called "the Bank") of the One Part and _____of , _____,Kingston _____, in the Parish of St. Andrew (hereinafter called "the Broker") of the Other Part.

WHEREAS

- A. The Broker carries on the business of insurance brokerage and is registered to carry on such business under the provisions of the Insurance Act.
- B. The "**the Bank**" requires insurance to cover various risks in connection with its operations, which insurance shall come up for renewal and shall be effected on the commencement date _____ and on the _____day of _____ in each of the two (2) subsequent years (hereinafter called the "renewal period").
- C. By *public notice*, the invited tenders from pre-qualified, registered Insurance Companies and Brokers for the provision of insurance coverage and services in relation to the "**the Bank**" insurance portfolio.
- D. The "**the Bank**" issued to prospective Bidders, including the Broker, Specifications and data relevant to "**the Bank's**" insurance requirements, being documents entitled "Underwriters Information and Specifications for Coverage for the year from the commencement date_____to_____, appended hereto as (Appendix 1).
- E. Tenders were received from various Brokers, including the Broker, whose winning proposal is appended hereto (Appendix 2).

Now this AGREEMENT WITNESSETH as follows:

The "**Bank**" agrees to appoint the Broker and the Broker agrees to accept such appointment to act as Insurance Broker for "**the Bank**" on the following terms and conditions:

1. **COMMENCEMENT AND DURATION**

In accordance with letter dated _____ from _____ appended hereto as (Appendix 3), the appointment shall be for a period of **three (3) years** commencing _____, and ending _____.

2. **REMUNERATION**

The Broker's remuneration for services provided shall be its normal Brokerage fees and commissions which shall be payable by the Insurers out of the premiums collected for the policies of insurance placed on behalf of the "**the Bank**" whether such policies are denominated in US dollars or Jamaican Dollars or both US\$ and J\$.

3. **SERVICES**

During the term of this Agreement, the Broker shall provide the services hereinafter set forth in accordance with the terms and conditions of this Agreement.

4. **BROKER'S OBLIGATION**

4.1. **Administration of Insurance Account**

- (a) The Broker shall liaise with "**the Bank**" through suitable representatives in the handling of the insurance portfolio.
- (b) The Broker shall provide technically knowledgeable persons to handle the portfolio.
- (c) The Broker shall liaise with overseas insurance Brokers to ensure that the "**Bank's**" **insurance** portfolio is adequately serviced.
- (d) The Broker shall exercise reasonable care and diligence in the performance of its duties under the Agreement and shall use its best endeavours to obtain the best coverage at the most favourable premium rates.

4.2. **Insurance Placement in Respect of Each Contract Year**

- 4.2.1 The Broker shall negotiate, procure and place insurance coverage on behalf of "**the Bank**" with competent, reputable and suitable Insurers, and maintain such insurance coverage as meets the "**the Bank**" needs and are

on terms and conditions which are in the best interest of the "the Bank". For the first contract year the coverage shall be in accordance with the proposal described in (Appendix 2).

- 4.2.2 For the first and second renewal of the insurance coverage, the Broker shall commence the renewal negotiations no later than **two (2) months** prior to the expiry date of the policies. The Broker shall keep the "Bank" fully informed of the progress of such negotiations and shall, **at least six (6) weeks** prior to renewal date, advise the "the Bank" of the renewal terms, and provide to the "the Bank" details of the proposed terms of the coverage and the premiums, substantiated by Brokers Slips which are signed, stamped and dated by all local insurers and at least the lead insurer/reinsurer if coverage is to be placed overseas, whether directly or via Facultative Insurance/Reinsurance.
- 4.2.3 The Broker shall disclose to the "the Bank" details of all insurers providing coverage to the "the Bank" whether local or overseas and where coverage is by means of Facultative Insurance the Broker shall disclose the local fronting insurer, the lead overseas insurer, the fronting fees and overseas commissions.
- 4.2.4 The Broker shall notify the "the Bank" in writing of any restrictions, terms, conditions and warranties imposed by any Insurer that are not stated in the policy and that the Broker has been made aware of.
- 4.2.5 The Broker shall collect, prepare and present required information to Insurers to facilitate the placement of the insurance and ensure that there is no interruption in "the Bank's" insurance coverage as a result of error or negligence on the part of the Broker.
- 4.2.6 The Broker shall, in the event of being unable to procure coverage on any particular risk in "the Bank's" insurance portfolio; give notice in writing to "the Bank" of such failure immediately after the fact shall have become or could reasonably have become known to the Broker.
- 4.2.7 The Broker shall, **at least three (3) months** before the end of the contract period, prepare and present detailed and accurate information on the

insurance requirements of "the Bank" which shall form the basis of the Specifications of Coverage for the new tender period.

In carrying out these functions, the Broker shall act in a professional manner in the interest of the "the Bank".

4.3. Insurance Risk Management

4.3.1 The Broker shall in relation to the Risks and Insurance Coverage of the "the Bank" monitor and advise the "the Bank" on the following:

- (a) The relative costs of the principal types of insurance which in the opinion of the Broker might be suitable to "the Bank's" needs.
- (b) The competency and solvency of Insurers with whom insurance policies are placed on behalf of the "the Bank".
- (c) The ability and record of such Insurers with regard to payment of claims.
- (d) Any other factor whatsoever, relating to the "the Bank's" risk exposure and to the ability and competency of any of the Insurers to continue to provide the insurance coverage in the insurance portfolio.

4.3.2 With respect to performance of the obligations set out in (b) (c) and (d) above, the Broker may rely on the advice and information available to the Financial Services Commission in relation to policies of insurance which are placed on the Jamaican Market.

4.4. Premiums

4.4.1 The Broker shall collect from the "the Bank" and punctually remit to the Insurers the insurance premiums for the coverage being provided to the "the Bank".

4.4.2 The Broker shall account to "the Bank" for all premiums collected from the "the Bank".

4.4.3 The Broker shall disclose to the "the Bank" the name of all Insurers (local and overseas) and/or Sub-Brokers or agencies, with whom a contract is placed on its behalf and the premium payable to each.

4.4.4 In the event that renewal rates/premiums have been increased by 10% or more over the previous year, the "the Bank" reserves the right to review this Agreement. The "the Bank" reserves the right to terminate this agreement if the renewal rates/premiums have been increased by 15% or more over the previous year other than by reason of claims or increased risk factors.

4.5. Claim Procedures

4.5.1 The Broker shall design claim procedures for the "the Bank".

4.5.2 The Broker shall promptly notify and negotiate claims and settlement with Insurers as soon as advice of such claims is given by the "the Bank", and take responsibility for resolving any disputes in relation to the claims.

4.5.3 The Broker shall provide the "the Bank" with a prescribed status report on all claims made by or against the "the Bank" on a quarterly basis or otherwise as required by the "the Bank".

4.6. Indemnity

The Broker shall indemnify "the Bank" for all loss, damage or expense wholly or partially occasioned to the Client by the neglect, error or act of omission of the Broker, its servants, agents and/or employees in respect of this Agreement provided that the Broker shall not be liable to the Client for any loss, damage, costs, or expenses of an indirect or consequential nature including without limitation any economic loss or other loss of turnover, profits, business or goodwill.

4.7. Professional Indemnity Insurance

The Broker shall at its own cost, effect and maintain professional indemnity insurance of at least \$30million to cover losses as mentioned above in keeping with the requirements of the Financial Services Commission.

5. OBLIGATIONS OF THE BANK

5.1. Relevant Information

5.1.1. During the term of this Agreement, "the Bank" shall provide the Broker with all information relating to the operation of the "the Bank" and

access to all buildings, plants and sites and other property of the "the Bank" including information as may be required and as may be reasonably requested.

5.1.2. The **Bank** shall prepare and deliver required information to Insurers via the Broker in a timely manner and within the time frame stipulated by the Insurers to facilitate and negotiate placement of insurances and compliance with "the Bank's" deadlines and ensure that there is no interruption in the coverage as a result of the "the Bank's" failure, neglect or tardiness to do.

5.1.3. The "Bank" shall notify the Broker of material changes in the usage of any of "the Bank's" facilities.

5.1.4. Information provided by the Broker shall not relieve "the Bank" of any obligation or duty owed to an Insurer to make disclosure of information not provided by "the Bank" to the Broker.

5.2. Payment of Premiums

5.2.1. The "the Bank" shall remit all insurance premiums to the Broker **within thirty (30) days** of the placement of insurance cover by the Broker.

5.3. Administration of the Insurance Account

5.3.1. The "Bank" shall liaise with the Broker through suitable representatives in the handling of the Insurance Portfolio.

5.3.2. The "Bank" shall provide persons knowledgeable in the operations of "the Bank" who can pro-actively generate new and critical information to enable the Broker to act.

5.4. Indemnity

5.4.1 The "Bank" hereby acknowledges that the Broker may and will rely upon all information given to the Broker by "the Bank" in connection with the

performance of the services pursuant to this Agreement and the "Bank" hereby agrees to release and indemnify and hold harmless the Broker from and against all suits, actions, claims, liabilities and costs and expenses which may result from such information proving to be incorrect or misleading in any respect.

6. TERMINATION

6.1. Without prejudice to any other rights conferred by Law or this Agreement, "the Bank" shall be entitled to terminate this Agreement in any of the following events:

6.1.1. If the Broker, its servants, agents or employees or sub-Broker shall breach any terms of this Agreement, the Broker shall remedy the breach within **fourteen (14) days** of the written notice which the "the Bank" may serve on the Broker and if the breach remains unremedied at the expiration of the aforesaid notice period, the "the Bank" shall be at liberty to terminate the appointment of the Broker.

6.1.2. If the Broker shall compound with creditors or be put into receivership or shall have a provisional order in bankruptcy made against, it, or being a partnership is dissolved or being a company passes a winding up resolution or has a winding up order made against it.

6.1.3. If the Broker shall, for any reason, cease to be a registered Broker under the provisions of the Insurance Act or fail to maintain a valid Tax Compliance or National Contacts Commission Certificate or for whatever reason becomes disqualified, incompetent or ineligible to perform the services.

6.2. The failure by "the Bank" to enforce at any time or for any period any one of more of the terms or conditions of this agreement shall not be a waiver of the right at any time subsequently to enforce all or any new terms and conditions of this Agreement. In any event the terms and conditions of this agreement shall be reviewed annually by the XXXX.

7. NOTICES

7.1. Any Notice to be given under this Agreement by one party to the other shall be in writing and may be delivered personally or sent by e-mail or facsimile with the original by registered post addressed to the other Party at the respective addresses stated in this Agreement or such other address as may be notified by one Party to the other in writing for that purpose.

7.2. Any such Notice sent by e-mail or facsimile with original by registered post will be deemed to be served **one (1) day** after transmission and in proving such service it shall be sufficient to prove that the notice was properly addressed.

8. LAW APPLICABLE

8.1. This Agreement shall be construed and governed in accordance with the Laws of Jamaica.

9. DISPUTES

9.1. All disputes or differences which shall at any time arise between the parties whether during the term of afterwards touching or concerning this agreement or its construction or effect may be referred to a single arbitrator to be agreed upon by the parties or in default of agreement, to be nominated by the President of the Bar Association in accordance with the Arbitration Act.

10. CONFIDENTIALITY

Neither Party shall without the prior written consent of the other use or disclose any information acquired from the other, except in the normal course of executing the respective objectives of each party.

IN WITNESS WHEREOF the Parties hereto have set their hands and affixed their seals on the date first herein before mentioned.

Executed under the Common Seal of)
)
by , Chairman & CEO and)
.....
)
)
, Secretary,)
.....

duly authorised in that behalf)
In the presence of)
)
.....)

Witness

Executed under the Common Seal of)
_____ **BROKERS JAMAICA LIMITED**)
by , Director and)
.....
)
)
, Director)
.....

in accordance with its Articles of)
Association in the presence of)
.....)

Witness

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