

BY E-MAIL

Ref: IRCSL/DG/LEG/2026/06/309

01<sup>st</sup> June 2026

**TO: Principal Officers of all insurers and insurance brokers**

Dear Sir /Madam

**AMENDED TERMS AND CONDITIONS ON PLACEMENT OF REINSURANCE  
ISSUED UNDER SECTION 31(1) OF THE REGULATION OF INSURANCE INDUSTRY ACT,  
NO. 43 OF 2000**

The Insurance Regulatory Commission of Sri Lanka (IRCSL), at its 274<sup>th</sup> meeting, has decided to issue the amended Terms and Conditions on Placement of Reinsurance (T& C) under Section 31(1) of the Regulation of Insurance Industry Act, No. 43 of 2000, which is effective immediately.

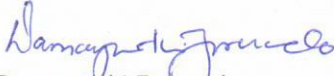
The amendments are as follows:

1. Deletion of **14 (iii)** of the Terms and Conditions on placement of re-insurance issued by IRCSL on 22nd August 2024 and re-numbering the existing provisions (iv) and (v) of Section 14 as (iii) and (iv).
2. Deletion and substitution of existing Section 21 (ii) with the following:

"A foreign reinsurance broker, acting within its own jurisdiction and accepting placement of reinsurance business directly **for and on behalf** of an insurer or broker is not prohibited. However, the nature of the engagement of foreign reinsurance broker, the party to whom the services are provided, and the nature of such services will determine whether a foreign reinsurance broker is engaging in the insurance / reinsurance brokering business in Sri Lanka or outside Sri Lanka. **In such determination, mere participation for tenders in Sri Lanka by following procedural steps that are required to placing of bids, attending to bid meetings, where no decision making takes place in Sri Lanka is not considered carrying insurance / reinsurance brokering business in Sri Lanka, rather giving effect to decisions made overseas.**"

3. A copy of the above Terms and Conditions is enclosed herewith for your reference and compliance.

Yours faithfully



Damayanthi Fernando

**Director General**

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GRN/MA