

6th March 2023

Ref No: GIC-HO/AVN/EOI_AVNRI202324/6/2022-23

NOTICE

**INVITATION FOR EXPRESSION OF INTEREST FROM INTERESTED REINSURERS
FOR PARTICIPATION IN GIC RE'S AVIATION RETROCESSION PROGRAM 2023/24**

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

1. The Reinsurer evincing interest from an intermediary would be required to submit the exclusive Broker on Record (BOR) letter to **only one Indian broker**. Reinsurer providing BOR to more than one broker will not be considered for allocation.
2. Reinsurers whose BOR letter as a quoting market has been accepted need not issue fresh BOR as the same will also hold good for follow line participation through the same broker.
3. Format to provide EOI whether direct or through an intermediary is as per Annexure-1.
4. Reinsurer should provide below details:
 - a. Their respective IRDAI – Filing Reference Number (FRN)
 - b. Their latest Ratings along with copy thereof
 - c. Exclusive Mandate Letter/Broker on Record Letter, if participating through intermediary
5. Reinsurer is required to submit EOI, signed and dated on or after the tender issue date. Mandate letter dated before the tender issue date and/or in the form of e-mail shall not be considered.
6. Placing Broker should have obtained their Composite or Reinsurance Broking license at least 2 calendar years prior.
7. The broker should be licensed by Insurance Regulatory & Development Authority of India (IRDAI) to conduct business in India and have a valid IRDAI Certificate of Registration as a Reinsurance or a Composite Broker as per the applicable regulations. The broker must provide a copy thereof.
8. Reinsurer willing to participate should be operating from the country which has Double Taxation Avoidance Agreement with India.
9. Expression of Interest from MGA/Cover Holder will not be considered.
10. No broker should obtain a mandate from more than four reinsurers (excluding allocated quoting market by GIC) for each arrangement (Vertical A, B & C).
11. In case the allocated quoting market has not provided a valid quote as per quoting requirement, the markets for the said broker will be restricted to four in all. GIC Re to be the sole judge as to what constitutes a valid quote.

12. Preference will be given to Reinsurers who write more than one vertical of the program.
13. 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.
14. 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			
		General Aviation – Domestic	25	175	15	75	L1 - EPI USD 26.00M
		Aviation PA/LOL Covers (Per Pilot/Crew)		0.5		0.5	L2-L4 - EPI USD 34.00M
		Proportional Treaty		8.0		7.5	
Risk Excess Treaty		7.5		7.5			
Vertical B attaches to Vertical A at Layer 2							
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 restructure any of the vertical which will be communicated when advising the allocated markets/providing the Firm Order Terms.

Response to this invitation either directly or through broker in the form of letter as per format Annexure-1, along-with relevant documents to be submitted via e-mail to AGM (Aviation Underwriting) at melvinc@gicre.in

The last date for submission of the Expression of Interest either directly or through the intermediary is **14th March 2023, 12.00 midnight (IST)**. GIC Re will thereafter advise allocation of market/s on follow basis together with data-pack and lead quotes/slips.

Expression of Interest for participating as follow market on GIC Re's Aviation Retrocession Program renewing on 1st April 2023 should not be construed as a firm order to participate.

This communication is intended to invite Expression of Interest only, kindly note that the acceptance of the same would be at the sole discretion of GIC Re.

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 for Follow line participation 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 submitted by 31st March 2023

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

Our interest to follow 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: