

04/30/2019

Request for Proposal Specialized Industry Insurance Program

I. About the Climbing Wall Association, Inc. (CWA)

The Climbing Wall Association is a 501(c)(06), non-profit, industry trade association incorporated in May of 2003 for manufacturers of climbing wall equipment, builders of climbing walls, operators of climbing walls, and others involved in the recreational climbing industry. The CWA is headed by a CEO and governed by a six person Board of Directors. Currently the CWA has three full-time employees. The mission of the Climbing Wall Association is to support the growth, health, independence, and professionalism of the climbing wall industry.

The CWA is the only trade association addressing the needs and interests of the recreational climbing wall industry. We serve climbing gyms, climbing wall operators in other recreational settings, climbing wall manufacturers, climbing equipment manufacturers, consultants and others involved in the climbing industry. We do not represent or serve the amusement or entertainment industries.

The CWA provides trade association services to over 400 companies in the climbing industry. The CWA works diligently to develop and maintain standards for the industry (engineering, structural inspection, and certification), publishes the "Industry Practices," represents member interests in regulatory and legislative processes, sponsors professional development events, maintains a certification program for climbing wall instructors, provides support services and benefits to companies in the industry, and promotes the sport of recreational climbing to increase market size and improve market climate.

The CWA organizes, vets and endorses insurance programs for its members in the climbing wall industry. CWA insurance programs are available only to current members of the CWA as a member benefit. Maintaining the insurability of the market, both availability and price stability, are critical objectives of our insurance programs. Current program components include:

- commercial general liability insurance,
- participant accident medical insurance,
- property insurance, and
- umbrella and excess insurance.

The insurance program is an important part of our membership offerings. For more information about the CWA go to <http://www.climbingwallindustry.org>.

II. RFP Overview

The CWA is now soliciting proposals from qualified, licensed entities to provide specialized and superior insurance programs for the association and its Canadian members. All proposals submitted in response to this RFP must be made in writing and conform to all of the requirements and specifications stipulated herein.

The Association is requesting proposals for an Association-endorsed group insurance program ("Program") that can be made available to current members of the Association. The Program should include:

- a. Commercial General Liability Insurance,
- b. Participant Accident Medical Insurance,
- c. Property insurance,
- d. Umbrella and Excess insurance, and
- e. Worker's Compensation Insurance.

The objective of the Program is to provide a group option for insurance products for Association members. *Participation in the Program will not be a condition of membership in the Association. Members of the Association will be free to obtain coverage from any source they deem appropriate. Members will be free to work with a broker of their choice. However, participation in the Program will not be open to non-members of the Association.*

It will be important that the insurance company or companies providing the insurance meet certain minimum requirements, in other words: be rated A-, VIII, with a positive or stable outlook or better by A.M. Best Company or similar Canadian rating agency, and be licensed in all provinces. Similarly, insurance producers submitting proposals must be licensed in all provinces as of the Program inception date.

The goal of this RFP is to identify an insurance entity to propose handling a Program that will address the unique needs of the CWA Canadian membership, allow recreational climbing facilities to operate according to common industry and sport climbing practices, and provide advantages in coverage, underwriting expertise, long-term stability, competitive rates, superior claims handling, aggressive defense of claims, and excellent customer service to the CWA and its members.

The CWA intends to retain the successful proposer pursuant to a "Best Value" basis, not a "Low Bid" basis ("Best Value," meaning that CWA will consider cost as well as other important factors in making the award decision). Specifically, the CWA will favor firms with experience creating and/or managing association insurance programs, a proven track record of excellent customer service; a demonstrated ability to communicate proactively, clearly, and consistently with its association partners and customers; and a philosophical commitment to promoting and protecting adventure recreation as vital to the public interest.

One of the most important factors in the award decision will be policy terms and conditions, particularly with respect to the general liability policy. Every effort should be made to include broadened coverage terms, either automatically or at the option of the member. Proposals including nonstandard coverage limitations, terms or conditions will be penalized.

CWA is looking for a long term relationship with a sophisticated firm who can assist the CWA in strengthening its insurance program and grow member participation.

A compensation arrangement in consideration for the use of the association's name, logo and/or endorsement will be required.

III. Reservation of Rights

The RFP process is for the CWA's benefit only and is meant to provide the CWA with competitive market information to assist in the vendor selection process. All decisions regarding compliance with the RFP, evaluation of proposals, terms and conditions will be made solely at our discretion.

- a. CWA reserves the right not to award a contract pursuant to this RFP.
- b. CWA reserves the right to reject any or all proposals, or to amend, rescind, or terminate the RFP process at any time, for any reason or no reason whatsoever.
- c. CWA reserves the right to reject a proposal if it is non-responsive or non-compliant with the requirements set forth in this RFP, including but not limited to incomplete proposals.
- d. CWA reserves the right to waive any informality, irregularity or discrepancy in any proposal at its sole discretion.
- e. CWA reserves the right to request clarification regarding a proposal at any time; failure to respond is cause for rejection. A request for clarification may not be used to materially change the proposal.
- f. CWA reserves the right to verify any information submitted by any insurance entity included in a proposal. Misleading responses or inaccurate information are causes for rejection.
- g. CWA reserves the right to prohibit any further participation by a proposer or reject any proposal or contract submitted at any time during the RFP or contract negotiation process.
- h. CWA reserves the right to negotiate the terms, rates, and fees proposed prior to the awarding of a contract.

Proposals become the property of the CWA and will not be returned. Your proposal will not be confidential, unless you request in writing, in advance, that we treat certain information in your proposal as confidential.

Proposers must be prepared to act on proposals as submitted. However, contract negotiations will be necessary. If negotiations do not result in an agreement acceptable to the CWA within fourteen days, the CWA may reject the proposal or revoke the award and may begin negotiations with another entity. Final contract terms must be approved by the CWA Board of Directors and signed by the President & CEO.

This RFP and the resulting contract are to be governed by the laws of the State of Colorado, without regard to the applicable choice of law principles. Changes in applicable laws and rules may affect the award process or the resulting contract. Proposers are responsible for understanding applicable legal requirements and restrictions.

IV. RFP Timetable

CWA will review and evaluate all proposals on a rolling basis beginning July 15, 2019.

- April 28, 2019 RFP Published
- Week of July 7, 2019 Pre-Proposal Conference Calls
- July 15th, 2019 5 p.m. MDT – Proposal Deadline
- Week of July 21st, 2019 Presentations by Finalists
- July 31, 2019, Decision on Proposals

Pre-proposal conference: The scheduled pre-proposal conference is not mandatory. The purpose of this conference is to assist prospective proposers in having a full understanding of the RFP document and the needs of Association members so that proposers feel confident in submitting an adequate and appropriate proposal. Prospective proposers may ask questions, however the CWA may require that certain questions be submitted in writing prior to a response. Prospective proposers may use the pre-proposal conference call to make a request to reserve a market.

It is the responsibility of the proposer to address all communication and correspondence pertaining to this RFP process ONLY to the contact person. Proposers must not make inquiry or communicate with any other CWA staff member, officer, or board member regarding this RFP. Failure to abide by this requirement may be cause for the CWA to reject a submitted proposal.

V. Scope of Insurance Services

The following defines the minimum scope of insurance services which will be required of all proposals. Proposals should address how the applicant intends to satisfy these requirements.

a. Planning

- i. Develop an understanding of CWA member needs in specialized areas and provide advice to CWA regarding insurance, risk management, loss control, and long term insurability of members.
- ii. Develop a working knowledge of CWA risk management assets: engineering specification, structural inspection specification, certification programs, "Industry Practices" document.
- iii. Assist in developing further risk management resources for CWA members.

b. Underwriting

- i. Develop appropriate and objective underwriting guidelines directly and clearly related to the cost of providing coverage, which are practical to administer and cost-effective.
- ii. Develop an appropriate insurance program application and renewal process in consultation with the CWA.
- iii. Determine proper coverage and limits for exposures common to climbing facilities in general.
- iv. Identify and evaluate risk exposures of CWA members on a case-by-case basis.
- v. Conduct on-site risk management assessments as needed.
- vi. Determine policy premiums.
- vii. Protect the integrity and long-term viability of the insurance program.

c. On-going Insurance Services

- i. Accurately issue any required binders, certificates, policies, or endorsements.

- ii. Keep current on all exposure changes and order policy changes or endorsements as appropriate.
 - iii. Deliver insurance policies or binders during term of coverage.
 - iv. Provide monthly bordereau to CWA.
 - v. Provide quarterly and annual reports for CWA and its members on program performance and risk management.
 - vi. Annual or as needed meetings with CWA staff.
 - vii. Provide or sponsor risk management training for CWA members.
- d. Billing, Audits, and Premium Adjustments**
- i. Coordinate program eligibility with CWA membership department.
 - ii. Produce accurate bills, audits, and any other premium adjustments.
 - iii. Provide CWA with a review of any audits relating to placed insurance.
 - iv. Offer incentive program relating to favorable claims experience and risk management practices.
- e. Claims Management**
- i. Classify incoming claims.
 - ii. Assist members in the claims reporting and filing process.
 - iii. Conduct claim investigations as needed.
 - iv. Provide claims review services.
 - v. Actively monitor all claims.
 - vi. Actively advise and assist carrier's claims adjusters.
 - vii. Retain outside counsel as needed.
 - viii. Monitor for claims over-payment leakages.
 - ix. Notify CWA of program related claims promptly.
 - x. Monitor customer satisfaction related to claims reporting and resolution of claims.
- f. Reporting Requirements**
- i. Annual Reporting to the CWA:
 1. A summary of existing insurance coverages, endorsements, and exclusions.
 2. A summary of rates and fees.
 3. A cumulative loss report for the program.
 4. A summary of claims, losses, settlements, and retentions.
 5. A summary of risk management activities that were provided or are available to members.
 6. Proposals for loss control measures that may be advisable.
 7. Observations and recommendations on new developments in insurance.
 8. Summary of performance, including total number of participating members, facilities, premium.
 9. Summary of losses and loss ratios by line of coverage.
 10. Other items CWA may request.
 - ii. Interim Reporting to the CWA:
 1. Significant claims, including changes in reserves.
 2. Changes in insurance carrier ratings or licensing status.
 3. Changes in policy terms or conditions that apply to the group.

VI. Insurance Program Specifications

Coverage shall be written with a responsible company or companies. Policies written on an admitted basis are preferred. All carriers must carry a current A.M. Best Rating of A-, VIII, with a positive or stable

outlook or better by A.M. Best Company or similar rating agency, and be licensed in all states. The financial condition of the company or companies shall be subject to the approval of the CWA. The following are the **minimum limits** that would need to be offered:

Commercial General Liability Insurance:

Bodily Injury/Property Damage Each Occurrence	\$1,000,000.00
General Aggregate Limit (Other than Products)	\$2,000,000.00
Products-Completed Operations Aggregate Limit	\$2,000,000.00
Personal and Advertising Injury Limit	\$1,000,000.00
Each Occurrence Limit	\$1,000,000.00
Fire Damage Limit (Any one fire)	\$100,000.00
Stop Gap Limit	\$1,000,000.00
Employee Benefits Limit – \$1,000 deductible	\$1,000,000.00 (member’s option)

NOTE: The general liability policy should not exclude coverage for injuries arising out of the instructional activities related to climbing or physical fitness.

Participant Accident Medical Insurance

Accidental Death Benefit	\$5,000.00 - \$25,000 options
Accidental Dismemberment Benefit	\$5,000.00 Maximum
Accidental Medical Expense Benefit	\$5,000.00 Maximum
Accident Medical Deductible	\$250.00 per covered loss
Dental Maximum	\$250.00 per tooth
Paralysis Benefit	\$5000.00 Maximum
Aggregate Limit of Indemnity	\$100,000.00

Property Insurance

Property insurance should be written on an "open perils" or "special" form. Coverage on building and contents should be afforded on a replacement cost basis with an "Agreed Amount Clause" per schedule of valuations. The minimum deductible per occurrence should be \$500 with options for higher deductibles.

Workers Compensation

Workers compensation coverage should be available for participants in all provinces.

Umbrella & Excess Insurance

Limit	\$1,000,000.00 (with options up to \$10,000,000)
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As mentioned earlier, some of our members purchase their insurance directly through the CWA’s managing agent while others purchase their coverage through an independent agent who then brokers the business through our managing agent. Proposals should take this structure into consideration.

VII. RFP Format

So that the CWA can evaluate the offers received, all proposals submitted in response to this RFP must be formatted in accordance with the structure outlined below. Each category must be separated by tabbed and numbered index dividers (which extends beyond the page so that each tab can be located

without searching the entire proposal). The proposal may not conflict with any requirement the CWA has published herein or has issued by addendum.

- 1. Cover Letter**
 - a. Firm, location, and contact information for primary contact– Include name, title, and contact information for all communications pertaining to the proposal. Indicate the company name, dba name, and the address of the office to which correspondence should be addressed.
- 2. Table of Contents**
- 3. Statement of Firm Qualifications**
 - a. Describe the firm's qualifications and ability to perform the scope of services described in the RFP.
 - b. Include information about pertinent prior experience, specialized expertise, and resources the firm can bring to the project.
 - c. Summarize the firm's experience with other association clients or group insurance programs.
 - d. Provide a statement regarding the firm's longevity and stability. How many years in business, plans for growth, other anticipated organizational changes, etc.
 - e. If the firm is using a third party to provide any portion of the proposed services, please indicate the third party's experience, qualifications, names, addresses, contacts and phone numbers along with a description of the relationship and services proposed.
- 4. Key Personnel**
 - a. Provide position descriptions of firm's key personnel, describing role, responsibilities and duties of each position.
 - b. Provide resumes of all personnel that will be assigned (or likely be assigned) to this account or who may interact with CWA members. Include information regarding any relevant credentials or licenses. Do not submit generic descriptions of your staff capabilities.
 - c. Provide an Organization Chart of reporting relationships.
 - d. Describe any anticipated changes in key personnel in the next year.
- 5. Project Approach**
 - a. Describe the approach you intend to apply to the scope of services that are described in this RFP. Include anticipated timeframes for major activities. Please describe your underwriting and claims handling capabilities and responsibilities specifically. Describe the underwriting and/or claims handling activities of your partners.
 - b. Describe any performance guarantees you are willing to offer.
- 6. Market Access – Required Coverages**
 - a. Describe your access to the markets for the insurance products required by the CWA:
 - i. Commercial General Liability Insurance,
 - ii. Participant Accident Medical Insurance,
 - iii. Property insurance,
 - iv. Umbrella and Excess insurance, and
 - v. Worker's Compensation Insurance.
 - b. Describe the policy terms and conditions for each type of coverage.
- 7. Schedule of Proposed Rates and Fees**
 - a. List total not-to-exceed fees, including expenses, to accomplish the scope of services listed in this RFP.

- b. Provide a summary of the estimated number of hours and applicable rates for staff by position title, to accomplish the services for each applicable insurance program.
 - c. Describe any significant assumptions made relative to proposed rates and fees.
 - d. Provide any additional information to help CWA understand your cost structure to accomplish the scope of services.
 - e. Describe the compensation structure that you will receive from the individual insurance carriers, including commission and contingency payments.
 - f. Describe compensation structure that you will provide for brokering agents.
- 8. Compensation Proposal**
- a. Describe the compensation proposal you are offering the CWA, in exchange for exclusive endorsement agreement.
- 9. Client References**
- a. Provide at least three client references for similar programs, as well as a brief description of each program. Please include contact person, title, company, mailing address, email and daytime telephone number.
- 10. Appendices**
- a. Summary of omissions and variances between RFP and response
 - b. Sample insurance program application
 - c. Sample insurance contract
 - d. Sample incident report/claim form

VIII. RFP Submission

All proposals must be received no later than the stated deadline. A total of one signed original and two exact copies of the proposal shall be mailed flat (unfolded) and addressed to:

William Zimmermann, CEO
 Climbing Wall Association, Inc.
 6672 Gunpark Dr., Ste. 101
 Boulder, CO 80301-3387

In addition, an exact copy of the proposal, including any attachments, must be submitted as a PDF document to: bill@climbingwallindustry.org prior to the deadline. Proposals received after the deadline will be accepted at the sole discretion of the CWA.

Each responding organization will bear all expenses associated with preparing, providing, and presenting their response to this RFP.

IX. RFP Evaluation

The following evaluation criteria will be used by the CWA to evaluate each proposal; an *ad hoc* and anonymous committee of three persons will award points for each criterion. The points will be based upon the documentation submitted. The following table identifies the evaluation criteria and their relative weights (points). The maximum number of points is 260.

Points	Criterion
20	Firm's qualifications, capacity, and ability to perform satisfactorily under an agreement with the CWA

30	Understanding of CWA members' businesses and related insurance needs
30	Qualifications and experience of key personnel, including CWA account representative.
40	Policy terms and conditions.
20	Rating, size and financial outlook of proposed carrier(s)
40	The appropriateness of the technical approach of the proposal and the quality of the management plan overall including but not limited to: customer service and satisfaction, quality and timeliness of communications, method of allocating work, procedures for maintaining level of service, complaint resolution, underwriting expertise, claims handling, reporting to CWA, etc.
20	Professionalism, quality, and comprehensiveness of the proposal – compliance w/RFP
20	Proposed rates and fees.
10	CWA compensation arrangement
30	References
260	

X. Contract Award Conditions:

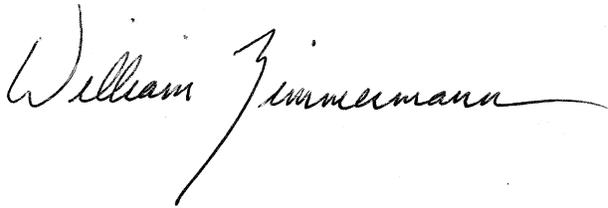
If a contract is awarded pursuant to this RFP, the following requirements, at a minimum, must be met:

- a. **Agreement to RFP Requirements.** By completing, and submitting a response to the RFP the proposer is thereby agreeing to abide by all requirements described in the RFP as issued by the CWA. Accordingly, the CWA has no responsibility to conduct any negotiations pertaining to the RFP language already published after the submittal deadline.
- b. **Contract Period:** The CWA anticipates that it will award an initial contract for the term of up to five years.
- c. **Independent Contractor Status, No Partnership.** Proposer will be considered an independent contractor to the CWA. This RFP does not create a partnership relationship. Proposer does not have authority to enter into contracts on CWA's behalf.
- d. **Business Permits, Certificates and Licenses:** Proposer represents that it has all necessary business permits, certificates and licenses to carry out the services described in this RFP. The successful proposer will also make copies of these business permits, certificates, and licenses available to CWA inspection upon request.
- e. **Insurance Requirements:** Prior to award (but not as a part of the proposal submission) the proposer shall be required to provide an original certificate showing the proposer's professional liability and/or "errors and omissions" coverage (minimum of \$1,000,000 each occurrence, general aggregate minimum limit of \$2,000,000).
- f. **Unauthorized Contractors Prohibited:** The proposer shall not assign any right, nor delegate any duty for the work proposed pursuant to this RFP (including, but not limited to, selling or transferring the contract) without the prior written consent of the CWA. Any purported assignment of interest or delegation of duty, without the prior written consent of the CWA shall be void and may result in the immediate cancellation of the contract at the sole discretion of the CWA.

- g. **Assignment of Personnel:** The CWA shall retain the right to demand and receive a change in personnel assigned to the work if the CWA believes that such change is in the best interest of the CWA, its members, and the completion of the contracted work.
- h. **Contract Service Standards:** All work performed pursuant to this RFP must conform and comply with all applicable local, provincial, and national codes, statutes, law, rules, and regulations.

Thank you very much for your consideration of this Request for Proposals.

Sincerely,

A handwritten signature in black ink that reads "William Zimmermann". The signature is written in a cursive style with a long, sweeping underline.

William Zimmermann, CEO
Climbing Wall Association, Inc.

www.climbingwallindustry.org