



GSIS INSURANCE BIDS AND AWARDS COMMITTEE (GIBAC)

Project title: Reinsurance of the Industrial All Risk Insurance of the DEPARTMENT OF TRANSPORTATION – MRT3

Bid Bulletin No. 1
September 22, 2017

This bid bulletin is issued to amend and modify items in the Bidding Documents of the **“Reinsurance of the Industrial All Risk Insurance of the DEPARTMENT OF TRANSPORTATION – MRT3”**. This shall form an integral part of the Bidding Documents.

I. Bidders’ Queries

Query	Response
1. May we ask for a copy of the Adjuster's Evaluation Report of the derailment loss in 2014? Specifically, we would like to know the circumstances of the loss - what happened, how it happened, etc.	An excerpt of the Adjuster’s Evaluation report shall be provided to prospective bidders who have purchased and will purchase the bidding documents.
2. What has the client done to prevent / avoid similar incidents in the future?	The following are the preventive measures undertaken by MRT3 to prevent similar incidents in the future: a. Creation of Crisis Management Team b. Refresher course training for operations personnel. c. Mandatory drug testing d. Issuance of official vehicle passes and depot access e. Evacuation of passengers during train hauling shall be mandatory before any movement of the convoy shall be made. f. Maximum speed of either pushing or pulling train shall be 15kph at interstation and 5kph at station. g. Strictly implement the No smoking Rule at MRT-3 Depot and Mainline.’
3. Please confirm NIL deductibles for ALL sections of the policy - IAR, Machinery Breakdown, Business Interruption, CGL, Sabotage & Terrorism, etc.	Yes, we confirm that the deductibles for all sections are NIL.
4. May we ask why the client asked for NIL deductibles?	The client requested for NIL deductibles due to its experiences of inability of claiming against the policy for small losses that fall within the deductible.

	The Insured has to always seek the Department of Transportation's (DOT's) budget approval for the repair/rehabilitation of the damaged assets. It is for that reason, the Insured requested for NIL deductible in exchange of its readiness and willingness to pay for a higher premium.
5. May we ask why the GSIS agreed to NIL deductibles?	The GSIS agreed to the Insured's request but with a corresponding increase in the Approved Budget for the Contract (ABC) from Php98,000,000.00 to Php138,634,560.49.
6. We would like to request a more detailed breakdown of values, especially for the building and machinery, distributed per station and the depot.	Per DOT-MRT3 , the breakdown of values per station for Material Damage was provided by Metro Rail Transit Corporation (MRTC) and they just continued to use the same values. Thus, no detailed breakdown of value is available.
7. How many train vehicles comprise the sum insured of PHP 5,241,600,000? Are these all actively being used?	No detailed breakdown of value is available.
8. Are the 48 Light Rail Vehicles (LRVs) the ones that were ordered from China and allegedly not compatible with the current system? As such, they are currently not being used and just in storage? Are they all stored at the depot?	Yes they were ordered from China. However, the 48 LRVs are still undergoing kilometer run test. They are located at the MRT3 Depot.
9. Daily ridership and revenue	Annual Ridership for CY 2016 – 133,952,890 Daily Ridership – 372,091 Annual Revenue – Php2,681,507,609.00
10. Any material change in their operation for the past 12 months.	The implementation of the 30Kph speed limit at the mainline insertion and removal area, Buendia Crossing and Taft Interchange track.
11. Status of the Dalian Trains, when these will be fully operational?	The Dalian Trains are still undergoing kilometer run test. Target Acceptance: September 2017 – 16 LRVs October 2017 - 27 LRVs November 2017 – 37 LRVs December 2017 – 48 LRVs

II. Under Section VII: Bidding Forms

The 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 _____

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

	Date	Time
Deadline for the Submission of Bids	29 September 2017	08:30 AM
Opening of Bids	29 September 2017	09:00 AM

For the information and guidance of all concerned.

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