To: T. S. Vijayan

Chairman

Insurance Regulatory and Development Authority

Hyderabad, India

Date: 30 April 2015

Subject: GFIA Comments on Draft Regulations for Registration and Operations of Branch Offices of Foreign Reinsurers (excluding Lloyd's)

Dear Chairman T. S. Vijayan,

The Global Federation of Insurance Associations (GFIA), which through its 38 member associations represents insurers that account for approximately 87% or more than $4.0 trillion in total annual insurance premiums worldwide, would like to provide comments on the proposed Draft Regulations for Registration and Operations of Branch Offices of Foreign Reinsurers, excluding Lloyd's (the Draft Regulations).

GFIA welcomes the recent enactment of the Insurance Laws (Amendment) Bill, 2015. It believes that the reforms approved in the Bill have the potential to create a competitive (re)insurance market in India, impacting positively on both the Indian insurance industry and whole Indian economy. GFIA also welcomes the IRDA's intention to move quickly and implement the part of the Insurance Bill that grants access to foreign reinsurers to the Indian market through branches.

An open reinsurance market is an important factor in making insurance markets more competitive, providing price and product advantages to consumers and creating opportunities for diversification of risk. To achieve these goals, we believe that it is particularly important that all the Regulations that are implemented in the Bill promote fair competition within the Indian (re)insurance market as well as knowledge-sharing between local and international participants.

GFIA regrets however that, as currently drafted, some parts of the Draft Regulations risk constraining insurers' freedom to access reinsurance support and therefore obstruct the delivery of these objectives, which may give rise to important negative unintended consequences. For this reason, we have highlighted our key suggestions and requests for clarification below. We also have attached an appendix containing our comments in the required template.

GFIA is committed to work with the IRDA in order to develop an appropriate (re)insurance framework. To this end, GFIA would stand ready to discuss with IRDA this regulation and others.

Sincerely,

**GOVERNOR DIRK KEMPTHORNE**

Chair, Global Federation of Insurance Associations

Global Federation of Insurance Associations (GFIA)
Secretariat: rue Montoyer 51, 1000 Brussels, Belgium
Tel: +32 2 894 30 81 E-mail: mihai@GFIAinsurance.org
www.GFIAinsurance.org

**Need for a competitive (re)insurance market in India**

GFIA believes that reinsurers that have sufficient capital, experience, and are well supervised and comply with the IRDA's strict requirements for branches should be granted the same treatment as Indian reinsurers.

For this reason, GFIA has strong concerns about the proposed "right of first refusal" in the Draft Regulations. This clause would strongly disadvantage foreign reinsurers who are proposing to set up branches in India and would create an unlevel playing field and would jeopardise the step in the right direction marked by this Draft regulation. It would not live up to the level of ambition proposed in the Insurance Bill and would certainly have a negative impact on those reinsurers that had been encouraged to participate in the India market by the approval of the Bill.

Funnelling transactions to domestic reinsurers would also result in a concentration of risks in India, placing a greater burden on the local market and potentially Indian taxpayers in the potential event of a large-scale loss event. It must be noted that no comparable provision applies in the Banking sector where foreign branches are subject to the same rules and a level playing field with local business.

Thus, GFIA believes that the Draft Regulations should be revised to remove this potentially discriminatory clause and to establish a free, open and efficiently operating reinsurance market in India, where cedants are responsible for making decisions based solely on an analysis of their business profile and needs.

**Expertise transfer**

We understand that Draft Regulations intend to develop local reinsurance expertise, and GFIA supports this intention.

The Draft Regulations require foreign reinsurers to make a commitment to organize the training of Indian underwriters on the underwriting of various classes of business, and to locate important manpower in the branches to perform the underwriting (including specialized classes), handle claims, and perform the actuarial and finance functions.

To make reinsurance operations more effective and efficient and to benefit from access to the most experienced underwriting, international reinsurers tend to locate such talent in centers of expertise, to which each branch operation has access as demanded. These centers are usually located at headquarters for risk management and control reasons. In addition, knowledge and international experience is passed onto the market in the normal course of business and is based on the demands and experience of the insurance clientele.

While GFIA supports the growth of local skills and expertise, this clause may not be practically possible. Reinsurers should be given the freedom to distribute their resources as they judge most appropriate for the purposes their branch in India, and as such, we would request that this clause is withdrawn.

GLOBAL FEDERATION OF INSURANCE ASSOCIATIONS

**Risk management aspects**

The Draft Regulations propose that the Indian solvency regime, which currently is not risk based, will govern the branch operations and that a minimum of 50% retention is required. Determining the right level of retention is an important aspect of risk management and is embedded in the reinsurers' enterprise risk management framework. For this reason, the determination of a minimum retention of 50% could be, in some cases, inadequate for the capital assigned, the type of business accepted and the level of diversification.

GFIA believes that the minimum retention requirement should be replaced with a risk-based approach where the determination of the appropriate retention follows sound actuarial and risk management principles. The level of retention could be determined following actuarial principles or the solvency rules of the home regulation if such are risk based and acceptable to the Indian regulator.

**Reliance on Home State Solvency Rules**

GFIA notes that the draft Regulations impose require branches of foreign reinsurers to operate on factor-based Indian Solvency rules.

In this context, we urge the IRDA to continue development towards a Risk Based Solvency regime to align with solvency regimes around the world. This will create greater certainty for international reinsurers operating in India, and enhance the attractiveness of operating in India.

As branches, the Indian operations of foreign reinsurers will have direct access to the central capital of the reinsurer as whole, providing certainty to Indian cedants that valid claims will be paid. For this and the further reasons listed above,

GFIA would recommend that branches of foreign reinsurers be permitted to operate on the basis of Home State Solvency rules where those rules accord with International Supervisory standards.

**Clarifications and suggestions**

- It is not clear whether regulations will have an impact on the retention rules currently in place for insurers ceding to offshore reinsurers. With the new stringent regulation of reinsurance branches, the retention rules are not necessary and should not apply to branches.
- The draft regulations mention a three-stage application process. This is the same process applicable to an Indian insurer, R1, R2 and R3 as applicable. Given that the branches of reinsurers do not deal with natural persons directly, a simplified licensing process will be welcomed. Also, an estimated time for the decisions would be positive for the licensing process.
- It is not clear what meets the requirement for “Net Owned Funds”. This term appears to be defined for the Indian deposit-taking institutions but there does not seem to be a clear definition of how it would apply to an insurance company. Specifically, it seems to be a measure of shareholders capital net of intangible assets and investments in subsidiaries. A concern is that a significant

categories of assets under internationally recognized insurance accounting principle such as “funds withheld” and “deferred policy acquisition costs” may not be recognized and, if not, would need to be deducted from shareholders equity of an insurance company. In addition, the required amount of $802,383,000 is excessive and not comparable to the amounts required in other Asian jurisdictions (Reg 5(c)).

- The following regulations could apply to insurers, but do not appear to be appropriate for reinsurers. Thus we would like to request a clarification:
  - Regulation 9(2)(a) “the general track record of conduct and performance of each of the promoters in the fields of business/profession they are engaged in”.
  - Regulation 9(2)(b) “the record of conduct and performance of the directors and persons in management of the promoters and the applicant”.
  - Regulation 9(2)(c) “the planned infrastructure of the applicant company, including branches in rural areas, to effectively carry out the insurance business” Reinsurers do not need to be physically located in rural areas to be able to reinsure risks in those areas.
- The annual fee basis for its calculation is not linked to the supervisory effort, and could have unintended consequences to the facultative business. We would also request a clarification
  - Annual Fee- Higher of Rs. 0.5 million or 1/20th of the premium in respect of Facultative Reinsurance accepted in India subject to max Rs. 100 million, to be remitted by 31st Dec of the previous financial year.
- GFIA would like to invite the IRDA to define the taxation of branches.
- Does the branch entity need to have a legal presence in India (e.g. via registration under company law as a foreign branch, quasi incorporation, etc.) at the time of application or after authorization is received from the IRDA?

## About the GFIA

Through its 38 member associations, the Global Federation of Insurance Associations (GFIA) represents the interests of insurers and reinsurers in 58 countries. These companies account for around 87% of total insurance premiums worldwide. GFIA is incorporated in Switzerland and its secretariat is based in Brussels.

GLOBAL FEDERATION OF INSURANCE ASSOCIATIONS

**ANNEX**

<table>
<tr><td colspan="3">Change suggested by</td><td colspan="2">Global Federation of Insurance Associations<br><br>Oscar Verlinden - Verlinden@gfiainsurance.org<br>Tel: +32 2 894 30 83 - Fax: +32 2 894 30 01</td></tr>
<tr><td colspan="3">Date</td><td colspan="2">April 28th 2015</td></tr>
<tr><td>Note</td><td colspan="4">It is suggested that ONE page may be used for one change.<br><br>This will enable us to group all the suggestions and take a decision on the changes suggested</td></tr>
<tr><td>Page<br><br>No</td><td>Regulations<br><br>/Annexure</td><td>Regulation and Sub-regulation<br><br>No. /<br><br>Para number</td><td>Comments/Suggestion</td><td>Reasons</td></tr>
<tr><td></td><td>Chapter VI</td><td>32 (7)</td><td>Given the high level of quality and security that will be required for the branches, there should not be a right of first refusal for local reinsurers, which will restrict the amount of business that can be offered to and accepted by a branch.<br><br>We believe branches of foreign reinsurers, which are under these stringent regulations both in India and their home country should be allowed to offer their full capacity to the market in an equivalent manner as local reinsurers.<br><br>GFIA believes that there should be equal treatment for local and foreign reinsurers.</td><td>The preference towards domestic reinsurers is anti-competitive.<br><br>Giving a right of first refusal to domestic reinsurers will impede the development of the Indian insurance industry.<br><br>Foreign reinsurers will be discouraged from expending the time and effort to analyze and bid on a reinsurance transaction because the benefits of their labors may be appropriated by the local reinsurer, who needs only to rely on their expertise, not its own.<br><br>Funneling transactions to domestic reinsurers also would result in a concentration of risks in India, placing a greater burden on the local market and potentially Indian taxpayers in the event of a large-scale loss event.<br><br>Thus, we request that the guidelines be revised to remove this preferentially tiered system which would maintain a level playing field in the Indian reinsurance market, where cedants are responsible for</td></tr>
</table>

| | | | | |
|---|---|---|---|---|
| | | | | making decisions about their reinsurance requirements based solely on an analysis of their business profile and the most suitable arrangements to meet those needs.<br><br>Allowing well regulated reinsurance branches to participate fully in the Indian insurance industry without requiring a right of first refusal will benefit Indian insurance consumers without adding any prudential risk, and without unnecessarily straining supervisory resources that would be needed to monitor a cedant's compliance with a mandatory right of first refusal cession requirements. |

| | | | | |
|---|---|---|---|---|
| Change suggested by | | | Global Federation of Insurance Associations<br>**Oscar Verlinden - Verlinden@gfiainsurance.org**<br>Tel: +32 2 894 30 83 - Fax: +32 2 894 30 01 | |
| Date | | | April 28th 2015 | |
| Note | It is suggested that ONE page may be used for one change.<br>This will enable us to group all the suggestions and take a decision on the changes suggested | | | |
| Page No | Regulations /Annexure | Regulation and Sub-regulation No. / Para number | Comments/Suggestion | Reasons |
| | Chapter VI | 32 (3) | The decision regarding the appointment, re- appointment and managerial remuneration of the branch-in-charge should be at the discretion of the foreign reinsurer. | GFIA believes that only information about the remuneration policies of the foreign reinsurer should be required. |

GLOBAL FEDERATION OF INSURANCE ASSOCIATIONS

| | | | | |
|---|---|---|---|---|
| Change suggested by | | | Global Federation of Insurance Associations<br>**Oscar Verlinden - Verlinden@gfiainsurance.org**<br>Tel: +32 2 894 30 83 - Fax: +32 2 894 30 01 | |
| Date | | | April 28th 2015 | |
| Note | It is suggested that ONE page may be used for one change.<br>This will enable us to group all the suggestions and take a decision on the changes suggested | | | |
| Page No | Regulations /Annexure | Regulation and Sub-regulation No. / Para number | Comments/Suggestion | Reasons |
| | Chapter VI | 32 (8, 15) | The branch office shall be allowed to use the **Solvency Model** of the foreign reinsurer. | The branch office is legally part of the foreign reinsurers. Demanding own statement of assets, liabilities and solvency margin can create an unnecessary burden. |

| | | | | |
|---|---|---|---|---|
| Change suggested by | | | Global Federation of Insurance Associations<br>**Oscar Verlinden - Verlinden@gfiainsurance.org**<br>Tel: +32 2 894 30 83 - Fax: +32 2 894 30 01 | |
| Date | | | April 28th 2015 | |
| Note | It is suggested that ONE page may be used for one change.<br>This will enable us to group all the suggestions and take a decision on the changes suggested | | | |
| Page No | Regulations /Annexure | Regulation and Sub-regulation No. / Para number | Comments/Suggestion | Reasons |
| | Chapter III | 18 (d) | Remove the requirement in Section 18(d) that all Indian business be written in the Indian branch only, | The requirement prohibits the ability of the branch's affiliates or parent to accept offshore reinsurance, would be unduly restrictive for global reinsurers operating through a branch structure and concentrate risk in India |

<table>
<tr><td colspan="3">Change suggested by</td><td colspan="2">Global Federation of Insurance Associations<br><br>Oscar Verlinden - Verlinden@gfiainsurance.org<br>Tel: +32 2 894 30 83 - Fax: +32 2 894 30 01</td></tr>
<tr><td colspan="3">Date</td><td colspan="2">April 28th 2015</td></tr>
<tr><td>Note</td><td colspan="4">It is suggested that ONE page may be used for one change.<br><br>This will enable us to group all the suggestions and take a decision on the changes suggested</td></tr>
<tr><td>Page<br><br>No</td><td>Regulations<br><br>/Annexure</td><td>Regulation and Sub-regulation<br><br>No. /<br><br>Para number</td><td>Comments/Suggestion</td><td>Reasons</td></tr>
<tr><td></td><td>Chapter VI</td><td>32 (6)</td><td>Remove the requirement in Section 18(d) that all Indian business be written in the Indian branch only.</td><td>Determining the right level of retention is an important aspect of risk management. As such, it is embedded in the reinsurers' enterprise risk management framework. The determination of a minimum retention of 50% could be, in some cases, excessive or too low for the capital assigned, the type of business accepted and the level of diversification existing. The minimum retention requirement should be replaced with a risk-based approach where the determination of the appropriate retention follows sound actuarial and risk management principles. The level of retention could be determined following actuarial principles or the solvency rules of the home regulation if such are risk based and acceptable to the Indian regulator.</td></tr>
</table>

| | | | | |
|---|---|---|---|---|
| Change suggested by | | | Global Federation of Insurance Associations<br>**Oscar Verlinden - Verlinden@gfiainsurance.org**<br>Tel: +32 2 894 30 83 - Fax: +32 2 894 30 01 | |
| Date | | | April 28th 2015 | |
| Note | It is suggested that ONE page may be used for one change.<br>This will enable us to group all the suggestions and take a decision on the changes suggested | | | |
| Page No | Regulations /Annexure | Regulation and Sub-regulation No. / Para number | Comments/Suggestion | Reasons |
| | Chapter III | 18 (b) | We believe it would be beneficial to the reinsurance operations, without negatively affecting the developmental element of the draft regulations, to rephrase the requirements to localize the underwriting and claims settlement in the branch to a wording requiring to have unfettered timely access to such expertise. | To make reinsurance operations more effective and efficient and to benefit from having access to the most experienced underwriting, international reinsurers tend to locate such talent/manpower in centers of expertise, to which each branch operation has access as demanded. These centers are usually located at headquarters for risk management and control reasons. In addition, knowledge and international experience is passed onto the market in the normal course of business and is based on the demands and experience of the insurance clientele. |

<table>
<tr><td colspan="3">Change suggested by</td><td colspan="2">Global Federation of Insurance Associations<br><br>Oscar Verlinden - Verlinden@gfiainsurance.org<br>Tel: +32 2 894 30 83 - Fax: +32 2 894 30 01</td></tr>
<tr><td colspan="3">Date</td><td colspan="2">April 28th 2015</td></tr>
<tr><td>Note</td><td colspan="4">It is suggested that ONE page may be used for one change.<br><br>This will enable us to group all the suggestions and take a decision on the changes suggested</td></tr>
<tr><td>Page<br><br>No</td><td>Regulations<br><br>/Annexure</td><td>Regulation and Sub-regulation<br><br>No. /<br><br>Para number</td><td>Comments/Suggestion</td><td>Reasons</td></tr>
<tr><td></td><td>Chapter II</td><td>3</td><td>Simplify the licensing process including indicating an estimated time for the decisions would be positive for the licensing process.</td><td>The draft regulations mention a three-stage application process. This is the same process applicable to an Indian insurer, R1, R2 and R3 as applicable. Given that the branches of reinsurers do not deal with natural persons directly, a simplified licensing process will be welcomed and lower costs.</td></tr>
</table>

GFIA

GLOBAL FEDERATION OF INSURANCE ASSOCIATIONS

| | | | | |
|---|---|---|---|---|
| Change suggested by | | | Global Federation of Insurance Associations<br><br>**Oscar Verlinden - Verlinden@gfiainsurance.org**<br>Tel: +32 2 894 30 83 - Fax: +32 2 894 30 01 | |
| Date | | | April 28th 2015 | |
| Note | It is suggested that ONE page may be used for one change.<br><br>This will enable us to group all the suggestions and take a decision on the changes suggested | | | |
| Page<br><br>No | Regulations<br><br>/Annexure | Regulation and Sub-regulation<br><br>No. /<br><br>Para number | Comments/Suggestion | Reasons |
| | Chapter II | 5 (c) | Define “Net Owned Funds” | It is not clear what meets the requirement for “Net Owned Funds”. This term appears to be defined for the Indian deposit-taking institutions but there does not seem to be a clear definition of how it would apply to an insurance company. Specifically, it seems to be a measure of shareholders capital net of intangible assets and investments in subsidiaries. A concern is that a significant categories of assets under internationally recognized insurance accounting principle such as “funds withheld” and “deferred policy acquisition costs” may not be recognized and, if not, would need to be deducted from shareholders equity of an insurance company. |

| | | | | |
|---|---|---|---|---|
| Change suggested by | | | Global Federation of Insurance Associations<br>**Oscar Verlinden - Verlinden@gfiainsurance.org**<br>Tel: +32 2 894 30 83 - Fax: +32 2 894 30 01 | |
| Date | | | April 28th 2015 | |
| Note | It is suggested that ONE page may be used for one change.<br>This will enable us to group all the suggestions and take a decision on the changes suggested | | | |
| Page No | Regulations /Annexure | Regulation and Sub-regulation No. / Para number | Comments/Suggestion | Reasons |
| | Chapter II | 5 (c) | Reconsider the requested amount | The required amount of $802,383,000 is excessive and not comparable to the amounts required in other jurisdictions in the Asian region. |

<table>
<tr><td colspan="3">Change suggested by</td><td colspan="2">Global Federation of Insurance Associations<br>Oscar Verlinden - Verlinden@gfiainsurance.org<br>Tel: +32 2 894 30 83 - Fax: +32 2 894 30 01</td></tr>
<tr><td colspan="3">Date</td><td colspan="2">April 28th 2015</td></tr>
<tr><td>Note</td><td colspan="4">It is suggested that ONE page may be used for one change.<br>This will enable us to group all the suggestions and take a decision on the changes suggested</td></tr>
<tr><td>Page No</td><td>Regulations /Annexure</td><td>Regulation and Sub-regulation No. / Para number</td><td>Comments/Suggestion</td><td>Reasons</td></tr>
<tr><td></td><td>Chapter II</td><td>9 (a)</td><td>Remove this requirement</td><td>Reinsurers do not operate with promoters</td></tr>
</table>

| | | | | |
|---|---|---|---|---|
| Change suggested by | | | Global Federation of Insurance Associations<br>**Oscar Verlinden - Verlinden@gfiainsurance.org**<br>Tel: +32 2 894 30 83 - Fax: +32 2 894 30 01 | |
| Date | | | April 28th 2015 | |
| Note | It is suggested that ONE page may be used for one change.<br>This will enable us to group all the suggestions and take a decision on the changes suggested | | | |
| Page<br>No | Regulations<br>/Annexure | Regulation and Sub-regulation<br>No. /<br>Para number | Comments/Suggestion | Reasons |
| | Chapter II | 9 (b) | Remove this requirement | Reinsurers do not operate with promoters |

| | | | | |
|---|---|---|---|---|
| Change suggested by | | | Global Federation of Insurance Associations<br><br>**Oscar Verlinden - Verlinden@gfiainsurance.org**<br>Tel: +32 2 894 30 83 - Fax: +32 2 894 30 01 | |
| Date | | | April 28th 2015 | |
| Note | It is suggested that ONE page may be used for one change.<br><br>This will enable us to group all the suggestions and take a decision on the changes suggested | | | |
| Page<br><br>No | Regulations<br><br>/Annexure | Regulation and Sub-regulation<br><br>No. /<br><br>Para number | Comments/Suggestion | Reasons |
| | Chapter II | 9 (c) | Remove this requirement | To effectively carry out the insurance business"<br>Reinsurers do not need to be physically located in rural areas to be able to reinsure risks in those areas. |

GLOBAL FEDERATION OF INSURANCE ASSOCIATIONS

<table>
<tr><td colspan="3">Change suggested by</td><td colspan="2">Global Federation of Insurance Associations<br>**Oscar Verlinden - Verlinden@gfiainsurance.org**<br>Tel: +32 2 894 30 83 - Fax: +32 2 894 30 01</td></tr>
<tr><td colspan="3">Date</td><td colspan="2">April 28th 2015</td></tr>
<tr><td>Note</td><td colspan="4">It is suggested that ONE page may be used for one change.<br>This will enable us to group all the suggestions and take a decision on the changes suggested</td></tr>
<tr><td>Page<br>No</td><td>Regulations<br>/Annexure</td><td>Regulation and Sub-regulation<br>No. /<br>Para number</td><td>Comments/Suggestion</td><td>Reasons</td></tr>
<tr><td></td><td>Chapter IV</td><td>22</td><td>Please clarify</td><td>The annual fee basis for its calculation is not linked to the supervisory effort or financial account of the reinsurer’s branch office, and could have unintended consequences to the facultative business.</td></tr>
</table>

GFIA GLOBAL FEDERATION OF INSURANCE ASSOCIATIONS

| | | | | |
|---|---|---|---|---|
| Change suggested by | | | Global Federation of Insurance Associations<br><br>**Oscar Verlinden - Verlinden@gfiainsurance.org**<br>Tel: +32 2 894 30 83 - Fax: +32 2 894 30 01 | |
| Date | | | April 28th 2015 | |
| Note | It is suggested that ONE page may be used for one change.<br><br>This will enable us to group all the suggestions and take a decision on the changes suggested | | | |
| Page<br><br>No | Regulations<br><br>/Annexure | Regulation and Sub-regulation<br><br>No. /<br><br>Para number | Comments/Suggestion | Reasons |
| | All regulation | | Please clarify | The taxation of branches is not defined. |

| | | | | |
|---|---|---|---|---|
| Change suggested by | | | Global Federation of Insurance Associations<br><br>**Oscar Verlinden - Verlinden@gfiainsurance.org**<br>Tel: +32 2 894 30 83 - Fax: +32 2 894 30 01 | |
| Date | | | April 28th 2015 | |
| Note | It is suggested that ONE page may be used for one change.<br><br>This will enable us to group all the suggestions and take a decision on the changes suggested | | | |
| Page<br><br>No | Regulations<br><br>/Annexure | Regulation and Sub-regulation<br><br>No. /<br><br>Para number | Comments/Suggestion | Reasons |
| | All regulation | | Please clarify | Does the branch entity need to have a legal presence in India (e.g. via registration under company law as a foreign branch, quasi incorporation, etc.) at the time of application or after authorization is received from the IRDA? |

GLOBAL FEDERATION OF INSURANCE ASSOCIATIONS

| | | | | |
|---|---|---|---|---|
| Change suggested by | | | Global Federation of Insurance Associations<br>**Oscar Verlinden - Verlinden@gfiainsurance.org**<br>Tel: +32 2 894 30 83 - Fax: +32 2 894 30 01 | |
| Date | | | April 28th 2015 | |
| Note | It is suggested that ONE page may be used for one change.<br>This will enable us to group all the suggestions and take a decision on the changes suggested | | | |
| Page No | Regulations /Annexure | Regulation and Sub-regulation No. / Para number | Comments/Suggestion | Reasons |
| | All regulation | | Please clarify | It is not clear whether regulations will have an impact on the retention rules currently in place for insurers ceding to offshore reinsurers. With the new stringent regulation of reinsurance branches, the retention rules are not necessary and should not apply to branches. |

GFIA

GLOBAL FEDERATION OF INSURANCE ASSOCIATIONS

<table>
<tr><td colspan="3">Change suggested by</td><td colspan="2">Global Federation of Insurance Associations<br><br>Oscar Verlinden - Verlinden@gfiainsurance.org<br>Tel: +32 2 894 30 83 - Fax: +32 2 894 30 01</td></tr>
<tr><td colspan="3">Date</td><td colspan="2">April 28th 2015</td></tr>
<tr><td>Note</td><td colspan="4">It is suggested that ONE page may be used for one change.<br><br>This will enable us to group all the suggestions and take a decision on the changes suggested</td></tr>
<tr><td>Page<br><br>No</td><td>Regulations<br><br>/Annexure</td><td>Regulation and Sub-regulation<br><br>No. /<br><br>Para number</td><td>Comments/Suggestion</td><td>Reasons</td></tr>
<tr><td></td><td>Annexure Form IRDA Reins/R1</td><td></td><td>Excessive and unnecessary information<br><br><br><br>Need to allow for different addresses</td><td>For some topics the Form is requiring information that will not yet be available at the time of application and that may not be necessary for the regulator to decide on a reinsurer’s application for a branch license.<br><br>The form currently implies that the location of the foreign reinsurer’s branch is limited to one address. However, this is not always the case. We would welcome a reference to “Branch Office Addresses”.</td></tr>
</table>