



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

Circular Letter (CL) No:	2016-40
Date:	25 July 2016
Supplements:	CL 2015-20

**CIRCULAR LETTER**

**TO :** All Insurance Companies, Entities and Persons Concerned

**SUBJECT :** Additional Rules on Bancassurance Supplementing IC Circular Letter No. 2015-20

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In order to facilitate the implementation and further clarify the provisions of IC Circular 2015-20, these Rules are being issued pursuant to the powers of the Insurance Commissioner under Section 437 paragraphs (a), (c) and (d) of Republic Act No. 10607 otherwise known as the Amended Insurance Code.

**Section 1. Approval of New Bancassurance Agreements.** Bancassurance Agreement/s entered into by and between the insurance company and the bank shall comply with the provisions of IC Circular 2015-20.

The Licensing Division shall review the contents of the Bancassurance Agreement and shall issue a certification upon payment of approval fee of Fifty Thousand Pesos (Php 50,000.00).

For the purpose of this Circular; Bancassurance Agreements executed after the effectivity of IC Circular 2015-20, including those that were provisionally approved by the Commission shall be considered new Bancassurance Agreements.

**Section 2. Approval of Existing Bancassurance Agreements.** All insurance companies are directed to determine if their existing Bancassurance Agreement/s have provisions "clearly in conflict" with IC Circular 2015-20.

- a) Conflicting provisions on existing Bancassurance Agreement shall be amended to conform to the provisions of IC Circular 2015-20. Insurance companies shall

immediately inform this Commission of such conflict and shall be given one (1) year from effectivity of this Circular to comply herewith, either by way of submission of new Bancassurance Agreement or by way of a supplemental agreement.

- b) If no conflicting provisions exist, a sworn statement asserting that the existing Bancassurance Agreement is compliant with IC Circular 2015-20 shall be submitted within thirty (30) days from effectivity of this Circular, and shall be subject to the verification of the Licensing Division.

The certification referred to in Section 1 shall be issued upon payment of approval fee of Twenty-Five Thousand Pesos (Php 25,000.00).

**Section 3. Amendments to Bancassurance Agreements.** Subsequent substantial amendments to Bancassurance Agreement/s shall also be submitted for approval upon payment of approval fee of Fifteen Thousand Pesos (Php 15,000.00).

**Section 4. Training Programs Approved by the Insurance Commission.** The requirement that the Insurance Commission shall approve training programs for bank employees under Section 2 (c) of IC Circular 2015-20 shall apply prospectively. The training program including the course outline shall be submitted to the Licensing Division at least one (1) month prior to the scheduled training program.

**Section 5. Annual Summary Report.** To enable the Insurance Commission to monitor the effective implementation of IC Circular 2015-20, insurance companies shall file annually with the Public Assistance and Mediation Division, not later than the 30<sup>th</sup> day of April of the ensuing year, a Summary Report covering the year ending 31 December, indicating the following:

- a) The addresses of the respective bank offices and branches;
- b) The names of the bank personnel and the authorized representatives of the insurance company who are engaged in the presentation and selling of insurance products therein;
- c) A list of unresolved and pending complaints and claims filed before the bank or insurance companies relative to the conduct of bancassurance activities. If there are no unresolved or pending complaint or claim, such should be clearly stated in the Summary Report.

The Insurance Commission may issue such other guidelines as it may deem necessary to enforce the provision of this Circular.

All rules, regulations and issuances inconsistent with this Circular are hereby deemed amended, repealed or modified.



**EMMANUEL F. DOOC**  
Insurance Commissioner