



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



Circular Letter No.	2016-44
Date	12 August 2016
Amending	Circular Letter No. 2016-32

CIRCULAR LETTER

TO : All non-life insurance companies

SUBJECT : Amendments to Guidelines on the Issuance of Certifications under R.A. No. 9184, Otherwise known as the "Government Procurement Reform Act"

Pursuant to the power of the Insurance Commissioner to repeal or amend rules or regulations under Section 437 (d) of the Insurance Code, as amended, the following provisions are hereby amended to read as follows:

Section 1. Subsection 5.1 of Section 5 of Circular Letter No. 2016-32 entitled "Guidelines in the Issuance of Certifications under R.A. 9184, Otherwise known as the "Government Procurement Reform Act" is amended to read as follows:

"5.1. By December 1, 2016, no insurance company shall use a general surety bond (G-16) for bond to be used as performance bond (Section 27, IRR), bidder's bond (Section 39, IRR) and other specific surety bonds mentioned in Section 1.1 and any subsequent surety bond that may be required in the IRR of R.A. No. 9184. Approval of the specific surety bond forms should be discussed with the Regulation, Enforcement and Prosecution (REP) Division. The specific surety bond forms for government procurement activities for approval by the Commission shall comply with the required conditions of R.A. No. 9184 and its Implementing Rules and Regulations. Templates of specific surety bonds forms that the Commission may approve and communicate to the Philippine Insurers and Reinsurers Association, Inc. shall bind all the non-life insurance companies, and no non-life insurance company shall use any specific surety bond forms not consistent with the approved templates and without prior approval of the Commission."

Section 2. Subsection 6.1 of Section 6 of Circular Letter No. 2016-~~32~~ is amended to read as follows:

“6.1. Except for the duly authorized general agent of the company, no insurance agent is allowed to sign the surety bond in behalf of the insurance company. The request for certification shall only be made by the officer of the insurance company with the rank of a Department Head, Bonds Manager, and Vice-President or up.”

Section 3. Effectivity

This Circular letter shall take effect immediately.

All concerned should be guided accordingly.


EMMANUEL F. DOOC
Insurance Commissioner