



TERMS OF REFERENCE

Insurance Broker

for the

Land Transport Authority

[RFT NO: 20/2019]

LAND TRANSPORT AUTHORITY

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DATES: 10 & 17 November 2018

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PART A - RULES GOVERNING THIS REQUEST FOR TENDER

1. PURPOSE OF ENGAGEMENT

The objective is to seek proposals for an Insurance Broker to research the insurance marketplace for coverage in Medical, Life, General Properties and others. The contract term desired is for a period of three (3) years.

2. NO CONTRACTUAL OBLIGATIONS

This Request for Tender (RFT) is not to be constructed as a contract between the Land Transport Authority (“Authority”) and the prospective bidder. Nothing in this RFT or in any submission document is to be viewed to give rise to any contractual obligations related, expressed or implied.

3. BIDDERS TO INFORM THEMSELVES

The onus is on the bidder to understand the contents of the RFT and the implications of being involved in this submission process. The Authority does not accept responsibility for any misunderstandings arising from the bidder’s failure to comply with the above-mentioned process. The Authority only accepts submissions on the condition that the bidder:

- Has examined this RFT and all other information made available to the bidder;
- Has made all reasonable inquiries regarding relevant risks, contingencies and other circumstances that might affect the submission;
- Has satisfied itself as to the correctness and sufficiency of the submission; and
- Has involved itself in the submission process entirely at its own expense and without any costs being payable by the Authority.

4. RIGHT TO VARY OR STOP SUBMISSION PROCESS

The Authority reserves the right to either stop or vary the submission process and may require re-submission at any given time.

5. PROCUREMENT TIMETABLE

The following proposed procurement timetable shall apply. The Authority will strive to adhere to this timetable but reserves the right to alter the dates whenever necessary:

Dates	Tasks
10 & 17 November 2018	Advertisements
27 November 2018, 4pm	Tender closing date & time
7 December 2018	Complete evaluations / bidder’s presentations
14 December 2018	Complete approval process
17 December 2018	Notify Successful & Unsuccessful Bidders

Where this timetable varies significantly from the Authority's side, the Authority will notify prospective bidders.

6. CONFLICT OF INTEREST

Bidders and their personnel must not place themselves in a position that may create a conflict of interest concerning this RFT. Any potential or actual conflict of interest that may arise in the performance of their obligations under the RFT must be fully disclosed.

Identification of a potential or actual conflict of interest does not necessarily preclude a bidder's submission from consideration. However, the Authority will carefully consider the circumstances surrounding the conflict of interest to determine whether it will compromise the status of the outcome of this RFT, and if so, will promptly notify the bidder.

7. ENQUIRIES BY BIDDER

All enquiries by potential bidders for information should be addressed only to the nominated contact officer named on the RFT's advertisement. Where, in the opinion of the Authority that there is a need to disseminate additional information to a particular bidder, the same information shall be provided to other bidders. Such information shall be given the same distribution as in the original RFT.

8. SUBMISSION CONTENT

Should a potential bidder find any discrepancy, ambiguity, inconsistency, error or omission in this RFT document, they should notify the Authority in writing as soon as possible. In any such case this needs to be done before the closing date so that the Authority may take any corrective action it considers necessary.

9. WHAT TO LODGE

For manual submissions, bidders must submit three (3) hard copies in the Tender Box placed at Level 1, Building A, Land Transport Authority Headquarters in Valelevu, Nasinu, Fiji.

The original hard copy is to be marked 'Original' and the remaining two (2) copies to be marked 'Copy 1' and 'Copy 2'. The original and the copies should include all supporting material and be well-bound. Bidders may also opt to upload their submission electronically to the submission site - <https://www.tenderlink.com/ltafj/> by the timeline.

10. LODGEMENT OF SUBMISSION

Submissions must be lodged by **4:00pm Fiji Time on Tuesday 27 November 2018**. Manual submissions must be in a sealed envelope, marked and delivered as follows:

Management Tender Committee
RFT No: 20/2019 – Insurance Broker for LTA
Land Transport Authority
P.O. Box 6677
Lot 1 Daniva Road
Valelevu
Nasinu, Fiji

An Evaluation Team will be evaluating the submissions according to the criteria specified in this RFT.

11. LATE SUBMISSIONS

Submissions lodged after the submission closing time shall be deemed late.

12. ALTERATIONS, ERASURES OR ILLEGIBILITY

Submissions are liable to be rejected where they contain alterations or erasures, incomplete, ambiguous or illegible prices or terms, or insufficient information to enable proper evaluation. Alterations cannot be made to submissions after the closing time unless it can be clearly demonstrated to the satisfaction of the Authority's Management Tender Committee that a clerical or keying error has been made by the bidder.

13. ACCEPTANCE OF SUBMISSIONS

The Authority is not bound to accept the lowest priced submission. Bidders whose submissions are not accepted will be notified. The Authority's Management Tender Committee reserves the right to negotiate with other bidders in the event that a contract cannot be successfully negotiated between the Authority and the preferred Bidder.

14. COLLUSIVE ACTIVITIES

Bidders and their personnel must not engage in any collusive bidding, anti-competitive conduct or any similar conduct with any other bidder or other person in preparing or lodging a submission or to involve themselves in sort of collusive activities related to the tender.

15. SHORTLISTING

The Authority's Management Tender Committee reserves in its absolute discretion, to make a shortlist of any bidders and seek further information from those bidders before choosing a preferred bidder. In the event of a shortlist being compiled by the Authority, bidders that are not shortlisted will be advised as soon as possible.

PART B - TENDER SPECIFICATIONS

1. PURPOSE OF TENDER

The purpose of the tender is to engage an Insurance Broker to research the insurance marketplace for coverage in Medical, Life, General Properties and others. The contract term desired is for a period of three (3) years.

2. SCOPE OF SERVICES

The Authority is requesting insurance consulting and brokerage services to assist in the acquisition of Medical, Life, General Property insurance and other insurance covers as required. The scope of services includes the followings:

- a) Negotiating annual renewal of coverage on Medical, Life, General Property insurance and other insurance covers, and provide advice and recommendations for consideration.
- b) Provide a thorough renewal presentation each year with policy recommendations to include analysis of available alternatives to the Authority.
- c) Review policies and endorsements for accuracy and conformance with negotiated coverage. Ensure timely issuance of policies and endorsements to the Authority.
- d) Analyse and review all benefit settlements, claim history, group utilization, claim processing, and other plan costs and expenses to provide information and recommendations to the Authority.
- e) Assisting the Authority's employees in settling claims or grievances relating to insurance issues in a timely manner.
- f) Assist the Authority with insurance program administration, preventative insurance management and provide advise and guidance on new laws, regulations and procedures on a quarterly basis.
- g) Work with the Authority's Manager Human Resource in doing awareness and consultation to the employees without any cost to the Authority.
- h) Assist the Authority in all aspects of its insurance consulting / brokerage services which include market research also advocate with insurance companies on behalf of the Authority and advice on a continuing basis and in a timely manner of any and all significant matters and developments regarding the process of insurance company's service issues.

3. Contracting Requirements

Upon selection of a Broker, the terms set forth in this RFT are to be embodied in a definite agreement containing such additional covenants and other provisions as may be deemed necessary by both parties. The final agreement will include, but not be limited to, the following terms, except for any terms especially reserved in the proposal for future negotiation.

4. Before Renewal

At least four (4) weeks before the renewal of the Authority's insurance programme, or within four (4) weeks of a specific request from the Authority, the Broker shall:

- a. Provide a written brief on insurance options together with indicative prices;
- b. Give written advice on alternative funding mechanisms including increased deductibles and self-insurance, and the most cost effective balance of self-insurance and insurance;
- c. Re-evaluate policy wordings for applicability and coverage, reflecting changes to risks;
- d. Provide marketing presentations to insurers;
- e. Carry out insurance programme design including negotiations of policy wordings, terms and conditions;
- f. Advise on premium funding options; &
- g. Identify in writing to the Authority, the Relationship Manager and support team that must take reasonable action to maintain that service team. The Relationship Manager to attend the annual review meeting and any other meeting as required.

5. At Renewal

At renewal, the Broker shall:

- a. Provide written confirmation of details of all relevant policies such as sums insured, limits of liability, deductibles, premiums and other appropriate information;
- b. Provide the security of the relevant insurers prior to their inception; and
- c. Place the Authority's insurance programme with insurers as agreed with the Authority.

6. After Renewal

Not more than eight (8) weeks after completion of renewal (as soon as is reasonably practicable thereafter), the Broker shall provide:

- a. Copies of all policy documents, following preparation by Broker and signature of insurers.
- b. Invoices for the premiums together with supporting documentation for premium due.
- c. In writing, material for use by the Authority in its Insurance Procedures Manual; that material shall include:
 - I. A summary of the policies
 - II. Any material facts
 - III. Procedures to be followed for insurance claims
 - IV. Contact details for Broker personnel
 - V. Contacts details for the support team.

Not more than four (4) weeks after receiving agreed information from the Authority, the Broker shall provide premium allocations as required by the Authority.

Not more than ninety (90) days after renewal Broker shall provide a draft written report to the Executive Management of the Authority that sets out, as appropriate, the following matters:

- a. Insurance brokers (changes in ownership, conflicts of interest and similar issues)
- b. Insurance administration matters
- c. Insurance programme (policies placed locally and policies placed on Global Basis)
- d. Insurances from any new acquisitions
- e. Insurance market trends
- f. Insurance claims
- g. Any other matters considered by Broker to be relevant

On a Monthly basis:

- a. Attend meetings with the Authority's nominee, and more regularly if required
- b. Provide for those meetings written reports that include:

- i) Summary of the servicing work undertaken (including advice given on contracts, certificates of currency or insurance issued);
- ii) Matters outstanding and responsibility for action; &
- iii) Claims made (year to date and since last report) and their status.

On a Quarterly basis:

- a. Visit major Authority's locations (as agreed) with no cost to the Authority. Provide follow-up action reports to the Authority's Head Quarters and representative locations with no cost to the Authority.
- b. Brief the Risk Management Committee as required.

7. CLAIMS

The Broker shall:

- a. Provide assistance to the Authority on all insurance claims and claims notifications;
- b. Maintain a Claims Management System to enable regular reports to be prepared detailing the current status of each outstanding and recently settled claim;
- c. Analyse claims and provide a commentary on any trends or patterns detected;
- d. Provide an after-hours contact person;
- e. Monitor and promptly report on the claims service provided by Insurers; &
- f. The Broker shall advocate and lobby for all lodged claims to be successful.

The Broker shall not:

- a. Adjust, compromise or settle or waive any insurance policy conditions;
- b. Make any changes in terms of any offer to insure or policy of insurance written by the Authority, by endorsement or otherwise;
- c. Bind or issue endorsements;
- d. Use the Authority's name in any advertising or promotional material without the Authority's prior written consent;
- e. Issue Certificates of Insurance without the Authority's prior written consent.

The Broker shall not accept reports or notices of claims or accidents from any third party. If any party attempts to report a claim or accident to the Broker or otherwise, contacts the Broker regarding a claim or accident, the Broker shall direct such party to the Authority.

8. STATUS

The Broker is an independent contractor and is not an employee of the Authority. The Broker shall maintain a staff of competent and trained personnel necessary to develop and produce the business covered by this Agreement.

The Broker shall comply with all the laws and regulations applicable to its operations, including obtaining and maintaining appropriate licenses and approvals, keeping records of all transactions and complying with applicable countersignature requirements. The Broker will adhere to and indemnify the Authority for any violation of laws, rules or codes of conduct in regard to compensation or its disclosure.

The Broker will comply with all lawful instructions it may receive from the Authority.

9. REPORTING, RECORDS AND INSPECTIONS

The Broker will report to the Authority all its transactions on business produced under this Agreement in the format requested by the Authority. All reports shall be forward to the Authority within 10 (ten) working days following the transaction or soon as thereafter as practicable.

At the Authority's expense, the Authority or its designee may at reasonable times inspect and copy all records maintained by the Broker pertaining to the business produced under this Agreement. The right to inspect and /or copy records will continue until all matters pertaining to the business produced under this Agreement shall have been concluded.

10. CONFIDENTIALITY

The Broker shall:

- a. Use confidential information only for the business purpose for which it was disclosed;
- b. Keep confidential all information about the Authority that is not freely available to the public;
- c. Not divulge confidential information or details thereof to any person or company (other than staff and insurers) without the prior written consent of the Authority;
- d. Comply with all the Authority's security standards.

11. GENERAL CONDITIONS

The following general conditions apply:

- The Authority may not necessarily accept the lowest cost bidder, but will strive to select the best and most responsive bidder.
- The Authority may cancel this RFT or amend its contents at any time prior to the

acceptance of a submission.

- If no proposal is acceptable, then the Authority may either re-issue the Terms of Reference or negotiate with one or more vendors for a satisfactory offer.
- The award of a submission shall not be deemed final unless and until a contract is successfully negotiated and approved by the Authority.

12. PROPOSAL RESPONSE SECTION

Interested Brokers shall submit submissions responding to items below. Identify each response with the appropriate letter designation and respond to all items in the order given:

A) BASIC BUSINESS COMPULSORY REQUIREMENTS

- i. Company Profile
- ii. Business Registration and Business License – certified copies of:
 - Valid Business License
 - Valid Business Company Registration Certificate
- iii. Fiji Revenue Customs Services (FRCS) Tax Compliance Certificate (if local) or equivalent Compliance Certification for overseas bidders
- iv. Fiji National Provident Fund Compliance Certificate (if local) or equivalent Compliance Certification for overseas bidders

It is mandatory for the bidder to provide all the requirements listed under (i. to iv.) above in order for their bid to be considered for further assessment. Any bidder who does not meet the 100% requirement as per above list, their submission SHALL NOT BE CONSIDERED for further assessment.

B) EVALUATION CRITERIA

1. Non-Price Factor 70%:

- i. Qualification & Experience – 30%
- ii. Specification – 40%

2. Price Factor 30%

Evaluation Criteria	
Basic Business Compulsory Requirements	
i)	<p>Company Profile</p> <ul style="list-style-type: none"> • Background / History of company including details of parent companies & subsidiaries; • Specify the years of experience
ii)	<p>Business License & Registration – certified copies of:</p> <ul style="list-style-type: none"> • Valid Business License • Valid Business Company Registration Certificate
iii)	<p>Fiji Revenue Customs Services (FRCS) Tax Compliance Certificate (if local) or equivalent Compliance Certification for overseas bidders:</p> <ul style="list-style-type: none"> • Valid Tax Identification Number Letter • Valid Tax Compliance Certificate
iv)	<p>Valid Fiji National Provident Fund Compliance Certificate (if local) or equivalent Compliance Certification for overseas bidders</p>

Qualifications & Experience – 30%	Percentage (%)
<p>Respond to these criteria:</p> <ul style="list-style-type: none"> • Describe how the Brokers experience will benefit the Authority in terms of the successful delivery of services to the Authority – minimum 1 page. • List major clients recently engaged and provide at least 3 references inclusive of the quantum of business involved. Provide names and contact of suitable client contact persons for reference checks. 	<p>15%</p> <p>15%</p>
Total	30%

Specifications - 40%	Percentage (%)
<p>The submission must include the following covers:</p> <ul style="list-style-type: none"> a) Fidelity Guarantee b) Motor Vehicle c) Public Liability d) Workers Compensation e) All Risk f) Personal Accident g) Term Life h) Material Damage & Consequential Loss i) Directors & Officers j) Professional Indemnity k) Uninsured Risk l) Medical 	<p>40%</p>
Total	40%

Price Factor - 30%	Percentage (%)
<p>Services and Premium Charges:</p> <ul style="list-style-type: none"> a) Provisions of Service Fee Schedule and Vat Inclusive Prices (VIP). b) Special offers 	<p>20%</p> <p>10%</p>
Total	30%

LTA MEDICAL CASE HISTORY

Medical Case History – Land Transport Authority – Fiji Care Cover

Officer/ Dependent	Position	Medical Case
Salote Gaunavou	Customer Service Officer (Lautoka)	Breast Cancer
Avni Prasad (Mahend Prasad's dependent)	n/a	Soft Tissue Sarcoma (Cancer)
Seini Railala	Payroll Officer	Rheumatic Heart Disease
Jayashari Lal (Prab Padarath's dependent)	n/a	Gangrene Hearing Impairment
Ruci Mainewa	Human Resources Officer (Recruitment & Selection)	Pregnancy related complications
Kritika Reddy (Shanil Rao's dependent)	n/a	Pregnancy related complications
Samuel Tuinaceva (Naisa Tuinaceva's dependent)	n/a	Optical surgery

-END-