

22nd February 2023

Ref. No.: GIC-HO/AVN/EOI_AVNRI202324/4/2022-23

NOTICE

INVITATION FOR EXPRESSION OF INTEREST FROM QUOTING REINSURERS FOR GIC RE'S AVIATION RETROCESSION PROGRAM 2023/24

Expression of Interest (EOI) is invited from Reinsurers either directly or through an Indian intermediary for quoting GIC Re's **Aviation Retrocession Program** protecting Domestic and Foreign portfolio, with effect from 1st April 2023.

The Reinsurer desirous of submitting Expression of Interest as above must satisfy the following criteria:

1. Reinsurers must have a rating of at least 'A' from Standard & Poor or AM Best.
2. Reinsurer can choose to quote either on direct basis or through an Indian intermediary. The Reinsurer evincing interest from an intermediary would be required to submit the exclusive Broker on Record (BOR) letter to only one Indian broker. **Format to provide EOI is as per Annexure-1.**
3. Reinsurer should provide below details:
 - a. **Their respective IRDAI – Filing Reference Number (FRN)**
 - b. **Their latest AM Best/S&P Ratings**
 - c. **Exclusive Mandate Letter/Broker on Record Letter, if quoting through intermediary**
4. Reinsurer is required to submit EOI duly stamped, signed, and dated on or after the tender upload date. **Mandate in the form of e-mail shall not be considered.**
5. Reinsurer to clearly mention on the EOI for which contract(s) / arrangement(s) it is interested to quote. A quoting market may quote for all three verticals or any of the vertical as they prefer.
6. Reinsurer willing to quote should be domiciled in country which has Double Taxation Avoidance Agreement with India.
7. Reinsurer should quote with a minimum line size as under:
 - a. **Aviation Main XOL – 15% across the board**
 - b. **General Aviation XOL – 20% across the board**
 - c. **Domestic General Aviation Hull War Quota Share - 25%**

8. Expression of Interest from MGA/Cover Holder will not be considered.
9. IRDAI (Insurance Regulatory and Development Authority of India) issued FRN (Filing Reference Number) is paramount to establish identity of the reinsurer. Reinsurer providing EOI should use the stamp of entity which has IRDAI issued FRN. Please note that subsidiary/sister company FRN shall not be considered.
10. No intermediary should obtain mandate for quotes from more than one quoting market for each Vertical Arrangement. Slip brokerage for the arrangement cannot be more than 7.50% for Vertical A & B and 2.5% on OGP basis for Vertical C.
11. The intended program structure for 2023-24 is as below:

Aviation Retrocession Renewal Year 2023-24							Figures In USD Million
Vertical	Cover Name	Line of Business	Underwriting Capacity Expiry		Underwriting Capacity Proposed		Cover Limit
			Hull / Spares - MAV	Liability - Occurrence	Hull / Spares - MAV	Liability - Occurrence	
A	Aviation Main XOL	Airline – Non-USA	15	125	15	75	L1- USD 17.50M xs USD 7.50M
		Airline – USA	7.5	75	7.5	50	L2 - USD 25.00M xs USD 25.00M
		Airline – Domestic	30	150	15	75	L3 - USD 50.00M xs USD 50.00M
		Aerospace / Manufacturers (International)	-	100	-	75	L4 - USD 25.00M xs USD 100.00M
		Aerospace / Manufacturers (Domestic)	-	175	-	75	
		General Aviation – International	7.5	50	7.5	50	Total - USD 117.50M Xs USD 7.50M
		General Aviation – SAARC	10	150			L1 - EPI USD 26.00M
		General Aviation – Domestic	25	175	15	75	L2-L4 - EPI USD 34.00M
		Aviation PA/LOL Covers (Per Pilot/Crew)		0.5		0.5	
		Proportional Treaty		8.0		7.5	
Risk Excess Treaty		7.5		7.5			
<i>Vertical B attaches to Vertical A at Layer 2</i>							
B	General Aviation XOL	Aerospace / Manufacturers (Domestic)	-	175	-	75	L1 - USD 5.00M Xs USD 7.50M
		General Aviation – International	7.5	50	7.5	50	L2 - USD 12.50M Xs USD 12.50M
		General Aviation – SAARC	10	150			
		General Aviation – Domestic	25	175	15	75	Total - USD 17.50M Xs USD 7.50M
		Aviation PA/LOL Covers (Per Pilot/Crew)		0.5		0.5	L1-L2 - EPI USD 8.00M
C	Domestic General Aviation Hull War Quota Share	General Aviation – Domestic				15	100% limit - USD 15M 25% Retention / 75% Cession EPI - USD 0.5M

Note: GIC Re reserves the right to amend the layering when confirming allocation of lead quoting market.

12. The Expression of Interest as per format Annexure-1 to be sent by way of an e-mail to AGM (Aviation Underwriting) at melvinc@gicre.in
13. The last date for submission of the Expression of Interest either directly or through the intermediary is **28th February 2023 EOD IST.**

The acceptance of Expression of Interest would be at the sole discretion of GIC Re and the selected reinsurer(s) will then be provided with data-pack for quoting.



Hitesh R. Joshi
General Manager

Annexure 1

Date: _____

To,
The Assistant General Manager
(Aviation Underwriting),
General Insurance Corporation of India (GIC Re)
Mumbai, India.

Re: Expression of Interest to Quote on Aviation Retrocession Program 2023/24

In response to your invitation for expression of interest vide your notice dated _____ on your website, we would like to express our interest directly / through _____ (name of intermediary if interested to approach through intermediary) having IRDAI (Insurance Regulatory and Development Authority of India) broker license number _____ valid until _____. Our engagement in this tender process is going to be exclusively through the said intermediary.

Our FRN (Filing Reference Number) for Year 2022/23 is _____ and updated FRN for Year 2023/24 will be provided at the time of submission of quote terms.

Our rating is _____ from _____ (rating agency name) and a copy of rating certificate is attached.

Our interest to quote is on as below:

Vertical	Protection Program	Please Mark Yes/No
A	Aviation Main XOL	
B	General Aviation XOL	
C	Domestic General Aviation Hull War Quota Share	

Signature, Seal and Date:

Name of the Reinsurer:

Name and Designation of Person:

Contact Number:

E-mail: