



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

Circular Letter (CL) No.:	2015-25
Date:	18 May 2015
Supplements:	IC Circular Letter Nos. 2014-19 and 21- 2014 both dated 15 May 2014

**CIRCULAR LETTER**

**TO : ALL REGULATED ENTITIES ALLOWED UNDER THE  
AMENDED INSURANCE CODE TO INVEST IN FOREIGN  
CURRENCY DENOMINATED BONDS**

**SUBJECT : CLARIFYING THE RULES APPLICABLE FOR INVESTMENTS  
IN FOREIGN CURRENCY DENOMINATED BONDS**

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The following guidelines are hereby issued to clarify the rules applicable for investments in foreign currency denominated bonds:

**I. INVESTMENTS IN FOREIGN CURRENCY DENOMINATED BONDS  
MADE BEFORE THE EFFECTIVITY OF THE AMENDED INSURANCE  
CODE**

- a. For investments in foreign currency denominated bonds made prior to the effectivity of the Amended Insurance Code, prior approval of the Insurance Commission is not required if the investment made complies with the credit ratings of S&P, Moody's, or Fitch provided under Section 2 of **IC Circular Letter No. 29-2005** dated 23 September 2005, the prevailing Circular at that time;
- b. If the investment made prior to the effectivity of the Amended Insurance Code does not comply with the credit ratings of S&P, Moody's, or Fitch provided under Section 2 of **IC Circular Letter No. 29-2005** dated 23 September 2005, approval of the Insurance Commission is required, otherwise, the investment made will be deemed as non-admitted asset.

**II. INVESTMENTS IN FOREIGN CURRENCY DENOMINATED BONDS  
MADE AFTER THE EFFECTIVITY OF THE AMENDED INSURANCE  
CODE**

- a. For investments in foreign currency denominated bonds made after the effectivity of the Amended Insurance Code, compliance with the credit

ratings and requirements provided under Section 2 of **IC Circular Letter No. 2014-19** dated 15 May 2014 and prior approval of the Insurance Commission as required under Section 2.10 of **IC Circular Letter No. 2014-21** dated 15 May 2014 must be complied with, otherwise, the investment made will be deemed a non-admitted investment;

- b. All other provisions of IC Circular Letter No. 2014-19 dated 15 May 2014 shall apply accordingly;
- c. The limitation provided under Section 206(c) of the Amended Insurance Code must also be complied with.

This Circular Letter shall take effect immediately.

For your information and guidance.



**EMMANUEL F. DOOC**  
Insurance Commissioner