



**GSIS INSURANCE BIDS AND AWARDS COMMITTEE (GIBAC)**

***Project title: Reinsurance of the Directors and Officers Liability Insurance of the  
DEVELOPMENT BANK OF THE PHILIPPINES***

**Bid Bulletin No. 2**  
July 3, 2017

This bid bulletin is issued to amend, modify and clarify items in the Bidding Documents of the “Reinsurance of the Directors and Officers Liability Insurance of the DEVELOPMENT BANK OF THE PHILIPPINES”. This shall form an integral part of the Bidding Documents.

**I. Under Bid Data Sheet:**

<b>ITB Clause</b>	<b>From</b>	<b>To</b>
12.1(b)	1. Statement of at least two (2) ongoing and/or two (2) expired similar insurance policy/ies or reinsurance binder/s, issued within the last two years prior to the deadline for the submission and receipt of bids.  xxx; and xxx	1. Statement of at least two (2) ongoing and/or expired similar insurance policy/ies or reinsurance binder/s, issued within the last two years prior to the deadline for the submission and receipt of bids.  xxx; and xxx

**II. Under Checklist of Documents:**

<b>From</b>	<b>To</b>
1. Statement of at least two (2) ongoing and/or two (2) expired similar insurance policy/ies or reinsurance binder/s, issued within the last two years prior to the deadline for the submission and receipt of bids.  xxx; and xxx	1. Statement of at least two (2) ongoing and/or expired similar insurance policy/ies or reinsurance binder/s, issued within the last two years prior to the deadline for the submission and receipt of bids.  xxx; and xxx

**III. The Breakdown of the Total Bid Price shall be as follows:**

I. Retained Premium at 10% of the TOTAL Bid Price [ <b>A = F x 10%</b> ]	PHP
II. Reinsured Premium at 90% of the TOTAL Bid Price [ <b>B = F x 90%</b> ] (inclusive of 20% GSIS Commission)	PHP
<i>II.A GSIS Commission [<b>C = B x 20%</b>] (20% of the Reinsured Premium)</i>	PHP
<i>II.B Creditable Withholding Tax [<b>D = B x 2%</b>] (2% of the Reinsured Premium)</i>	PHP
<i>II.C Net Amount due Reinsurer [<b>E = B - C - D</b>] (Reinsured Premium less the GSIS Commission and Creditable Withholding Tax)</i>	PHP
<b>TOTAL Bid Price [F]</b> (100% Premium)	PHP

**IV. Bidders' Queries**

<b>Bidder's Query</b>	<b>Response</b>
Basis of Loss Reserve provisions.	As cases have the tendency to long-tail, loss reserves are usually set to policy limits of liability. However, a minimum amount (acceptance fee plus projected time charges) may be initially set and adjusted as payments on the claim are made.
Procedure followed in processing D&O Claims? Is there a panel of Lawyers? Are the reinsurers advising on the appointment of Lawyers?	The policy does not provide limit on the number of lawyers assigned to handle a case.  No, reinsurers do not advise on the appointment of lawyers. The engagement of lawyers is the right and prerogative of the assured.
Is there a standard fee for Lawyers's fees?	The policy does not provide a standard fee for lawyers. Lawyer's fees are charged taking into consideration the lawyer standing, the nature and complexity of the case.
Can reinsurers advise time lines for submission of documents? As in all cases provision has been made but there are no documents.	What is prescribed in the policy is the period within which to file a notice of claim but none on the submission of documents.  Initial set of documents to be provided are copies of: <ol style="list-style-type: none"> <li>1. Notice of Claim</li> <li>2. Complaint-Affidavit</li> <li>3. Summons</li> <li>4. Terms of Engagement</li> <li>5. Insurer's Letter – Consent</li> </ol> We, however upon notice of claim, request for submission of documents and we give them the period within which to provide documents.

Please provide latest audited FS.	The 2015 Audited FS shall be available to prospective bidders who have purchased and will purchase the bidding documents. It may also be downloaded through the DBP website.
We note that the GSIS will provide bidders with a more detailed claims history.	List of DOLI Claims with details of case shall be available to prospective bidders who have purchased and will purchase the bidding documents.

**V. The deadline for the submission and the opening of bids is hereby rescheduled as follows:**

	<b>Date</b>	<b>Time</b>
Deadline for the Submission of Bids	11 July 2017	08:30 AM
Opening of Bids	11 July 2017	09:00 AM

**The place of bid opening is Multipurpose Hall Level 3 Core C, GSIS Building, Financial Center, Macapagal Avenue, Pasay City.**

For the information and guidance of all concerned.

**(SGD.) VALERIE K. MARQUEZ**  
Chairperson  
GSIS Insurance Bids and Awards Committee