



**PRIVATE SECURITY SECTOR PROVIDENT FUND
REQUEST FOR BID:
FUNERAL INSURANCE SERVICES
Sep-18**

**DESCRIPTION: INVITATION TO BIDDERS TO SUBMIT
PROPOSALS FOR THE APPOINTMENT OF
A FUNERAL BENEFIT INSURER FOR ALL
PSSPF MEMBERS**

1. INTRODUCTION

The fund is intent on procuring the services of a registered funeral benefit insurer. This is an open tender and all types of funeral benefit insurers are welcome to submit proposals. This tender is undertaken in terms of the fund's Procurement Policy dealing with open market tender bids.

The following are the requirements to tenderers: -

1.1 R30 000 scale of benefits

1.2 Standard benefit scale

1.3 Exclusions

1.4 Waiting period for benefits

1.5 Repudiation of benefits

1.6 Other benefits included in the pricing:

1.6.1 Memorial benefit

1.6.2 Repatriation of mortal remains

1.6.3 Storage of mortal remains

1.6.4 Legal assistance

1.6.5 24-hour client and claim assistance

1.6.6 Trauma assault and HIV protection

1.7 Family members included in the benefits:

1.7.1 Main member

1.7.2 Spouse

1.7.3 Children not studying full time

1.7.4 Children studying full time

1.7.5 Age for cessation of benefits

1.8 Key services standards:

1.8.1 Payment of funeral claims

1.8.2 General queries

1.8.3 Premium reconciliations

1.9 Premium per benefit scale per member per month:

1.9.1 R30 000 scale

1.9.2 Guarantee period

1.9.3 Profit share availability and terms

1.10 Robustness of pricing basis

1.10.1 How many lives is the premium based on?

1.10.2 What is the expected death rate per 10 000 lives?

1.10.3 What is the expected claim per death?

2.1 General Requirements

2.1.1 Registered name of the company

2.1.2 Company registration number

2.1.3 Physical address of the company head office

2.1.4 Other offices in South Africa

2.1.5 Executive directors

2.1.6 Non-Executive directors

2.1.7 Total number of employees

2.1.8 Complete details of current shareholders

2.2 Business Philosophy

2.3 Structure of organisation

2.4 Executive management structure in funeral benefits division

2.5 When did you start providing funeral benefits as a business offering

2.6 BEE Rating

2.7 The size of the reserves you are holding as a percentage of premium income

2.8 By size of Fund, what is your main target market?

2.9 SARS Tax Clearance Certificate

2.10 Level of professional indemnity

2.11 Quality Standards

2.12 Risk & Governance

2.13 Human Capital

How many new staff do you anticipate recruiting, should you be the successful bidder?

2.14 Client Base

List each client showing premiums payable, number of lives at risk, client name and date commenced cover

2.15 Service Standards

2.15.1 Provide details of your standard turnaround times for different services

2.15.1 Provide a specimen Service Level Agreement.

2.16 Procedures

2.16.1 To what extent would you expect the fund to follow your standard procedures?

2.16.2 Would you provide a manual detailing how you will operate, and what you require of the Employer?

2.16.3 How would you manage and report non-adherence to your requirements?

2.17 Reporting

2.17.1 How do you establish reporting requirements with clients?

2.17.2 How flexible can you be in tailoring reports as to meet the fund's requirements?
Please provide samples of your "standard" output.

2.17.3 Would you be prepared to provide all the current reporting that is used by the fund at present?

Please supply examples of administration reports for Trustee meetings including service standard reports. (Including detailed section 13A reporting specific to the Fund's current practice. Which will be detailed in the administration agreement entered into by the parties).

3. CONTRACT

- 3.1 What is the minimum term that you would be prepared to contract with the fund for?
- 3.2 Would you be willing to contract with the fund on the basis set out in the Introduction section to this document?
- 3.3 Please confirm that services and standards agreed between you and the Trustees would be included in the contract terms.
- 3.4 Please provide a sample contract that encapsulates the tender responses as set out herein.

4. COSTS

- 4.1 Detailed estimates of costs for all aspects of the services listed above
- 4.2 Additional charges for transfer & implementation
- 4.3 Additional charges for data audit and take on
- 4.4 Confirm what is covered by a transaction if charges are transaction based.
- 4.5 Hourly charge rates for ad hoc work
- 4.6 How and when would costs be reviewed in future?
- 4.7 Any circumstances that would not be covered by the above answers to the questions on costs.

5. FURTHER REQUIREMENTS

- 5.1 The insurer must be willing to sign the relevant non-disclosure and non-use of information without authorisation;
- 5.2 Demonstration of how strict delivery criteria will be adhered to i.e. timeframes, format, methodology, legislative compliance, other related Fund requirements;
- 5.3 Agreement and signature of Service Level Agreement;
- 5.4 Detailed periodic progress reports as agreed by the Fund, and
- 5.5 The provider must submit its latest audited financial statement as part of the tender response.

Funeral Cover

Main Member	R30 000
Spouse	R30 000
Child 14 to 21 (up to 29 if studying full-time)	R30 000
Child 6 to 13	R19 000
Child 1 – 5	R14 000
Child 0 to 11 months (including stillborn)	R7 500

Accidental Disability Cover

Loss whether by physical separation or due to permanent and total loss of use of:

One or both hands or one or both feet	100%
Four fingers of one thumb of one hand	50%
For fingers of one hand	40%
THUMB:	
Both phalanges	20%
On phalanx	10%
INDEX FINGER:	
Both phalanges	10%
Two phalanges	8%
One phalanx	2%
MIDDLE FINGER:	
Three phalanges	6%
Two phalanges	4%
One phalanx	2%
RING FINGER:	
Three phalanges	5%
Two phalanges	4%
One phalanx	2%
LITTLE FINGER:	
Three phalanges	4%
Two phalanges	3%
One phalanx	2%
TOES:	
All on one foot	15%
Great, both phalanges	5%
Great, one phalanx	2%
Other than great, if more than one toe lost each	1%
PERMANENT TOTAL LOSS OF:	
Sight in one or both eyes	100%
Hearing in both ears	75%
Hearing in one ear	15%