

[IC CIRCULAR LETTER NO. 5-2004, January 30, 2004]

APPLICATION FOR FACULTATIVE PLACEMENT ABROAD

It has come to the attention of this Commission that the provisions of CL No. 9/90 issued on 14 May 1990 are not strictly observed.

In view thereof, the following requirements are hereby reiterated to facilitate the processing of applications for facultative placements abroad:

1. The specific reasons why the facultative reinsurance offer was not accepted must be given. Reasons for declination such as "not considered" or "due to underwriting restrictions" must be explained and hence the original copy of the letter of declination must be submitted; and
2. The declination letter must be signed by the company's duly registered underwriter. For this purpose, companies are required to submit to this office the names of their respective underwriters authorized to sign declination letters, together with their specimen signatures every 15th of March of each year or whenever there have been replacements or additional signatories designated.

For strict compliance.

Adopted: 30 January 2004

(SGD.) EDUARDO T. MALINIS
Officer-in-Charge

