

"A reinsurance broker is one who, for compensation, not being a duly authorized agent, employee or officer of an insurer in which any reinsurance is effected, acts or aids in any manner in negotiating contracts of reinsurance, or placing risks of effecting reinsurance, for any insurance company authorized to do business in the Philippines.

"SEC. 320. Upon application and payment of the corresponding fee hereinafter prescribed, and the filing of two (2) errors and omissions (professional liability or professional indemnity) policies hereinafter described, a person may, if found qualified, be issued a license to act as reinsurance broker by the Commissioner. No such license shall be valid after December 31 of the third year following its issuance unless it is renewed.

"The errors and omissions (professional liability or professional indemnity) policies mentioned above shall indemnify the applicant against any claim or claims for breach of duty as reinsurance broker which may be made against him by reason of any negligent act, error or omission, whenever or wherever committed or alleged to have been committed, on the part of the applicant or any person who has been, is now, or may hereafter during the subsistence of the policies be employed by the said applicant in his capacity as reinsurance broker: *Provided*, That the filing of any claim or claims under one of such policies shall preclude the filing of the said claim or claims under the other policy. The said policies shall be issued separately by two (2) insurance companies authorized to do business in the Philippines and shall be in such amounts as may be prescribed by the Insurance Commissioner, depending upon the size or amount of the broking business of the applicant, but in no case shall the amount of each of such policies be less than Five hundred thousand pesos (P500,000.00).

"SEC. 321. The Commissioner may recall, suspend or revoke the license granted to a reinsurance broker for violation of any existing law, rule and regulation, or any provision of this Code after due notice and hearing.

"TITLE 3

"RESIDENT AGENTS

"SEC. 322. No person shall act as resident agent, as hereinafter defined, unless he is registered as such with the Commissioner.

"SEC. 323. The term *resident agent*, as used in this title, is one duly appointed by a foreign insurer or broker not authorized to do business in the Philippines to receive in its behalf notices, summons and legal processes in connection with actions or other legal proceedings against such foreign insurer or broker.

"SEC. 324. The application for a certificate of registration as resident agent filed with the Commissioner must be accompanied with a copy of the power of attorney, duly notarized and authenticated by the Philippine Consul in the place where such foreign insurer or broker is domiciled, empowering the applicant to act as resident agent and to receive notices, summons and legal processes for and in behalf of such foreign insurer or broker in connection with any action or legal proceeding against such foreign insurer or broker.

"SEC. 325. It shall be the duty of such resident agent to notify immediately the Commissioner of any change of his office address.

"SEC. 326. A certificate of registration issued to a resident agent shall expire on the thirty-first day of December of the third year following its issuance unless it is renewed.

"The Commissioner may, after due notice and hearing, recall or cancel the certificate of registration issued to a resident agent for violation of any existing law, rule or regulation, or any provision of this Code.