

| SI.No. | RFP Clause  | Query  | LICI Response  |
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| 1      | Timelines / actuarial software / infrastructure / resources | a. Please specify the date by which the work under this RFP is expected to start.  | LIC has issued a separate Global RFP for Integrated Suite of Actuarial Software for Life Insurance with Managed Cloud Services.<br><br>Implementation work under this RFP is expected commence at the earliest possible after the purchase of software. In the interest of time, it is expected that initial planning and preparatory work can start after signing of Letter of Appointment (LOA).<br><br>LIC has issued a separate Global RFP for Integrated Suite of Actuarial Software for Life Insurance with Managed Cloud Service .<br><br>The bidder is expected to have adequate qualified and experienced resources to implement the actuarial software in accordance with the Scope of work under RFP. Please be guided by the RFP provisions. |
|        |   | b. Please clarify which actuarial software you are intending to buy.   |  |
|        |   | c. Please clarify if the software vendor selection is expected to be completed before the selection of the implementation partner.   |  |
|        |   | d. Please clarify if any decisions have been made on the infrastructure you will require for the chosen software solution – e.g. number of licenses, exact nature of the application, desktop / server-based etc.  |  |
|        |   | e. Please clarify what resources (number of people / level), if any, do you plan to assign to building the models (working with the selected implementation advisor) as part of this project so that there is an effective knowledge transfer from the implementation advisor to the LICI? |  |
| 2      | Actuarial software license for the bidder                   | Is the bidder expected to procure its own software licenses for the performance of the services under this RFP, or will these be provided by LICI (procuring the necessary approvals from the software vendor)?  | LIC has issued a separate Global RFP for Integrated Suite of Actuarial Software for Life Insurance with Managed Cloud Services. This RFP is for Implementation advisor for actuarial software system.  |
| 3      | Applicable regulations                                      | a. Please specify an 'effective date' at which the applicable regulatory regime is required to be modelled.  | Please be guided by the provisions under this RFP. Timelines is part of evaluation process.  |
|        |   | b. Please clarify if the bidder can charge additional fees for work performed as a result of changes in the regulations after the 'effective date' (e.g. changes from the current factor-based solvency regime to a risk-based capital regime).  | Please be guided by the works specified and the provisions stated under this RFP.  |

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| 4             | Clause : 4.7 (f) :<br>Format of the proposal | It is stated that the bid should be in A4 size. Please clarify if you have a preference for Word/PDF or PPT/PDF type proposals.  | To be provided in Word and PDF.  |
| 5             | Clause : 5.1 (d) :<br>Scope (Products)       | <p>a. What types of products are included in the 80 products required to be modelled? Individual and group, riders included etc.?</p> <p>b. Have the 80 products already been selected? If not, how are the 80 products expected to be selected?</p> <p>c. Is it intended that these 80 products would cover the range of 'features' of all products of the LICI or instead, are these the products with the highest expected contribution to reserves/ IEV etc.?</p> <p>d. Since the scope is currently restricted to 80 products, how are you planning to account for other products of the LICI at the time of IPO? Is the LICI expecting to implement the balance products itself or will they be left 'unmodelled'?</p> | <p>(a) (b) and (c) :<br/>These 80 products are expected to cover the range of products under both individual and group category. For a broader understanding, LIC website <a href="http://www.licindia.in">www.licindia.in</a> may be referred to for the product features.</p> <p>Please be guided by the "Scope of Work" under this RFP.</p> |
| 6             | Clause : 5.1 (d)<br>Scope                    | Are cash-flows pertaining to the reinsurance contracts required to be modelled? If so, how many of the 80 products are reinsured and what types of reinsurance treaties are applicable?  | Reinsurance cashflows are also expected to be modelled. Products are reinsured in accordance with the applicable treaties for the respective products.   |
| 7             | Clause 5.1 d<br>Scope of work                | Please confirm that the current scope is to integrate 80 products only and the current Financial Bid will be applicable only for 80 products   | Please be guided by clause 5.1d , 5.1e and Annexure X of the RFP   |
| 8             | Clause 5.1 e<br>Scope of Work                | Please confirm that during the time of implementation if there are any need of integrating additional products then the same will be deemed additional scope and the payment terms for those additional products will be agreed at that time   | Please be guided by clause 5.1d , 5.1e and Annexure X of the RFP   |

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| 9      | 5.1.d. Build models, test and validate 80 products of LICI's individual and group business as would be specified by LICI in the actuarial software system and provide model documentation for these models. | 1. Please provide high level descriptions of the 80 products to be included in scope - such as product category and note any particularly complex features, riders, joint life requirements, bonus types.   | 1. These 80 products are expected to cover the range of products under both individual and group category. For a broader understanding, LIC website <a href="http://www.licindia.in">www.licindia.in</a> may be referred to for the product features. |
|        |   | 2. Also, if 80 products include group products, would complete member level data be available for them?   | 2 & 3. The details as available will be provided during implementation.   |
|        |   | 3. What level and format of information is available on the 80 products, embedded guarantees, participating dividend/bonus structure, and related items?  |   |
|        |   | 4. What current state experience or model output can be made available for testing and reconciliation?  | 4. Modelled outputs to be validated and calibrated using existing Statutory outputs for reasonableness and accuracy . For other works also validation checks would be required to be performed.Please be guided by the RFP provisions.                |
|        |   | 5. It may be helpful to understand how the current valuation calculations, its data feeds have been constructed; is system documentation available?   | 5 & 6. The current system is developed using either Formula or cash-flow approaches. These models are run are on Redhat Linux and COBOL platforms.  |
|        |   | 6. Are you anticipating if any significant system customizations will be required to successfully implement your business (i.e. unique product features, dividend rules, unique methodologies, or management actions)? It may be helpful to understand how the current valuation calculations, its data feeds have been constructed; is system documentation available? | The available details as available will be shared during implementation.  |

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| 10     | Clause :5.1 (d)<br>Scope (Validation of outputs) | <p>a. Please clarify if the implementation advisor is expected to reconcile the model outputs against the existing systems adopted by the LICI.</p> <p>b. If so, please clarify the exact outputs that are required to be reconciled, for example:</p> <ul style="list-style-type: none"> <li>- statutory reserves</li> <li>- anything else?</li> </ul> <p>c. Please clarify the existing systems / approach used by the LICI in developing the various outputs mentioned in question 7(b) above – e.g. whether using commutation functions or cash-flows; whether on MS Excel / other platforms; the methodology adopted (e.g. Gross Premium Valuation / Net Premium Valuation etc.).</p> | <p>It should satisfy the actuarial judgement and the regulatory requirements. This is one of the reasons for having actuarial resources also in the team for implementation process.</p> <p>The current system is developed by using either Formula or cash-flow approaches. These models are run on Redhat Linux and COBOL platforms.</p> |
| 11     | Clause 5.6<br>Scope                              | <p>It is stated that the scope is 'indicative and non-exhaustive' and services that may be related but not expressly captured in the scope will become integral and mandatory part of the scope.</p> <p>Hence this appears to be an 'open-ended' scope.</p> <p>Please clarify the exact services that you expect to be included in the scope.</p>  | <p>Scope of work is as detailed in Clause 5 " Scope of Work" and Annexure 1(A) of RFP.</p> <p>This Clause covers incidental and associated aspects related to System readiness for IEV determination /Reporting requirements ,statutory and allied requirements under "Scope of Work" under this RFP.</p>                                  |
| 12     | Clause 9(B) (1) (b)<br>Timelines                 | <p>Please specify the expected timelines for delivery of the models to perform each of the tasks specified in the scope and for the project as a whole.</p>  | <p>Please be guided by the provisions under this RFP.Timelines is part of evaluation process.</p>  |
| 13     | Clause 23<br>Penalties                           | <p>A project of this nature involves significant dependence on the performance of various tasks by the LICI (which are not entirely in the control of the implementation partner), we therefore request that the penalty provisions are amended to reflect this.</p>   | <p>"Scope of Work" under this RFP specifies the works to be performed by the bidder.</p> <p>Any objective and reasonable inputs sought for by the bidder within the scope of this RFP would be made available during implementation process.</p>   |

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| 14     | Annexure 1A (I)<br>Scope (Data Migration and cleaning) | <p>a. Please confirm that this scope item is referring to 'preparation' of the policy data for use in the actuarial models, and <u>not</u> data migration to another database.</p> <p>b. Please confirm that for the purpose of performing this task, LICI will provide the necessary complete policy data extracts in a suitable, consolidated format (say, CSV format). We understand the LICI will work with the implementation advisor to identify the various fields required from the policy administration system and will provide the advisor with all the required policy data from the policy administration / other systems in a consolidated output. Please confirm that our understanding is correct.</p> <p>c. We understand that 'data cleaning' is in scope. Please clarify what 'data cleaning' is the implementation advisor expected to carry out? Please clarify the exact boundaries in 'data cleaning' between the responsibilities of LICI, the data auditor (that is expected to perform data audit as part of development of IEV report as per APS10 requirements) and the implementation advisor.</p> | <p>Please be guided by clause 5.1 of "Scope of Work" and other provisions under this RFP.</p> <p>The data currently used by existing system is in the form of text file format. The "field definition" will be available as a separate file. "Data Preparation" will include collection and merging of various files based on their "field definition" accurately. This stage should ensure the conversion to database is smooth and all the required data fields are taken into the database with due checks and validations.</p> <p>Aim is to ensure quality of data, checked and validated for completeness and accuracy with regard to the works in the scope of work of RFP.</p> |
| 15     | Annexure I A (III)<br>Scope (Indian Embedded Value)    | MS Excel reporting templates are usually used to compile relevant model outputs and perform additional out-of-model calculations to generate the final outputs for embedded value and movement analysis reports. Please confirm if the implementation advisor is also required to develop these templates.  | Please be guided by clause 5.3 of "Scope of Work" and other provisions under this RFP.  |

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| 16     | Annexure I A (IV)<br>Scope (Stochastic cash-flows)                                 | a. Please confirm that the generation of economic scenarios for the calculation of time value of financial options and guarantees (TVFOGs) for <b>IEVis</b> not in the scope.   | Please be guided by RFP Clauses 5.1 (a), 5.2 and 5.3 of Scope of Work   |
|        |  | b. Please confirm that only investment return assumptions are required to be stochastic (and not other parameters such as mortality / persistency).   | All Statutory stipulations, regulatory requirements and guidelines are to be satisfied.   |
| 17     | Clause 5.1 a<br>Scope of Work  | The requirement in Annexure 1(A) specifies stochastic cashflow generation. For this purpose is their a requirement to build an Economic Scenario Generator as part of the scope of work for this RFP or the same will be purchased/build separately? As of now is their any activity for which stochastic calculations are performed?   | Please be guided by RFP Clauses 5.1 (a), 5.2 and 5.3 of "Scope of Work" and other provisions of RFP.  |
| 18     | Clause 5.1 a<br>Scope of Work  | Does the scope for Asset Liability Management Framework include on a high-level risk management framework (for regulatory purpose) or does it entail detailed stochastic/dynamic ALM modelling including multiple investment strategies? As of now is there any ALM Exercise that is being done frequently?   | Primarily expecting all regulatory/statutory/IEV requirements/guidelines to be satisfied.   |
| 19     | Clause 5.1 a<br>Scope of Work  | Are there any existing system where asset projections are performed? Please confirm whether migration of these into the new software is also considered part of the scope.  | Implementation advisor to ensure system readiness largely for Liability Cash flows with integration of results with Asset outputs for desired reports.  |
| 20     | Annexure I A (V)<br>Scope (Statutory valuation framework and Regulatory Reporting) | In the case of statutory reporting, insurers use their models to generate a number of results templates to be used to populate the various regulatory forms (e.g. D forms, LB / NLB forms etc.). Please confirm that the implementation advisor is only expected to ensure that the model has the functionality to generate all inputs required for populating such reporting templates, and not generating these populated templates themselves? | Please be guided by RFP Scope of Work and Annexure 1(A) (V) which states as "Implementation of Statutory valuation framework and Regulatory Reporting, including validation of outputs." The system readiness includes automated report generation. |

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| 21     | Annexure I A (VIII)<br>Scope (Experience analysis and movement analysis) | a. Do you have an existing experience analysis in place that will be migrated to the new actuarial software or is the implementation advisor expected to develop experience analysis from scratch?   | (a) and (b) Actuarial software system is expected to have the capability of carrying out the experience analysis and the implementation advisor has to ensure system readiness for it. The expectation from the implementation advisor is to ensure that the software is ready for use so that the experience analysis can be carried out when required. |
|        |  | b. Can you please briefly describe the nature of such existing experience analysis (if any)? What are the challenges with the current system in performing such experience analysis? Why is LICI looking to change its current system?   |  |
|        |  | c. Do you expect to use the same actuarial software for actuarial cash flow projections and for experience analyses? Given the scale of LICI, a more robust data analytics software may be more suitable for experience analysis than the actuarial software (indeed most insurers use separate software for experience analysis). Would the LICI consider a separate tool for experience analysis? If so, please specify which tool are you planning to purchase.   | Same actuarial software.   |
|        |  | d. If you plan to use the actuarial software / any separate tool to perform experience analysis, please confirm that this is only in respect of the demographic parameters (i.e. mortality, morbidity, lapse / surrenders / paid-ups / revivals etc.).   | Same actuarial software.   |
|        |  | e. For the experience analysis and the movement analysis, please confirm that LICI will provide the necessary policy data extracts in a suitable format (say, CSV format) and the implementation advisor is <u>not</u> expected to collect / collate the policy data from various sources from the LICI's policy administration / other systems. For example, the 'opening' and 'closing' policy statuses for all policies, claim amounts etc. will be provided in suitable form by LICI and not 'extracted' / 'collated' by the implementation advisor. | LICI will provide the data in text file format file along with the field definitions.  |

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| 22     | Clause 5.1 a<br>Scope of Work                    | Please confirm whether any experience analysis is being performed now and also what is the frequency of such analysis.   | Actuarial software system is expected to have the capability of carrying out the experience analysis and the implementation advisor has to ensure system readiness for it. The expectation from the implementation advisor is to ensure that the software is ready for use so that the experience analysis can be carried out when required. |
| 23     | VIII. Experience Analysis and movement analysis. | 1. It may be helpful to understand how the current calculations like experience analysis system and its data feeds have been constructed; is system documentation available?                                   | Actuarial software system is expected to have the capability of carrying out the experience analysis and the implementation advisor has to ensure system readiness for it. The expectation from the implementation advisor is to ensure that the software is ready for use so that the experience analysis can be carried out when required. |
|        |  | 2. Does the RFP scope require experience analysis functionality capability be built into the new system, including the connecting of non-actuarial data sources (for example, transaction data) to the system? | LIC shall make available the necessary data and other systems for their integration with the actuarial software system. Please be guided by the scope of work under this RFP.  |
| 24     | Scope (ALM Framework)                            | a. Please clarify if the modelling is expected to cover only liability cash-flows or will an asset model also need to be implemented?  | Implementation advisor to ensure system readiness largely for Liability Cash flows with integration of results with Asset outputs for desired reports.   |
|        |  | b. If the modelling is expected to cover assets, please specify the asset types / categories that are required to be modelled.   |  |
| 25     | IX. Asset Liability Management Framework         | 1. Regarding functionality other than IEV, such as ALM, is the intent to get the new actuarial system ready for the future usage of those applications?  | Implementation advisor to ensure system readiness largely for Liability Cash flows with integration of results with Asset outputs for desired reports.   |
|        |  | 2. To what extent is the modelling of actual inforce assets assumed?   | Implementation advisor to ensure system readiness largely for Liability Cash flows with integration of results with Asset outputs for desired reports.   |



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| 26     | Scope (Product pricing framework)   | Our understanding is that the pricing of products is typically done on MS Excel by all insurers in India. Considering this, please clarify what is expected to be covered in the modelling of 'product pricing'? What specific 'outputs' (e.g. IRR, profit margins, new business margins, new business strains etc.) are required to be coded in the actuarial software?            | The reference is for the purpose of pricing and valuation related outputs for submission to the regulator.  |
| 27     | Clause : 5.1 f<br>Provide training, consultation and handholding to employees of LICI on coding, use and full implementation of the actuarial software system for the purpose of IEV,IPO and other related works as specified in Annexure I(A).   | We request LIC to confirm that the training of LIC employees on the modelling of actuarial software is in scope of Implementation Advisor RFP. If not, please advise if it should be provided by the bidder of Actuarial Software RFP   | Please be guided by the provisions of clause 5.1f and other provisions of this RFP.   |
| 28     | Clause : 5.1 a<br>Implement the Actuarial Software system including integration of products in the actuarial software system for the purposes of determination of IEV and automated reporting requirements as per Actuarial Practice Standard 10 (APS 10) issued by IAI and for other actuarial works as specified in Annexure I(A) | We request LIC to confirm that formatting the required reports according to the specification of LIC is in scope of the Implementation Advisor RFP. And that the scope of Actuarial Software RFP is to provide capability to extract the actuarial results required for Implementation Advisor to be able to generate required LIC report   | Please be guided by the provisions of clause 5.1a ,5.3 and other provisions of this RFP.  |
| 29     | Clause : 1.1 & Clause 6<br>Definition of bidder   | (i) Request you to share the legal definition of a "bidder" for the purpose of this RFP. The eligibility criteria doesn't have any criteria for legal definition of the bidder (ii) Does the bidder have to be a entity legally registered in India under LLP act / any other relevant Indian act (iii) will the payments be made by LIC in INR or will it be in any other currency | (i) & (ii) Please refer to clause 1.1 of RFP and other provisions.<br><br>(iii) Please be guided by the Clause 10.2 of RFP. All bills are to be raised in INR and payment will be made in INR only. |
| 30     | Clause 4.1.12<br>Integrity pact   | If the legal entity is not registered in India, would a entity registered outside India also need to sign the integrity pact  | Please be guided by the RFP provisions.   |

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| 31            | Clause 1.1                                   | It is stated that RFP is open to firms / companies having experience in providing software. Request clarification that scope of this RFP is only implementation services and not software   | This RFP is for Implementation of works as specified in "Scope of Work" . LIC has issued a separate Global RFP for Integrated Suite of Actuarial Software for Life Insurance with Managed Cloud Services. |
| 32            | Clause 4.1.11<br>Consortium bids             | RFP has stated that consortium bids are NOT allowed. Ref to technical evaluation criteria no A : Is bidder allowed to do subcontracting or have any teaming arrangement with other legal entity or individuals?   | The bidder is required to make a complete offer to perform all services.Please refer clause 12.7, 4.1.11 and other provisions in the RFP.   |
| 33            | Clause 5.1 a, Annexure 1A.1<br>Scope of Work | Data migration and data cleaning - Please confirm which policy administration system is being used currently to store policy level records?   | Policy records are currently stored in the text file format with field descriptions.  |
| 34            | Clause 5.1 a, Annexure 1A.1<br>Scope of Work | If there is a need to update the policy administration system or to augment it with a new data field for the purpose of actuarial calculation will this be a part of the chosen bidder's scope as well?   | Implementation Advisor would be required to migrate the given text data into the new actuarial software's required format.Please be guided by clause 5.1 c and other provisions of this RFP.              |
| 35            | Clause 5.1 a<br>Scope of Work                | Please confirm whether any Bonus earning capacity exercise is being performed now and also what is the frequency of such exercise. Also will the calculations related to Bonus Earning capacity other than Asset share projection will form a part of the scope for this RFP? | Please be guided by Annexure I (A) and other provisions of this RFP .   |
| 36            | Clause 5.1 b<br>Scope of Work                | What is the expected overall runtime given the current scale?<br>What is the runtime of the existing software that can be used as benchmark?  | Bidder must provision the run times based on the industry standards and best practices.   |
| 37            | Clause 5.1 b<br>Scope of Work                | Are there suitable IT infrastructure at a Zonal level so that the actuarial reporting can be performed parallely for each zone and then consolidated? Will this be considered a suitable approach?  | All works to be performed at Centralized Level only. Please be guided by the "Scope of work" under this RFP.  |
| 38            | Clause 5.1 e<br>Scope of Work                | Please confirm that during the time of implementation if there are any need of integrating additional products then the same will be deemed additional scope and the payment terms for those additional products will be agreed at that time                                  | Please be guided by clause 5.1d , 5.1e and Annexure X of the RFP  |

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| 39            | Clause 5.1<br>Scope of Work               | <i>"LICI shall make available the necessary data and other systems for their integration with the actuarial software system. " - Please confirm what will be the preferred delivery framework for the project? Will the consultant work on your premises or will you share all the relevant data?</i> | Both on and off premises considering the need for efficient implementation. Please be guided by clause 5.1f and other provisions of this RFP.  |
| 40            | Clause 5.1<br>Scope of Work               | Please confirm is there a requirement for building specific dashboards for strategic purposes from the modelled outputs.  | Please be guided by the "Scope of work" under this RFP and the need for its efficient implementation.  |
| 41            | Clause 5.1<br>Scope of Work               | Please confirm whether the requirement for building result storing framework and transfer framework to accounting systems is also part of the scope?  | Please be guided by the Scope of work as per the RFP provisions  |
| 42            | Clause 5.2.1 - 5.2.5<br>Scope of Work     | Please confirm that the chosen bidder will only work on implementation of the IEV, Movement analysis and Sensitivity analysis in the actuarial software or is the expectation is to develop a methodology as well.  | Please be guided by provisions of Clause 3.2 ,5.3 and other provisions of RFP .  |
| 43            | Clause 5.6<br>Scope of Work               | Please confirm that any addition to the scope at the implementation stage will be consider additional work and the payment terms for those additional work will be agreed at that time  | Scope of work is as detailed in Clause 5 " Scope of Work" and Annexure 1(A).<br><br>Any other work related to System readiness for IEV determination /Reporting requirements ,statutory and associated, incidental requirements would form part of "Scope of Work" under this RFP. |
| 44            | Clause 5.6:<br>Additions to Scope of Work | Request clarifications that any substantial changes to scope of work shall be handled under the change management process from the perspective of fees payable to the consultant  | This RFP is for all the works given in the "Scope of work".  |

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| 45     | Clause 6<br>Eligibility Criteria         | Do the eligibility criteria have to be met by the bidder's legal entity in India or will the credentials of any other legal entity of the bidder registered outside India be also allowed   | Please be guided by clause 1.1 and other provisions of the RFP.   |
| 46     | Clause 6.1<br>Eligibility Criteria No. 1 | Bidder to provide details of .....experts working with/or in association with the bidder". As per clause 12.7 subcontracting is NOT allowed in the RFP and as per clause 4.1.11 consortium bids are not allowed. Hence request clarification if bidders are allowed to propose credentials of individuals who are not employees of the bidding entity for the purpose of eligibility and technical evaluation.                          | The bidder is required to make a complete offer to perform all services. Please refer clause 12.7, 4.1.11 and other provisions in the RFP.  |
| 47     | Clause 6.2<br>Eligibility Criteria No. 2 | Clause 4.1.9 – (b) and (c) states that bidder has to provide proof / documents for each point of eligibility and technical scoring. We request clarification if (i) excerpts (pages) of our engagement letter signed with client can be submitted as proof (ii) can we submit email references from our clients for the work done by us.  | (i) & (ii)<br>All Documentary evidences to be provided however evaluation committee may seek further clarifications and documentary evidences. Bidders are requested to provide best possible evidences, but ensuring that whatever has been specifically asked has been submitted. |
| 48     | Clause 9<br>Technical Bid - Section A    | Please confirm whether only experience related to Indian Life Insurers will be considered or Experience pertaining to Foreign Insurers will be considered relevant as well  | Please be guided by Clause 9 Section (A) of RFP   |
| 49     | Clause 9<br>Technical Bid - Section A    | Actuarial domain is slightly different from typical application software. The nature of work a actuarial consultant does in the software is of the following nature and hence we request LIC to consider all of the following categories as implementation experience (i) Transformation and Transition of the Actuarial Model (ii) Review of Actuarial Model (iii) Actuarial model development (iv) Rationalisation of actuarial model | Please be guided by the "scope of work" under this RFP .<br><br>Proof of work/ experience to be provided for the consideration of evaluation committee. Additional / supporting evidences may be sought if required.  |
| 50     | Clause 8<br>Non refundable Tender fee    | Please confirm if the tender fee will be Rs 11,800 (including GST @ 18%)  | Rs. 10000/- plus applicable taxes   |

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| 51     | Clause 8<br>Bids shall be uploaded online to CPP portal before bid submission end date/time as per Activity Schedule. | Please confirm if the bid response will be uploaded on CPP portal (www.eprocure.gov.in) or online e-Tendering System portal <a href="http://www.tenderwizard.com/LIC">http://www.tenderwizard.com/LIC</a>  | RFP provides that the bid to be uploaded on online e-Tendering System portal <a href="http://www.tenderwizard.com/LIC">http://www.tenderwizard.com/LIC</a> .  |
| 52     | Clause 9<br>Technical Bid - Section A   | Note in the criteria says "experience of individuals who were involved in the respective jobs is to be mentioned". Our query is whether the credentials have to be of the bidding firm OR is LIC accepting past experience (with previous employers) of current employees of the bidding firm. In the later case how would the conflict situation be managed when Bidder - A cites a implementation for a particular client done by it directly and another Bidder -B who has not done the implementation but claims the same client experience on account of a current employee , who was a past employee of Bidder A and was part of Bidder A's implementation team for the same client. | What is required is the experience of professionals who would actually be working on the implementation. Credentials of the bidder will also be considered at the same time. Evaluation committee would examine and decide.                                       |
| 53     | Clause 9<br>Technical Bid - Section B   | <i>" the models to be built, tested and validated in the software to ensure timely implementation of the following" - Please confirm if there are any existing valuation platform and model documentation which can be leverage for the validation of the new models. Also please confirm whether their is an</i>  | Modeled outputs to be validated and calibrated using Statutory outputs from the current system for reasonableness and accuracy . For other works also validation checks would be required to be performed.<br>Acceptable tolerance limit will be discussed during |
| 54     | Clause 9<br>Technical Bid - Section C   | (i) Does this section seek to evaluate the bidders for the strength of their relevant team based in India or would it also evaluate global team outside India (ii) Kindly confirm if evaluation is for employees of the bidding entity or will profiles of any 3rd parties associated with the bidder also be considered.  | The experience of professionals working on the project carries weight. Credentials of the bidder are also important at the same time.   |

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| 55            | Clause 11.1<br>Termination                    | We request a clarification that consultant be paid for the services rendered till the date of termination, in case for some reason the IPO is called off by the government  | Please be guided by Clause 11.4 of RFP  |
| 56            | Clause 16<br><br>Duration of Engagement       | What is the expected overall duration of the implementation project   | Timelines is part of evaluation process within the scope of this RFP.   |
| 57            | Clause 20<br>Conflict of interest             | We request your confirmation that if this RFP is awarded to us, we can still do similar work for other life insurance companies and there is not restriction on us in that respect.   | The independence of work and Conflict of interest is to be seen in letter and spirit as per Clause 20 of this RFP, relevant regulations, guidelines and professional judgement. |
| 58            | Clause 20<br>Conflict of interest - Point "d" | Does this mean that any consultant appointed for any other RFP's released by DIPAM / LIC for LIC IPO's process ( eg.pre-IPO advisory, actuarial consultant, actuarial software) shall considered as conflicted for the award of this RFP  | The independence of work and Conflict of interest is to be seen in letter and spirit as per Clause 20 of this RFP, relevant regulations, guidelines and professional judgement. |
| 59            | Clause 20<br>Conflict of interest - Point "d" | Also, please confirm if there is any conflict of interest if the consultant selected in this bid is also consultant as part of the bid for the "GLOBAL REQUEST FOR PROPOSAL For Integrated Suite of Actuarial Software for Life Insurance with Managed Cloud Services" along with the OEM in the capacity of a subcontractor / implementation partner | The independence of work and Conflict of interest is to be seen in letter and spirit as per Clause 20 of this RFP, relevant regulations, guidelines and professional judgement. |

| Sl.No. | RFP Clause  | Query   | LICI Response   |
|--------|---|---|---|
| 60     | Clause 21<br>Payment terms, Annexure IX and X   | (i) Kindly clarify if the payments shall be released separately for each of the 11 price items specified in the financial bid (ii) we also request that for price item 2 -"integration of LIC products" the payments be divided as per the 5 sub milestones | Please be guided by the provisions of the RFP.  |
| 61     | Clause 23<br>Penalties  | Kindly clarify that penalty shall be applicable only in case when the reason for delay is entirely attributable to the bidder   | Yes. Any objective and reasonable inputs sought for by the bidder within the scope of this RFP would be made available during implementation process.   |
| 62     | Annexure 1A & IX<br>Details of jobs and milestones  | We request the these two documents be synchronised  | Broad Scope of Work covered in both the annexures are the same.   |
| 63     | Annexure X<br>Financial Bid   | The format is currently not calculating the Total price quoted by the bidder, we request you to make the necessary change in the format   | Price to be quoted in the specified format for each of the item.Total price may be additionally quoted by the bidder.Change in format is hence not required.  |
| 64     | 5.1.a. Implement the Actuarial Software system including integration of products in the actuarial software system for the purposes of determination of IEV and automated reporting requirements as per Actuarial Practice Standard 10 (APS 10) issued by Institute of Actuaries of India and for other actuarial works as specified in Annexure I(A). | It is mentioned automated reporting requirement is needed. Which reports are expected to be generated automatically from the fully implemented system and to what extent automation is required in putting together the output in required format?          | Automation is expected for generation of output after full implementation of the system to the maximum extent possible. Intent is that the required reports are generated within a quick span of time.<br>It is expected that there should be minimal manual intervention in generation of routine actuarial outputs. |
| 65     | 5.1.a. Implement the Actuarial Software system including integration of products in the actuarial software system for the purposes of determination of IEV and automated reporting requirements as per Actuarial Practice Standard 10 (APS 10) issued by Institute of Actuaries of India and for other actuarial works as specified in Annexure I(A). | Have technical requirements been drafted regarding items including but not limited to intended frequency of calculations, seriatim vs cohort modeling details, etc?   | All requirements are as per the IEV determination/Reporting Requirements/regulatory and reporting requirements as mentioned in the Scope of work of the RFP.  |

| Sl.No. | RFP Clause   | Query  | LICI Response   |
|--------|--|--|---|
| 66     | 5.1.b. Configure the system in an optimal manner to handle the scale and size of LICI's operations, an overview of which is provided in Annexure I(B). | Is any documentation available in respect of current actuarial software workflow and processes?  | This RFP is for Implementation of new actuarial system.   |
|        | 5.1.c. Data sourcing, data cleaning and migration to the new system from the existing systems.   | 1. Scope includes data migration from current system to new actuarial software. Is COBOL output available in excel or csv format so that we can assess the compatibility with new actuarial software?                      | The data currently used by existing system is in text file format. The "field definition" will be available as a separate file. "Data Preparation" will include collection and merging of various files based on their "field definition" accurately. This stage should ensure the conversion to database is smooth and all the required data fields are taken into the database. |
|        |  | 2. Please provide information on the number and nature of administration and other data source systems, number of unique data sources, legacy software systems and platform, legacy system languages and operating system. | The software systems are built largely using COBOL in redhat linux as operating system.   |
|        |  | 3. Can you comment on current state perceived data quality, completeness, and standardization? Are data definitions and current state required data transformations fully documented?                                      | The requirement is for implementation of new actuarial system and therefore to be guided by the RFP provisions.   |
| 67     | 14.1.b: LICI reserves the right to incorporate standard terms and conditions into the letter of appointment that is issued in response to this RFP.    | In this respect, request you to share the terms and conditions which would be included in the letter of appointment.   | Please be guided by the RFP provisions.   |
| 68     | Annexure 1A (IV). Deterministic and Stochastic cashflows generation  | What current state experience or model output can be made available for testing and reconciliation of such stochastic cashflows?   | Modelled outputs to be validated and calibrated using existing Statutory outputs for reasonableness and accuracy . For other works also validation checks would be required to be performed.  |
|        | Annexure 1A (VI). Projection of future solvency /capital & sensitivity analysis, Resilience testing besides statutory                                  | Scope mentions future solvency projections. Does it include asset modelling in new actuarial software?   | Implementation advisor to ensure system readiness largely for Liability Cash flows with integration of results with Asset outputs for desired reports.  |



| Sl.No. | RFP Clause   | Query   | LICI Response   |
|--------|--|---|---|
| 69     | Annexure 1A (VII). Policy wise Asset Share calculation , maintenance and storage | It is mentioned that policy wise Asset Share calculation storage is needed which depends on server size. What is expected from implementation advisor on this?  | LIC has already issued a separate Global RFP for Integrated Suite of Actuarial Software for Life Insurance with Managed Cloud Services. |
| 70     | <u>General Points</u>  | 1. Is all project management meant to be provided by the implementation advisor?  | Please be guided by the scope of work as per the RFP provisions   |
|        |  | 2. Do you anticipate requiring customized reporting capabilities beyond those included within the actuarial system (i.e. Tableau, DataIQ, SAS)  | This RFP is for the purpose of implementation of the actuarial software system within the scope of work.                                |
|        |  | 3. Will systems vendor be responsible for systems architecture, integration, and user permissions?  | User permissions and the required environment will be provided as per the RFP on Actuarial Software system                              |
| 71     | <u>Addition of Clauses:</u>  | <p>We suggest that the following clauses should be added as additional clauses in the RFP:</p> <p>1. LIC agrees that the Bidder shall not be liable to LIC for any losses for an aggregate amount in excess of the fees paid by LIC to the Bidder under the Agreement.</p> <p>2. LIC shall indemnify and hold harmless the Bidder for all losses and claims arising in connection with any third party claim in relation to or pursuant to the Agreement or the services.</p> <p>3. LIC shall not disclose to any third party the advice, opinions, reports or other work product of the Bidder provided hereunder without the prior express written consent of the Bidder.</p> | Please be guided by the provisions of the RFP   |
| 72     | <u>Annexure VII:</u>   | We have proposed certain changes to Annexure VII: Format of NON-DISCLOSURE AND CONFIDENTIALITY AGREEMENTSTAMP and the same has been attached in track changes mode along with the email.  | Please be guided by the provisions of the RFP   |
| 73     |  | It has come to our notice that there is no EMD amount mentioned in your tender document hence we request you to kindly provide us the same so that we can bid for the tender at the earliest  | Please be guided by the RFP provisions.   |