



Republic of the Philippines
Department of Finance
INSURANCE COMMISSION
1071 United Nations Avenue
Manila



Circular Letter (CL) No.:	2021-06
Date:	26 January 2021
Supplements:	CL No. 2014-16; CL No. 2014-23; CL No. 2016-24; CL No. 2015-41-A; CL No. 2015-56; CL No. 2017-29; and CL No. 2017-43.

CIRCULAR LETTER

TO : ALL REGULATED ENTITIES AND ALL CONCERNED FINANCIAL INSTITUTIONS

SUBJECT : GUIDELINES ON THE ELECTRONIC SUBMISSION OF REQUESTS FOR INVESTMENT APPROVAL, COMPLIANCE WITH SECURITY DEPOSIT REQUIREMENTS AND FILING OF REPORTORIAL REQUIREMENTS

WHEREAS, Section 437 of the Insurance Code, as amended, gives the Commissioner the authority to issue circulars as may be deemed necessary to secure the enforcement and efficient regulation of the insurance industry;

WHEREAS, Section 6 of the Pre-Need Code, gives the Commissioner the authority to regulate, supervise, and monitor the operations and management of pre-need companies to ensure compliance with the provisions of this Code, existing laws, rules and regulations;

WHEREAS, Section 4 of the Executive Order No. 192, s. 2015, gives the Commissioner the authority to regulate, supervise, and monitor the operations and management of Health and Maintenance Organizations (HMOs) to ensure compliance with this Order, existing laws, rules, and regulations, and such other directives and circulars issued by the Insurance Commissioner;

WHEREAS, Republic Act No. 11032 otherwise known as the *Ease of Doing Business and Efficient Government Service Delivery Act of 2018* provides guidelines for government agencies to ensure the timely and efficient delivery of government services;

WHEREAS, the Insurance Commission (IC) issued a Circular Letter (CL) No. 2014-15 dated 15 May 2014 entitled "Fees and Charges" ("Circular on Fees and Charges"), which imposes penalties for the delay in the submission of these reportorial requirements.

WHEREAS, in line with the digitalization initiatives of the Insurance Commission, an Online Submission Portal is created to accommodate electronic submission of requests and reportorial requirements.

NOW, THEREFORE, in view of all the foregoing and in accordance with the Insurance Commissioner's power under Section 437 of the Insurance Code, as amended by R.A. No. 10607, Section 6 of Republic Act No. 9829 otherwise known as the Pre-Need Code of the Philippines, and Section 4 of the Executive Order No. 192, s. 2015, the following guidelines are hereby promulgated:

SECTION 1. COVERAGE

This Circular Letter shall apply to all Regulated Entities and other Financial Institutions with the following submissions:

- 1.1 Report on Investments Made and Sold or Disposed of
- 1.2 Report on Derivative Transactions
- 1.3 Statement of Capital, Reserves, and Surplus Investments
- 1.4 Report on Material Related Party Transactions
- 1.5 Statement of Rental Income
- 1.6 Report on Investments held under IMA
- 1.7 Request for Approval of Investments
- 1.8 Compliance with Security Deposit Requirements

SECTION 2. OBJECTIVES

This Circular Letter aims to provide simplified, streamlined and automated standards, measures and procedures in delivering efficient services for requests and reports under Section 1 of this Circular Letter.

SECTION 3. ONLINE SUBMISSION

All applications and reportorial submissions under Section 1 of this Circular Letter shall be submitted through the **Online Submission Portal** of the Investments Service Division using the URL <https://onlinesubmission.insurance.gov.ph/isd/login>.

SECTION 4. GENERAL REQUIREMENTS

All regulated entities and all concerned financial institutions shall electronically submit applications and reports under Section 1 of this Circular Letter with the following general requirements:

4.1 Cover Letter

The cover letter must be in Portable Document Format (PDF) with the electronic signature of the company's authorized officer.

4.2 Filing Fee
Payment of fees and charges in accordance with Circular Letter No. 2014-25, *if applicable*.

4.3 Supporting Documents
Specific documentary requirements under Section 5 of this Circular Letter.

SECTION 5. DOCUMENTARY REQUIREMENTS

5.1 Report on Investments Made and Sold or Disposed of
5.1.1 Report template for investments made and sold or disposed of under Circular Letter No. 2014-43 (Annex A).

5.2 Report on Derivative Transactions
5.2.1 Report template for derivative transactions under Circular Letter No. 2015-56 (Annex B).

5.3 Statement of Capital, Reserves and Surplus Investments
5.3.1 Report template for statement of capital, reserves and surplus investments for Life Insurance Companies (Annex C1).
5.3.2 Report template for statement of capital, reserves and surplus investments for Non-life Insurance Companies (Annex C2).
5.3.3 Notarized Sworn Statement

5.4 Report on Material Related Party Transactions
5.4.1 Report template for material related party transactions under Circular Letter No. 2017-29 (Annex D).
5.4.2 Notarized Sworn Statement

5.5 Statement of Rental Income
5.5.1 Report template for statement of rental income under Circular Letter No. 2017-43 (Annex E).

5.6 Report on Investments held under IMA
5.6.1 Report template for investments held under IMA under Circular Letter No. 2015-41-A (Annex F).

5.7 Application for Approval of Investments
5.7.1 Documentary requirements for each type of application or request under Annex G of this Circular Letter.

5.8 Compliance with Security Deposit Requirements
5.8.1 Notarized Deed of Assignment
5.8.2 Notarized Affidavit
5.8.3 Confirmation of Outright Sale from the Bank

SECTION 6. REVIEW AND APPROVAL

All submissions shall be considered officially received once the ISD releases an email acknowledging the receipt of documentary requirements. A reply letter for requests of investment approval and compliance with security deposit requirements shall be released electronically within the prescribed number of processing days from the date of receipt of complete documents and proof of payment of filing fees.

Report submissions that do not conform to the above prescribed procedures shall not be accepted and will be considered non-compliant with the existing reportorial requirements subject to applicable penalties for late submission.

SECTION 7. SEPARABILITY CLAUSE

If any provision of this Circular Letter shall be held unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force and effect.

SECTION 8. REPEALING CLAUSE

All circulars, rules and regulations or parts thereof, which are inconsistent with the provisions of this Circular are deemed repealed, superseded or modified accordingly.

SECTION 9. EFFECTIVITY CLAUSE

This Circular shall take effect immediately.



DENNIS B. FUNA
Insurance Commissioner

