



Pakistan Reinsurance Company Limited

(Under the administrative control of Ministry of Commerce, Government of Pakistan)

PRC Towers, 32-A, Lalazar Drive, M.T. Khan Road, Karachi, Pakistan

Ph: 021-99202908- 14 Fax: (92-21) 99202920-21 & 22

prcl@pakre.org.pk, Website: www.pakre.org.pk

TERMS AND CONDITIONS FOR TENDER NO. 138 (PRCL-RETRO-PPGL (PV)/2026

1. Bidder should be an international (re)insurance broker having an annual premium placement volume of at least USD 500 million, evidence of which must be submitted with bids. The international broker should submit the bid directly. The local affiliate must have a valid SECP license, NTN, Sales Tax (if services are taxable), and on active taxpayers' list of FBR. PRCL may any time ask for a foreign and local broker's written agreement or MOU etc. Nevertheless, the (re)insurance premium will only be paid/transferred into a foreign broker's account, whose signed and stamped slips are submitted with bids and similarly, refund/adjustment premiums, Claims proceed, if any, should be transferred by the foreign broker directly into PRCL's account. Foreign brokers as well as local affiliate both are required to submit copies of their respective valid professional indemnity policies meeting regulatory requirements of their respective countries of registration.
2. One Bidder (international broker) can submit only one bid; more than one bid(s) received from one broker will be liable to rejection.
3. Bidder shall not be blacklisted by any Government Agency/Institution of Pakistan. The bidder shall affirm this condition in their technical submission. However, temporary blacklist firms/bidders can submit bids if the blacklisting period has ended before the bid submission date.
4. Bidder who wishes to participate in this tender shall also intimate the name, contact number, and e-mail address of its authorized representative. Only the authorized representative shall be allowed to communicate with PRCL, seek clarification, participate in pre-bid conference/bid opening, etc. Further please note that any email from local affiliated broker, if sent without keeping in loop international broker, the same will not be entertained by PRCL. Hence, international broker must be kept in the loop in all emails/correspondences with PRCL.
5. Bidder must submit a signed/ stamped compliance matrix that must be on foreign broker's letter-head with their Technical bid and premium calculations with their financial bid as per the format provided with this letter.
6. Bid should be a FIRM QUOTE (not an indication or subject to 'Best Terms'). Price change/variation after opening of bids may lead to disqualification of the bidder/rejection of the bid.
7. Leader's written confirmation must be submitted by the broker to support any clarification/correction in their bid/policy wording that may be provided by them in response to PRCL's request.
8. Bid should be without any expressed or implied subjectivities/conditions/additional exclusions and warranties otherwise it may lead to disqualification.
9. All non-conditional discounts (e.g., Client and special Discounts etc) must be separately mentioned in the bid. PRCL will include these discounts in financial evaluation.
10. All conditional discounts and bonuses (e.g., No claim bonus, prompt payment discount, and continuity discount) must separately be mentioned in the bid. Being conditional such discounts/bonuses whether upfront or otherwise, will not be included in the financial evaluation/comparison. Only in case of a tie such conditional discounts/bonuses will be included in comparison.
11. Bidder shall ensure that the lead reinsurer, whose quote is being submitted, shall later be reflected in the placement sheet with the required lead share. The cover note/policy wording must also be signed by the same leader with the share quoted in bids.



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12. Bidder must provide risk-wise break up along with the premium for each section as well as the aggregate premium in their financial bid. A computation sheet summarizing the gross premium/price to net premium/price working shall also be submitted
13. The bidder whose submission (i) is compliant with evaluation criteria and other conditions of the bidding documents and PRCL's requirements and (ii) having lowest evaluated bid shall be declared as the successful bidder.
14. Successful bidder shall complete placement at the earliest but not later than 15 days from the date of issuance of the placement order. The bidder will provide KYC/UBO forms filled broker themselves, leader and follow markets along with the complete documents after placement within 30 days.
15. The size of reinsurance order to the winning broker of this tender shall be advised by the PRCL at the time of order placement that may vary from the reinsurance order placed with the incumbent broker for the expiring period.
16. If requested by the client or circumstances so warrant during the reinsurance period, the incumbent broker may be asked for amendment(s) in cover &/or additions / deletions in the items covered &/or increase / decrease in the sum(s) insured / limit(s) of liability / deductible(s) etc. The terms and conditions of these endorsements will be mutually agreed upon by all the parties involved.
17. If requested by the client or circumstances so warrant the incumbent broker may be asked to arrange extension(s) in the period of reinsurance cover on pre-rata basis. The time span of such extension(s) may be for one or more full policy periods or less than a full policy period. The terms and conditions of these extensions will be mutually agreed upon by all the parties involved. Further, in case a discount is offered by the incumbent brokers/reinsurers in lieu of an LTA (Long Term Agreement) or Extension of the reinsurance covers for multiple years, the same may be accepted by PRCL on insured's approval thereto.
18. In case of appointed broker's poor services especially with regards to the claim(s) recoveries under the cover in question whether slow &/or no response to the client's/PRCL's emails/correspondence &/or delay in collection of claims proceeds from the relevant reinsurers &/or delay in transferring claims proceeds so collected to PRCL, the contract awarded to the brokers as a result of this tender may be discontinued before completion of its full period and the brokers (foreign and their local affiliates) may also be debarred from participating subsequent PRCL tenders till their issues are resolved to the full satisfaction of PRCL.
19. Name of the leader along with the country of origin and current rating must be advised by the bidder at the time of submitting the bid. Share of the lead reinsurer must be at least 15% and not more than 25% and must hold at minimum "A" rating as per S&P/ AM Best/ Moody's/Fitch that should be clearly confirmed by the bidder in their technical Bid. Separate leaders are allowed on each layer but the lead share in each individual layer must be not less than 15% and not more than 25% of that respective layer. The leader's share stated in the bid must be clearly reflected in the submitted lead quote.
20. The remaining risks must also be placed with "A-" securities or above as per the rating signed by S&P/ AM Best/ Moody's/Fitch. Managing General Agencies and Underwriting Agencies who write the risk on behalf of minimum A- rated securities (signed by S&P/ AM Best/ Moody's/Fitch) are allowed to be used as follow/support market up to 20% of 100%, but in no case any Managing General Agency and Underwriting Agency (irrespective of its principal or owner) is allowed to be used as leader. Further, Takaful/Re-Takaful/Operator/Company is not allowed even as a follower.



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21. Quoted rate must be valid at least for 45 days from the date of bid opening and the bidder must affirm this in their technical submissions.
 22. Premium Payment Warranty (PPW) should be of 90 days from the inception of the policy period.
 23. The quote submitted by the bidder should include 4.40% reinsurance commission that must be paid to NICL/PRCL by the successful bidder. Further, the bidder should provide stepwise computation to arrive at the 100% Net to Broker Amount from the 100% markets gross premium i.e. deduction(s) of discounts and reinsurance commission payable to NICL/PRCL etc.
 24. No additional premium or differential premium other than the leader's quoted rate/ premium shall be allowed. Therefore, the Broker must be able to complete placement of its entire reinsurance order within the leader's quoted rates.
 25. The attached Bid Declaration Form, filled and signed must be submitted by the bidder.
 26. PRCL has the right to cancel the contract at any time if it is found that the bidder was non-compliant with the terms and conditions regarding placement mentioned in the bidding documents. However, in case of non-compliance, 15 days' time to comply shall be given. In case of failure, PRCL may take action as deemed appropriate.
 27. In the event of a dispute arising between PRCL and the successful bidder/ reinsurers, out of or in connection with the contract, such dispute shall be amicably settled through negotiations. If the dispute remains unsettled for 30 days, the parties may resort to Arbitration. The Arbitration shall be subject to the Arbitration Act of 1940 (Pakistan Law). The law and jurisdiction for arbitration/litigation must be that of the Islamic Republic of Pakistan.
 28. Any query relating to the risk should be shared with PRCL 05 days prior to the bid opening date.
 29. Direct Communication by the broker with the client/insured/NICL without keeping in loop the procuring agency i.e. PRCL is against the rules hence not allowed at any stage of the tender and even after placement of reinsurance order as well as during/after commencement of reinsurance cover. If is done, it may lead to disqualification of that broker. Requests for road shows and risk surveys should also be addressed to PRCL only without involving NICL and insured, as PRCL will take-up such requests of broker with them and revert.
 30. If any participants/brokers use unethical/threatening wording/language it may lead to their disqualification.
 31. Internal Procurement Committee (s) of PRCL shall evaluate all the bids.
 32. PRCL has the right to extend the date of opening of the bid or to cancel the bidding process if required, and issue addendums, corrigendum, and modifications to any or all conditions of bidding documents prior to the opening of bids.
 33. PRCL does not bind itself to accept the lowest or any quote (if technically non-compliant) and as per above stated conditions and reserves it's right to accept and/ or reject any or all offers/bids without assigning any reasons.
 34. Complaints/grievances (if any) will be entertained as per PPRA guidelines.