



Request for Tender Proposals

For

Insurance Broking, Claims Management and Risk Management

Tender Return Date:

14th May, 2010

Tender Return To:

*Rowing Australia Ltd,
PO Box 245
Belconnen ACT
2616 Australia
mtreglown@rowingaustralia.com.au*

*Mr Matt Treglown
Tel: +61 2 6256 5999
Fax: +61 2 6256 5955
Email: mtreglown@rowingaustralia.com.au*

All Queries To:

*Matt Treglown
Tel: + 61 2 6256 5906
Fax: + 61 2 6256 5955
Email:*

Invitation to Tender

The following invitation to tender is for the provision of Insurance Broking, Claims Management and Risk Management services on a national basis to Rowing Australia and its member State and Territory Associations and affiliates. These services will be delivered primarily through a commercial relationship with Rowing Australia but will also encompass the provision of insurance services as specified in Section C below to consenting rowing affiliates.

Rowing Australia currently utilises the services of MARSH Pty Ltd. Rowing Australia wishes to confirm that this Tender is in no way reflective upon the good relationship and quality of services enjoyed from MARSH Pty Ltd. Rowing Australia's compliance with good governance requires that they tender for the service of their professional advisers from time to time.

Rowing Australia requires Tenderers to comment on, and where applicable make recommendations regarding the scope of the existing insurance program. No Tenderer is authorised to release specific Tender information to underwriters throughout this Tender process or to make commitments on behalf of RA with the insurance market.

Each Tenderer is required to specifically outline the proposed cost of their services in accordance with the requirements of this Tender.

Tenderers are to note the following:

1. Tenders will close at 5.00 pm on Friday 14th May at the location described in Section B.
2. By submitting a Tender, the Tenderers agree to the conditions specified in Section B.

SECTION A

INFORMATION TO TENDERERS

Rowing Australia - Information and Profile

Business Description

Rowing Australia (RA) is the national governing body for the sport of rowing. Formed in 1925, it is the only organisation recognised by the Federation Internationale des Societies d’Aviron (FISA), the Australian Sports Commission (ASC), the Australian Olympic Committee (AOC) and the Australian Paralympic Committee (APC) to conduct rowing activities in and on behalf of rowing in Australia.

Rowing Australia is an experienced domestic and international insurance consumer and has enjoyed profitable and rewarding relationships with insurance, claims management and risk management providers over many years. RA is seeking to achieve a similar future partnership with the successful tenderer.

RA aims to promote the highest standards of safety and fairness in the conduct of rowing within Australia.

Rowing Australia encourages that all rowing within Australia is conducted in a manner that secures and enhances the safety of all those involved, including participants, officials, volunteers, spectators and the public.

Rowing Australia works to benefit all rowing participants in Australia, consisting of approximately 40 000 in total, ranging from young rowers at school level through to rowing programs offered by universities and clubs at the junior, senior and masters level. This includes the members of 246 affiliated schools, 185 affiliated clubs and over 1500 accredited coaches and 45 accredited officials.

For additional information regarding Rowing Australia, Tenderers should visit the website at www.rowingaustralia.com.au.

Rowing Australia – Background and Commitment to Excellence

Rowing Australia is a company constituted under the provisions of the Corporations Act 2001. The Board of Rowing Australia comprises six elected Directors and up to two appointed Directors. The Board of Rowing Australia is elected to govern the management of the affairs of the Company and is the policy determining body for rowing in Australia.

Rowing Australia aims to use best practice in risk management to support and enhance activities in all areas of Rowing Australia organizational operations to reinforce its commitment to promote and achieve safety, fairness and social responsibility in the conduct of rowing under its sanction.

Rowing Australia utilises a structured risk management program which has been developed to suit its unique circumstances and to minimise reasonably foreseeable disruption to operations, harm to people and damage to the environment and property.

Additional information in relation to Rowing Australia's Member Protection Policy can be found on the Rowing Australia website at http://www.rowingaustralia.com.au/about_ra_policies_mpp.shtm.

Rowing Australia Financial Data

Financial data for Rowing Australia is provided in the annual reports available online at http://rowingaustralia.com.au/about_ra_pubs_ar.shtm

Rowing Australia Insurance Information

Summary of the Current Insurance Program

A summary of Rowing Australia's current insurance program is available upon request. It includes, but is not limited to the following policies:

- General Property Insurance including the Rowing Australia office
- Business Pack Insurance
- Personal Accident - voluntary workers
- Marine Liability Insurance for the conduct of Regattas
- Directors and Officers Insurance and Company Reimbursements
- Public & Product Liability & Professional Indemnity
- Marine Insurance for boats stored in Australia
- Marine Insurance for boats stored overseas
- Professional Indemnity
- Corporate Travel Insurance
- Workers compensation insurance
- Group Personal Accident and Injury Insurance

The current insurance program caters for the Rowing Australia organisation comprising approximately;

- 15 staff
- 6 Directors
- 7 Members (being the State Associations)
- 3 National Teams, each completing one tour annually with approximate team sizes of 60 (senior A), 40 (Under 23) and 30 (Junior)
- 4 regattas annually comprising Selection events (250 competitors), National Championships (1200 competitors), Masters Championships (1500 competitors) and Youth Cup (100 competitors)
- 4 training camps annually catering for an aggregate total of 250 individuals

The current insurance program for the above requirements has a common renewal date of 1st December 2010.

The successful Tenderer will be required to take over and manage all current insurance policies on expiry and to arrange review and renewal of all policies prior to their placement. They will also be required to review the adequacy of the current insurance program and propose improvements as appropriate.

Proposed Changes – National Scheme

Rowing Australia is seeking to achieve a national insurance scheme to provide, where appropriate, the insurance products currently held by Rowing Australia to all member associations and rowing clubs. The advantage of such a scheme is twofold, namely;

- To ensure that all members and rowing clubs and schools across Australia have appropriate insurance cover
- To access the buying power that will lower the premiums for all participants without limiting the level of cover provided.

It is suggested that the most appropriate manner of constituting such a national insurance scheme is for the successful tenderer to establish a suitable insurance program for a rowing club or association and to institute this program through Rowing Australia in the first instance and subsequently to State Rowing Associations and rowing clubs on an 'opt in' basis. It is anticipated that the national insurance program will be delivered via a rolling implementation.

It is suggested that a tiered model of insurance broking, claims management and risk management is provided to meet the differing requirements of each member association, rowing club and school. The tiers will be determined by gross assets of each participating organisation. It is estimated with reference to the following model that there is 126 small, 49 medium and 10 large clubs within Australia.

An example of the suggested tiered model is as follows (all values are estimates):

	Members	Accredited Coaches	Number of Boats	Aggregate Value of Boats	Value of Other Equipment
Small	Up to 50	6	11	\$200,000	\$10,000
Medium	51 – 99	11	22	\$400,000	\$20,000
Large	200+	20	44	\$800,000	\$40,000

It is estimated that the total aggregate value of rowing equipment in Australia is \$400 - \$500 million.

Any alternative suggestions or appropriate models to better facilitate coverage should be outlined clearly in the Tender.

Some clubs may wish to expand on the current list of products to include cover such as Building and Contents Insurance. Such extensions would be investigated on an individual basis but should still reflect the principles of a national insurance scheme.

Selection of Insurers

Rowing Australia will assess its preferred tenderer consistent with point 11 of Section B. As an overriding principle Tenderers will be selected on a combination of price, service and any other relevant consideration.

Whilst cost is an important consideration Rowing Australia does not wish to enter into a business relationship with Insurers who do not have adequate financial standing and who will not respond fairly, in good faith and within reasonable time frames in the event of a claim.

Rowing Australia requires that the Tenderer recommend insurers who meet the above criteria. In addition, Rowing Australia requires Tenderers to confirm that at all times insurers recommended by them will meet Rowing Australia's security requirement and also to provide upon request relevant financial ratings as published by Dunn & Bradstreet or similar in respect of all insurers.

Brokerage Fees and Remuneration

Rowing Australia is open to suggestions regarding the most appropriate form of brokerage fees and remuneration to the successful tenderer. Two examples of such arrangements may include:

- a) A combination of the Tenderer receiving commission from the Insurer/s and a fee for service.
- b) A fee for service only whereby no additional remuneration (whether by way of brokerage/commission or other) is to be received by the Tenderer or any of its entities or associated companies or correspondent agents, whether in Australia or overseas.

Service Personnel

Throughout the period of the Tenderers' appointment, they will be required to answer numerous queries from Rowing Australia and their respective stakeholders. It is important to Rowing Australia that the Tenderer's nominated service team comprises staff who have the skills, experience, knowledge and capacity to respond effectively and in a timely manner.

It is recognised that the service team may comprise a range of personnel from different areas within the Tenderer's organisation.

SECTION B

GENERAL INSTRUCTIONS TO TENDERERS

1. Completed tenders shall be returned in a sealed envelope in time to reach the address on the invitation, ***to arrive no later than 5:00pm AEST on Friday 14th May, 2010.***

Envelopes shall be clearly marked 'Insurance Services Tender'

Late applications will not be accepted

2. **Tenderers should read this document carefully and respond using the order provided, i.e. please indicate the corresponding section, paragraph and number to which your response relates, including specifying where the tenderer is unable to provide such services.**
3. Rowing Australia shall not be liable in respect of any costs incurred by the tenderer in the preparation of the tender proposal or any associated work effort, including the supply of presentation material, brochures, specifications or manuals for evaluation and the return of such items to the tenderer, following such evaluation.
4. Rowing Australia shall not be bound to accept the lowest or any tender proposal, and reserves the power to accept any part of any tender proposal, unless the bidder expressly stipulates to the contrary at the time of tendering.
5. Rowing Australia will consider category specific responses in addition to the provision of a service which encompasses all of rowing's insurance requirements.
6. All tenders shall be submitted in Australian dollars only and exclusive of GST.
7. Tenderers shall fully disclose all commissions and fees applicable to the provision of services specified in this tender.
8. This tender document is provided in good faith and is believed to be accurate and reliable. Neither Rowing Australia nor any of its employees, officers, advisers or consultants are liable or responsible in any way for the accuracy or completeness of this tender document or liable for any loss or damage.
9. At any time up to three (3) working days before Tender closing time Rowing Australia may issue addenda to this tender document to modify or clarify the tender documents in any manner whatsoever including as a response to any enquiries from a Tenderer. Rowing Australia may issue addenda at a later time and may at its discretion extend the tender closing time by an appropriate period.
10. Notwithstanding any other requirements of this tender document, Rowing Australia may require a Tenderer to submit additional information concerning the Tender before any Tender is accepted. Should the Tenderer fail to submit such information by the date and time stipulated by Rowing Australia, Rowing Australia may at its absolute discretion, decline to further consider the Tender.

11. EVALUATION OF TENDERS

Rowing Australia may, after concluding a preliminary evaluation of Tenders, reject any Tenders that, in its sole opinion, are unacceptable.

Rowing Australia may, in its absolute discretion, appoint a Preferred Tenderer(s).

If required Rowing Australia may invite Preferred Tenderer(s) to provide a presentation to the Evaluation Panel.

Final negotiations over terms and conditions and detailed requirements will be conducted on an exclusive basis with the Preferred Tenderer(s).

Tenderers may be shortlisted for evaluation according to the completeness of the tender proposal responses and evidence provided in response to Section 3 with particular reference to the evaluation criteria below.

- Demonstrated capacity and ability to meet the requirements of Section 3.
- The scope, innovation, technical capacity and relevance of responses to Section 4.
- The organization, presentation and responsiveness during any formal presentation to Rowing Australia.

All Tenders must be submitted in accordance with the following requirements:

- A minimum of One (1) printed copy of the tender proposal must be submitted, together with an electronic copy of the full tender proposal in Microsoft Word format returned via email to mtreglown@rowingaustralia.com.au
- Copy of audited financial accounts for the previous two (2) years.
- Rowing Australia reserves the right to conduct a due diligence assessment of the prospective partner's financial viability

Note: Tender proposals not meeting the above qualifying criteria may not be considered for inclusion in the evaluation process.

Please send your tender response to:

Mr Matt Treglown
Corporate Operations Manager
Rowing Australia
PO Box 245
Belconnen ACT
2616 Australia
Tel: +61 2 6256 5906
Fax: +61 2 6256 5955
Email: mtreglown@rowingaustralia.com.au

SECTION C

Response from Tenderers

To assist with the evaluation process, please provide the Tender response in the following format and ensure all specific issues are addressed.

a. Proposed Insurance Program

Outline the following:

- Recommended scope of cover and any suggested amendments to the program;

- Suggested levels, sub-limits and deductibles;
- Any Special conditions and / or exclusions;
- Anticipated stability of insurance premiums for the next three years;
- Any other information considered relevant by the Tenderer.

b. Claims Management

Outline the following:

- The scope and description of claims management services offered;
- The manner in which any existing claims would be managed;
- Provision of management information reports;
- How regular feedback will be provided on claims issues;
- The recommended notification and claims handling process;
- Codes of Practice that will be respected in providing services; and
- Any other information considered relevant by the Tenderer

c. Approach to Insurers

Outline the following;

- Proposed marketing plan of rowing's plan to insurers;
- Recommended insurer(s), capacity and financial status of each (acknowledging Rowing Australia requirements on this issue);
- Experience of the proposed insurers; and
- Any other information considered relevant by the Tenderer.

d. Service Philosophy and Team

Outline the following:

- Proposed service team and specifically;
- Who will manage Rowing Australia insurance requirements;
- Who will be responsible for day-to- day service;
- Qualifications, experience and location of the proposed service key personnel;
- Other key accounts handled by the proposed key personnel;

- Overview of time available for Rowing Australia by proposed key service personnel, given the extent of their other commitments;
- Services to be provided by the Tenderer, draft Service Agreement and key performance indicators;
- Implementation Timetable.

e. Risk Management Advice

- Proposed personnel who will provide risk management advice;
- Nature of specialist services available including contractual advice;
- Experience of proposed personnel

f. Administration

Outline the following:

- Proposed day to day administration;
- Procedures and timing for issuing documentation and payment of premiums;
- Value added services; and
- Any other information considered relevant by the Tenderer.

g. Financial

Outline the following:

- Proposed remuneration including an estimate of time commitment for different services;
- Outline remuneration for a period of the three years with appropriate information on issues that might vary the quoted fees;
- Confirmation of the brokerage fees and remuneration arrangements (whether by way of brokerage or other) are to be received by the Tenderer or any of its entities
- The proposed treatment of all administration costs
- Outline any benefits including sponsorship and rebate arrangements the Tenderer would provide to or broker on behalf of Rowing Australia, including the annual level of contribution the Tenderer or third party would contribute and what benefits the Tenderer or third party would expect to receive from Rowing Australia in return for its sponsorship arrangements.

h. Background Information from each Tenderer

Provide the following:

- Full name of the Tenderer;
- Copy of the two most recent statements of financial position of the Tenderer and other relevant information that demonstrates the financial stability of the Tenderer;
- The nature and level of Professional Indemnity and Fidelity Insurance held by the Tenderer;
- Details of depth of experience relating to major accounts, how these have been serviced and three relevant referees;
- Provide a list of the top five insurers with whom the Tenderer placed Liability/Casualty and Property business in the year 2009/2010, their location and the percentage of your business placed with them;
- Details regarding the Tenderers' management of Insurer Security;
- Details of any perceived or known potential conflict of interest of which Rowing Australia should be aware; and
- Additional information considered relevant by the Tenderer.

i. References

Please provide details of a minimum of three companies/organisations to whom you have previously provided similar services. Contact details should be provided as Rowing Australia may wish to obtain a reference from the company or organisation concerned.