



**PASEGURAHAN NG MGA NAGLILINGKOD SA PAMAHALAAN
(GOVERNMENT SERVICE INSURANCE SYSTEM)**
Financial Center, Pasay City, Metro Manila 1308

GSIS INSURANCE BIDS AND AWARDS COMMITTEE (GIBAC)

Project title: Reinsurance of the Airport Liability Insurance of the MACTAN CEBU INTERNATIONAL AIRPORT AUTHORITY

Bid Bulletin No. 2
September 20, 2017

This bid bulletin is issued to amend, modify and clarify items in the Bidding Documents of the “**Reinsurance of the Airport Liability Insurance of the MACTAN CEBU INTERNATIONAL AIRPORT AUTHORITY**”. This shall form an integral part of the Bidding Documents.

I. Bidders’ Queries

Bidder’s Query	Response
We kindly ask if the Insured could complete the Products / Completed Operations section on page 4 of the application form.	The complete details shall be available to prospective bidders who have purchased and will purchase the bidding documents.
Please indicate which activities the client engages in, their gross revenue for 2016, the estimated revenue for 2017, and the projected revenue for 2018.	The details shall be available to prospective bidders who have purchased and will purchase the bidding documents.
We would like to ask for the passenger, aircraft, and cargo movement for 2016, the estimated movement for 2017, and the projected movement for 2018.	The details for the passenger, aircraft and cargo movement shall be available to prospective bidders who have purchased and will purchase the bidding documents.
Can the passenger movement in item 2 above be split between international and domestic passengers?	The details shall be available to prospective bidders who have purchased and will purchase the bidding documents.
Can the aircraft movement in item 2 above be split between international flights and domestic flights?	The details shall be available to prospective bidders who have purchased and will purchase the bidding documents.
How extensively are CCTV cameras used in the terminal? How old is the system?	Per MCIAA, the old CCTV system was replaced with a new version and everything is operational.

II. Section VII: Technical Specifications

The following are changes to the Technical Specifications and Proposed Policy Wordings:

A. Under the Proposed Policy Wordings

a. **Inclusion of the following statement under “Conditions” on the proposed policy wordings:**

“The cancellation provisions contained in the Extended Coverage Endorsement (Aviation Liabilities) AVN52G remain paramount. If the foregoing notice period is in conflict with any governing law or regulation in place within the country of domicile of the Insured, then such period shall be amended to afford the minimum notice permitted thereunder”.

b. **Revised the wordings under Section 2 – Exclusions, Item 11- Nuclear Risks Exclusion Clause AVN38B item no. 4.iii**

From:

iii. *From In the case of any claim for the loss of or destruction of or damage to or loss of use of any aircraft caused y or contributed to by radioactive contamination, the level of such contamination shall have exceeded the maximum permissible level set out in the following scale:*

<i>Emitter (IAEA Health and Safety Regulations)</i>	<i>Maximum permissible level of non- fixed contamination (Average per 300cm²)</i>
<i>Beta, gamma and low toxicity alpha emitters</i>	<i>Not exceeding 4 bequerels/cm² (10⁻⁴ microcuries/m²)</i>
<i>All other alpha emitters</i>	<i>Not exceeding 0.4 bequerels/cm² (10⁻⁵ microcuries/cm²)</i>

To:

iii. *From In the case of any claim for the loss of or destruction of or damage to or loss of use of any aircraft caused y or contributed to by radioactive contamination, the level of such contamination shall have exceeded the maximum permissible level set out in the following scale:*

<u><i>Emitter (IAEA Health and Safety Regulations)</i></u>	<u><i>Maximum permissible level of non- fixed radioactive surface contamination (Averaged over 300 cm²)</i></u>
<i>Beta, gamma and low toxicity emitters</i>	<i>Not exceeding 4 Becquerels/cm² (10⁻⁴ microcuries/cm²)</i>
<i>All other emitters</i>	<i>Not exceeding 0.4 Becquerels/cm² (10⁻⁵ microcuries/cm²)</i>

c. Revised the phrase on Section 5, General Conditions, item 7.b

From:

7. *It is a condition precedent to the right of the Insured to be indemnified under this insurance that:*

- a. *xxx*
- b. *no liability shall be admitted and no admission, arrangement offer, promise or payment shall be made by the Insured without the written consent of the Fund who shall be entitled, if they so desire to prosecute in the name of the Insured for their own benefit any claim for indemnity or damages or otherwise against any third party, and shall have full discretion in the conduct of any negotiations or proceedings or the settlement of any claim, and the Insured shall give all such information and assistance as the Fund may be require.*
- c. *xxx.*

To:

7. *It is a condition precedent to the right of the Insured to be indemnified under this insurance that:*

- a. *xxx*
- b. *no liability shall be admitted and no admission, arrangement offer, promise or payment shall be made by the Insured without the written consent of the Fund who shall be entitled, if they so desire **to take over and conduct in the name of the Insured the defense of any claim or** to prosecute in the name of the Insured for their own benefit any claim for indemnity or damages or otherwise against any third party, and shall have full discretion in the conduct of any negotiations or proceedings or the settlement of any claim, and the Insured shall give all such information and assistance as the Fund may be require.*
- c. *xxx*

d. Amendment of the sublimit on item no. 3 Limitation of Liability of the Extended Coverage Endorsement (Liabilities)

From:

3. *LIMITATION OF LIABILITY*

The limit of Insurers' liability in respect of the coverage provided by this Endorsement shall be a sub-limit of P2,158,000,000.00 or the applicable Policy Limit whichever the lesser anyone occurrence and in the annual aggregate. This sub-limit shall apply within the full policy limit and not in addition thereto.

To:

3. *LIMITATION OF LIABILITY*

*The limit of Insurers' liability in respect of the coverage provided by this Endorsement shall be a sub-limit of **USD10,000,000.00** or the applicable Policy Limit whichever the lesser anyone occurrence and in the annual aggregate. This sub-limit shall apply within the full policy limit and not in addition thereto.*

e. Revised the wordings on the Limit of Liability of the Personal Injury Extension

From:

PERSONAL INJURY EXTENSION

(d) xxx

“The Limit of Liability applicable to this extension is as stated in the Schedule.

To:

PERSONAL INJURY EXTENSION

(d) xxx

“The Limit of Liability applicable to this extension shall be USD 25,000,000.00 in the aggregate during the policy period being within the overall policy limit and not in addition hereto.”

f. Inclusion of the Sanction and Embargo Clause

SANCTIONS AND EMBARGO CLAUSE

Notwithstanding anything to the contrary in the Policy the following shall apply:

1. If, by virtue of any law or regulation which is applicable to a Reinsurer at the inception of this Policy or becomes applicable at any time thereafter, providing coverage to the Reinsured is or would be unlawful because it breaches an embargo or sanction, that Reinsurer shall provide no coverage and have no liability whatsoever nor provide any defense to the Reinsured or make any payment of defense costs or provide any form of security on behalf of the Reinsured, to the extent that it would be in breach of such law or regulation.
2. In circumstances where it is lawful for a Reinsurer to provide coverage under the Policy, but the payment of a valid and otherwise collectable claim may breach an embargo or sanction, then the Reinsurer will take all reasonable measures to obtain the necessary authorization to make such payment.
3. In the event of any law or regulation becoming applicable during the Policy period which will restrict the ability of a Reinsurer to provide coverage as specified in paragraph 1, then both the Reinsured and the Reinsurer shall have the right to cancel its participation on this Policy in accordance with the laws and regulations applicable to the Policy provided that in respect of cancellation by the Reinsurer a minimum of 30 days notice in writing be given.

In the event of cancellation by either the Reinsured or the Reinsurer, the Reinsurer shall retain the pro rata proportion of the premium for the period that the Policy has been in force. However, in the event that the incurred claims at the effective date of cancellation exceed the earned or pro rata premium (as applicable) due to the Reinsurer, and in the absence of a more specific provision in the Policy relating to the return of premium, any return premium shall be subject to mutual agreement. Notice of cancellation by the Reinsurer shall be effective even though the Reinsurer makes no payment or tender of return premium.

III. Under Section VII: Bidding Forms

The correct Form 5.4a shall be as follows:

Form 5.4a

CERTIFICATION

REPUBLIC OF THE PHILIPPINES)
CITY/MUNICIPALITY OF _____) S.S.

I, [Name of Affiant], of legal age, [Civil Status], [Nationality], and residing at [Address of Affiant], after having been duly sworn in accordance with law, do hereby depose and state that:

- (1) That I am the [position of the Affiant];
- (2) *That I am the duly authorized and designated representative of [Name of Bidder] with office address at [address of Bidder], in its bid for the [Name of Project ex. Procurement for the Reinsurance of the Industrial All Risk cover of Government Agency];*
- (3) *I hereby certify that the facultative reinsurance placement for the above project, for the portion in excess of [Name of Bidder]'s net worth, is supported by securities rated at least "A-" by the Standard & Poor's and/or AM Best; and these securities are duly authorized to transact reinsurance business in the Philippines through their appointed resident agent;*
- (4) *I hereby undertake that if [Name of Bidder] qualifies as the lowest calculated bidder, we will submit our domestic securities' net retention or treaty showing maximum retention and panel of reinsurers and respective shares;*
- (5) *The list of securities, foreign and/or domestic, shall be submitted within fourteen (14) calendar days from receipt of the notice to submit the post qualification documents;*
- (6) *I execute this Affidavit in compliance with the bid requirements of the Government Service Insurance System and for whatever legal purpose it may serve.*

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____ at _____, Philippines.

Affiant

SUBSCRIBED AND SWORN to before me this _____ (date) _____, at _____ (place) affiant having exhibited to me his _____ (valid government-issued ID)

Notary Public

Doc. No. _____
Page No. _____
Book No. _____
Series of _____

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

	Date	Time
Deadline for the Submission of Bids	27 September 2017	08:30 AM
Opening of Bids	27 September 2017	09:00 AM

For the information and guidance of all concerned.

(Sgd.) ATTY. ALEXEI P. CARDENAS
Vice Chairperson
GSIS Insurance Bids and Awards Committee