



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



Circular Letter (CL) No.	:	2016-51
Date	:	06 September 2016

CIRCULAR LETTER

TO : ALL PRE-NEED COMPANIES AND HEALTH MAINTENANCE ORGANIZATIONS (HMOs)

SUBJECT : CORPORATE GOVERNANCE

Pursuant to Corporate Governance Principles and Leading Practices which aim, among other things, to enhance customer and investor confidence as well as corporate accountability and to harmonize requirements with those contained in previous circulars addressed to insurance entities, the following rules and regulations are hereby promulgated for compliance and adoption by all pre-need companies and HMOs.

A. Fit and Proper Requirements

In order to maintain the quality of management of IC-regulated entities and afford better protection to their customers and the public in general, only persons of good moral character, unquestioned integrity and recognized competence shall be qualified to become directors or officers.

In view thereof and as basis for this Commission in assessing fitness and propriety, all pre-need companies and HMOs are hereby required to submit to this Commission the following:

1. List of Members of Board of Directors identifying the Independent Directors and the list of company officers indicating their respective positions. The lists shall be accompanied by their respective Bio-Data (see attached format), and NBI clearance. For any subsequent change in director or officer, same documents shall be submitted 30 days after the election of a new director and/or the appointment of a new officer;

2. For Independent Directors, they shall also submit Affidavits under Oath stating that they have no business dealings with the regulated entity concerned;
3. Minutes of Stockholders Meetings within thirty (30) days after each regular or special meeting.

Submission of existing data under items 1 and 2 above shall be made within thirty (30) days from the effectivity of this Circular.

B. Board Chairman

Considering that said regulated entities are engaged in business imbued with public interest, the roles of the Chairman and Chief Executive Officer shall as a general rule not be combined and occupied by the same person to ensure appropriate balance of power, increased accountability and greater capacity for independent decision-making. Accordingly, the Chairman of the Board shall be a non-executive director. A non-executive director is a director with non-executive functions or one who does not hold a position in any department or unit in the corporate organization.

C. Minimum Number of Independent Directors

At least twenty percent (20%) but not less than two (2) members of the Board of Directors shall be Independent Directors, provided that any fractional result from applying the required minimum proportion, i.e., 20%, shall be rounded up to the nearest whole number.

An independent director refers to a person other than an officer or employee of the corporation, its parent or subsidiaries, or any other individual having any relationship with the corporation, which could interfere with the exercise of independent judgment in carrying out the responsibilities of a director. This means that apart from the director's fees and shareholdings, he should be independent of management and free from any business or other relationship that could materially interfere with the exercise of his independent judgment.

D. Term Limits for Independent Directors

1. Independent Directors can serve for five (5) consecutive years, provided that service for a period of at least six (6) months shall be equivalent to one (1) year, regardless of the manner by which the Independent Director position was relinquished or terminated.

2. After completion of the five-year service period, an Independent Director shall be ineligible for election as such in the same company unless the Independent Director has undergone a "cooling off" period of two (2) years, provided, that during such period, the Independent Director concerned has not engaged in any activity that under existing rules disqualifies a person from being elected as Independent Director in the same company
3. An Independent Director re-elected as such in the same company after the "cooling off" period can serve for another five (5) consecutive years under the conditions mentioned in paragraph (1) above.
4. After serving as Independent Director for ten (10) years, the independent director shall be perpetually barred from being elected as such in the same company, without prejudice to being elected as Independent Director in other companies outside of the business conglomerate, where applicable, under the same conditions provided for in this Circular.
5. All previous terms served by existing Independent Directors prior to the effectivity of this Circular shall not be included in the application of term limits prescribed under the foregoing paragraphs.

E. Course on Corporate Governance

All Directors/Trustees of pre-need companies and HMOs as well as Officers with a rank of Vice-President and up are enjoined to attend at least a one-day training and orientation course on Corporate Governance conducted by duly accredited training providers of this Commission.

All incumbent directors/trustees and officers shall have up to 31 December 2016 to comply with this requirement. A status report of compliance therewith must be submitted on or before 15 January 2017.

Subsequently, all new Directors/Trustees and Officers elected/appointed shall complete this requirement within the first three (3) months of their assumption to office and with the corresponding proof of compliance furnished this Commission.

F. Designation of a Compliance Officer

Every pre-need company and HMO shall designate a Compliance Officer whose name and concurrent official designation or position in the company, if any, shall be submitted to the Insurance Commission not later than 15 October 2016.

Please submit all reports and requirements promptly, otherwise the penalties set forth under Circular Letter No. 2014-15 dated 15 May 2014 shall apply.

Attached is a Code of Corporate Governance Principles and Leading Practices which pre-need companies and HMOs can use as a model framework in formulating Corporate Governance Manuals, and which shall be uploaded in their respective websites. For further reference, corporate governance circular letters, insurance memoranda and advisories can be found in the IC website.

This Circular Letter shall take effect immediately.



EMMANUEL F. DOOC
Insurance Commissioner

ADD LATEST
PASSPORT SIZE
PICTURE

NAME OF ENTITY

ADDRESS

BIOGRAPHICAL DATA

NAME OF DIRECTOR/TRUSTEE/OFFICER

POSITION

I hereby certify that the information contained in this document and its supporting schedules of my own knowledge are true and correct.

Date

Signature of Director/Trustee/Officer

Total Pages, Including This Page_____.

SUBSCRIBED AND SWORN TO BEFORE ME this _____ day of _____,
20____ at _____, Philippines, affiant exhibit to me his/her
Community Tax Certificate No.____, issued at _____ on _____
_____, 20_____.

NOTARY PUBLIC

Until December 31, _____

PTR _____

Doc. No. ;
Page No. ;
Book No. ;
Series of .

NAME :

III. WORK EXPERIENCE

PRESENT POSITION - THIS INSTITUTION

NAME OF OFFICE	POSITION	DATE ASSUMED

PRESENT POSITION - OTHER PRIVATE INSTITUTION (INCLUDING CORPORATE DIRECTORSHIPS)

NAME OF OFFICE	POSITION	DATE ASSUMED	INDICATE IF OWNER/PARTNER/

PRESENT POSITION - GOVERNMENT (INCLUDING DIRECTORSHIPS IN GOV'T CORPORATE INSTITUTIONS)

NAME OF OFFICE	POSITION	DATE ASSUMED	INDICATE IF ELECTIVE OR APPOINTIVE AND PART/FULL-TIME

PAST POSITIONS - THIS INSTITUTION

NAME OF OFFICE	POSITION	DURATION (YEAR)	
		FROM	TO

PAST POSITIONS - OTHER PRIVATE INSTITUTIONS (INCLUDING CORPORATE DIRECTORSHIPS)

NAME OF OFFICE	POSITION	DURATION (YEAR)	
		FROM	TO

PAST POSITIONS - GOVERNMENT (INCLUDING DIRECTORSHIPS TO GOV'T FINANCIAL INSTITUTION)

NAME OF OFFICE	POSITION	DURATION (YEAR)	
		FROM	TO

NAME :

IV. FAMILY RELATIONS

Surname

Given

Middle

NAME OF SPOUSE:

TIN:

EMPLOYMENT (LAST 10 YEARS)

NAME OF OFFICE

POSITION

DURATION (YEAR)

Surname

Given

Middle

NAME OF COMMON-LAW SPOUSE:

TIN:

EMPLOYMENT (LAST 10 YEARS)

NAME OF OFFICE

POSITION

DURATION (YEAR)

FIRST DEGREE RELATIVES BY CONSANGUINITY: PARENTS AND CHILDREN OF LEGAL AGE; LEGITIMATE OR ILLEGITIMATE

SURNAME	GIVEN

MIDDLE

RELATIONSHIP

First Degree Relatives by Affinity: Parents-in-Law and Children-in-Law of legal age

SURNAME	GIVEN

MIDDLE

RELATIONSHIP

Second Degree Relatives (of legal age) by Consanguinity: Grandparents, Grandchildren, Brothers and Sisters

SURNAME	GIVEN

MIDDLE

RELATIONSHIP

Second Degree Relatives (of legal age) by Affinity: Grandparents-in-Law, Grandchildren-in-Law, Brothers-in-

SURNAME	GIVEN

MIDDLE

RELATIONSHIP

NAME :

IV. FAMILY RELATIONS (CONT.)

Third Degree Relatives (of legal age) by Consanguinity: Aunts, Uncles, Nieces, Nephews

SURNAME	GIVEN	MIDDLE	RELATIONSHIP

Third Degree Relatives (of legal age) by Affinity: Aunts-in-Law, Uncles-in-Law, Nieces-in-Law, Nephews-in-Law

SURNAME	GIVEN	MIDDLE	RELATIONSHIP

V. Business Dealing/s personally, or by family (within 3rd degree of consanguinity) or by the company/association/any entity with working relationship/affiliation with the insurance company/broker/MBA/trust institution/related organization

Name of Company Dealing With	Kind of Business	Transaction Handled by

VI. OTHERS

HAVE YOU EVER BEEN CONVICTED, JUDICIALLY OR ADMINISTRATIVELY OF AN OFFENSE OR JUDICIALLY DECLARED INSOLVENT,

PARTICULARS (NATURE OF OFFENSE)	COURT OF JURISDICTION	DATE INFORMATION FILED

SCHEDULE OF BUSINESS ESTABLISHMENTS WHERE THE DIRECTORS/TRUSTEES/OFFICERS AND THEIR SPOUSES

NAME OF CORPORATION / ASSOCIATION / FIRM	NAME OF PERTINENT STOCKHOLDERS, MEMBER CENTRAL PARTNER, OTHERS	PERCENT OF HOLDING TO TOTAL EQUITY

CORPORATE GOVERNANCE PRINCIPLES AND LEADING PRACTICES

Pursuant to the national policy to institute corporate governance reforms in order to achieve policyholder and market investor confidence; sustain the growth of the insurance industry, thereby contributing to the country's economic well-being, all IC-regulated entities including their intermediaries shall work towards enhancing the corporate accountability to better protect the interests of their stakeholders specifically those of their policyholders, members, planholders, cardholders, claimants and creditors.

I. Definitions

1. **Corporate Governance**—is the system by which companies are directed and managed. It influences how the objectives of the company are set and achieved, how risk is monitored and assessed, and how performance is optimized.
2. **Board of Directors**— refers to the collegial body that exercises the corporate powers of all corporations formed under the Corporation Code. It conducts all business and controls or holds all properties of such corporations.
3. **Management**—refers to the body given the authority to implement the policies determined by the Board in directing the course/ business activity/ies of the corporation.
4. **Executive Director**—refers to a director who is at the same time appointed to head a department/ unit within the corporate organization.
5. **Non-Executive Director**—refers to a Board member with non-executive functions.
6. **Independent Director**—refers to a person other than an officer or employee of the corporation, its parent or subsidiaries, or any other individual having any relationship with the corporation, which could interfere with the exercise of independent judgment in carrying out the responsibilities of a director. This means that apart from the director's fees and shareholdings, he should be independent of management and free from any business or other relationship that could materially interfere with the exercise of his independent judgment.
7. **Control**—exists when the parent owns directly or indirectly through subsidiary more than one half of the voting power of an enterprise unless, in exceptional circumstance, it can be clearly demonstrated that such ownership does not constitute control. Control may also exist even when ownership is one half or less of power of an enterprise when there is:
 - a. Power more than one half of the voting rights by virtue of an agreement with other stockholders; or
 - b. Power to govern the financial and operating policies of the enterprise under a statute or an agreement; or
 - c. Power to appoint or remove the majority of the members of the board of directors or equivalent governing body; or

- d. Power to cast the majority votes at meetings of the board of directors or equivalent governing body; or
 - e. Any other arrangement similar to any of the above.
8. **Internal Control**- refers to the process effected by a company's Board of Directors, management and other personnel, designated to provide reasonable assurance regarding the achievement of objectives in the effectiveness and efficiency of operations, there liability of financial reporting, and compliance with applicable laws, regulations, and internal control policies.
 9. **Internal Control Environment**-refers to the framework under which internal controls are developed, implemented, alone or in concert with other policies or procedures, to manage and control a particular risk or business activity, or combination of risks or business activities, to which the company is exposed.
 10. **Business Risk**-the threat an event or action will adversely affect an organization's ability to achieve its business objectives and execute its strategies successfully.
 11. **Actuarial Risk**-risk which an insurance underwriter covers in exchange for premiums.
 12. **Risk Management**-procedure to minimize the adverse effect of a financial loss by (a) identifying potential sources of loss; (b) measuring the financial consequences of a loss occurring; and (c) using controls to minimize actual losses or their financial consequences.
 13. **Internal Auditing**-refers to an independent, objective assurance and consulting activity designed to add value and improve an organization's operation. It helps an organization accomplish its objectives by bringing a systematic, and disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.
 14. **Internal Audit Department**-refers to a department, division, team of consultants, or other practitioner(s) that provide independent, objective assurance and consulting services designed to add value and improve an organization's operation.
 15. **Independence**-refers to that environment which allows the person to carry out his/her work freely and objectively.
 16. **Objectivity**-refers to an unbiased mental attitude that requires a person to carry out his/her work in such manner that he/she has an honest belief in his/her work product and that no significant quality compromises are made. Objectivity requires the person not to subject his/her judgment to that of others.
 17. **Standards for the Professional Practice Internal Auditing (SPPIA)**-refers to the criteria by which the operations of an internal auditing department are evaluated and measured. They are intended to represent the practice of internal auditing as it should be, provide a framework for performing and promoting a broad range of value-added internal audit activities and foster improved organizational processes and operations.

18. **Stakeholders**—refers to the group of company owners, officers and employees, policyholders, suppliers, creditors and the community.
19. **Parent**—is a corporation who has control over another corporation directly or indirectly through one or more intermediaries.
20. **Related company**—means another company which is: (a) its parent or holding company; (b) its subsidiary or affiliate; or (c) a corporation where an insurance company or its majority stockholder owns such number of shares which allow/enable him to elect at least one (1) member of the board of directors or a partnership where such majority stockholder is a partner.
21. **Substantial or major shareholder**—shall mean a person, whether natural or juridical, owning such number of shares that will allow him to elect at least one (1) member of the board of directors of an insurance company or who is directly or indirectly the registered or beneficial owner of more than ten percent (10%) of any class of its equity security.
22. **Majority stockholder or Majority shareholder**—means a person, whether natural or juridical, owning more than fifty percent (50%) of the voting stock of an insurance company.
23. **Subsidiary**—means a corporation more than fifty percent (50%) of the voting stock of which is owned or controlled directly or indirectly through one or more intermediaries by an insurance company.
24. **Affiliate**—is a juridical person that directly or indirectly through one or more intermediaries, is controlled by, or is under common control with the insurance companies or its affiliates.
25. **Related interests**— shall mean individuals related to each other within the fourth consanguinity or affinity, legitimate or common law, and two or more company owned or controlled by a single individual or by the same family group or the same group of persons.

II. The Board

Principles:

Every company should be headed by an effective Board to lead and control the company and ensure its success.

- a. provide entrepreneurial leadership of the company within a framework of prudent and effective controls which enable risks to be assessed and managed.
- b. set the companies' strategic aims.
- c. ensure that the necessary financial and human resources are in place for the company to meet its objectives and review management performance.
- d. set the companies' values and standards
- e. ensure that its obligation to shareholders and others are understood and met.

Essential standards:

1. The Board shall meet regularly to discharge its duties efficiently.
2. The company shall, in its annual report include a statement of how the Board operates, types of decisions to be followed by the board and those that are to be delegated to management.
3. The company's annual report shall identify the chairman, the vice-chairman (if there is one), the independent director and the chairmen and members of the nomination, audit and remuneration committees.
4. The company's annual report shall also disclose the number of meetings of the Board as well as those of the committees and attendance by its directors.
5. The Chairman of the Board shall hold meetings with the non-executive director without the executives' presence to evaluate the executives' performance.
6. The non-executive directors, led by the independent director, shall meet annually without the chairman's presence to appraise the chairman's performance and on other such occasions deemed appropriate.
7. All concerns of the directors about running the company shall be recorded in the minutes of the Board.
8. The company shall arrange for an appropriate insurance cover with respect to legal action against its directors in relation to their official functions.

A. Responsibilities of the Board

Essential standards

The Board shall:

1. Review and adopt a strategic plan for the company.
2. Oversee the conduct of the company's business to ensure that the business is being properly managed and dealings with policyholders, claimants and creditors are fair and equitable.
3. Identify principal business risks and ensure the implementation of appropriate risk management systems to specifically manage the underwriting, reinsurance, investment, financial, and operational risks of the company.
4. Approve corporate policies in core areas of operations, specifically underwriting, investments, reinsurance and claims management.
5. Plan succession, including appointing, training, fixing the compensation of, and where appropriate, replacing senior management.
6. Develop and implement an investor relations program or adopt shareholder communications policy for the company.
7. Review the adequacy and the integrity of the company's internal control systems and management information systems including systems for compliance with the Insurance Code and other applicable laws, regulations, rules, directives and guidelines.
8. Select and appoint officers who are qualified to administer insurance affairs soundly and effectively and to establish an adequate selection process for all personnel.
9. Apply fit and proper standards on personnel. It must have integrity, technical expertise and experience in the institution's business, either current or planned, which should be the key considerations in the selection process.
10. Establish an appropriate compensation package for all personnel that are consistent with the interest of all its stakeholders.
11. Review and approve material transactions not in the company's ordinary course of business.
12. Establish a system of check and balance which applies to the Board and its members.
13. Have an appropriate reporting system so that the Board can monitor, assess and control the performance of Management.
14. Present to all its members and shareholders a balanced and understandable assessment of the company's performance and financial condition.

15. Appoint a Compliance Officer who shall be responsible for coordinating, monitoring and facilitating compliance with existing laws, rules and regulations.
16. The Board shall be entitled to the services of a Corporate Secretary who must ensure that all appointments are properly made, that all necessary information are obtained from directors, both for the company's own records and for the purposes of meeting statutory obligations, as well as obligations arising from the requirements of the Insurance Commission and other regulatory agencies.

B. Constitution of an Effective Board

Essential standards:

1. The Board shall be composed of at least five (5) but not more than fifteen(15) members elected by shareholders.
2. The corporation shall ensure that there are at least two (2) independent directors in the Board.
3. The Board shall endeavor to include a balance of executives and non-executive directors, such that, no individual or small group of individuals can dominate the Board's decision making.
4. Considering that the insurance business is imbued with public interest, the role of the Chairman and Chief Executive Officer shall in principle be separate, to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making.
5. Where the roles are combined, there shall be a strong independent element on the Board. Check and balance shall be clearly provided for, to help ensure that independent outside views, perspectives and judgments are given proper hearing on the Board. The Chairman of the Board shall be a non-executive director.
6. Non-Filipino citizens may become members of the Board of Directors of an insurance company to the extent of the foreign participation in the equity of said insurance company. Provided, that pursuant to Section 23 of Corporate Code of the Philippines (BP Blg.68) a majority of the directors must be residents of the Philippines.

C. Board Balance and Independence

Board Balance

Essential standards:

1. The Board shall include a balance of executive directors and non-executive directors (particularly independent non-executive directors) such that no individual or small group of individuals can dominate the Board's decision making.

2. Only the Committee Chairman and members are entitled to be present at the nomination, auditor remuneration committee meetings but others may attend at the invitation of a particular committee.
3. The Board shall identify in its annual report any non-executive director it considers to be independent.
4. The Board shall determine whether a director is independent in character and judgment or there are relationships or circumstances which are likely to affect the director's judgment.

Multiple Board Seats

Essential standards:

1. The optimum number of directorships shall be generally related to the capacity of a director in performing his duties diligently.
2. The CEO and other executive directors shall submit themselves to allow indicative limit (four or lower) on membership in other corporate boards.
3. The same low limit also applies to independent non-executive directors who serve as full-time executives in other corporations.
4. There can be a higher indicative limit (five or lower) for other directors who hold non-executive position in any corporation. In any case, the capacity of directors to serve with diligence shall not be compromised.

D. Appointments to the Board

Essential standards:

1. There shall be formal, rigorous and transparent procedures for these election and appointment of new directors to the Board.
2. Appointments to the Board shall be made on merit and against subjective criteria.
3. Careful deliberation and consideration shall be done to ensure that appointees have enough time for the job. This is particularly important in the case of Chairmanship.
4. Plans shall be in place for orderly succession to the Board and that of the senior management level in order to maintain a balance of appropriate skills and experiences within the company.
5. To constitute the following committees:
 - a. Nomination Committee
 - a.1. Shall be composed of at least three (3) members of the board of directors, one of whom must be independent.

- a.2. Shall review and evaluate the qualifications of all persons nominated to the Board as well as those nominated to their positions requiring appointment by the Board of Directors. It should prepare a description of the roles and capabilities required of a particular appointment.
- a.3. For the appointment of the Chairman, it should prepare job specifications, including an assessment of the time commitment expected of him, recognizing the need for his availability in the event of crisis. The Chairman's other significant commitments shall also be disclosed to the Board before his appointment and included in the annual report. Any change thereof shall be reported to the Board and included in the next annual report.
- a.4. The terms and conditions of appointment of non-executive directors shall be made available for inspection. The letter of appointment shall specify the expected time commitment. They shall undertake sufficient time to meet and do what is expected of them. Their other significant commitments shall be disclosed to the Board before appointments, indicating the timelines and in any case, the Board shall be informed of subsequent changes.
- a.5. The Nomination Committee shall consider the following guidelines in the determination of the number of directorship for the Board:
 - 1. The nature of the business of the corporation, where he is a director;
 - 2. Age of the director;
 - 3. Number of directorships/ active memberships and officerships in other corporations or organizations; and
 - 4. Possible conflicts of interest.
- a.6. Generally, the optimum number shall be proportional to the capacity of a director to perform his duties diligently.
- b. The Audit Committee:
 - b.1. Shall be comprised of independent board members, preferably with accounting and finance experiences.
 - b.2. Provides oversight of the institution's internal and external auditors.
 - b.3. It shall be responsible for the setting-up of internal audit department, and the appointment of the internal auditors as well as of independent external auditors.
 - b.4. It shall monitor and evaluate the adequacy and effectiveness of the internal control system of the company.

c. The Remuneration Committee

- c.1. Compensation or Remuneration Committee is composed of at least three (3) members, one of whom is an independent director.
- c.2. It shall judge or make plans where to position the company relative to other companies. But such comparisons shall be used with caution in view of the risk to fan upward ratchet of the level of remuneration with no corresponding improvement in performance.
- c.3. It shall delegate responsibilities for setting up remunerations for all executive directors and chairman, including pension rights or any compensation payments.
- c.4. It shall also recommend and monitor the level and structure of salaries including remunerations for senior management. The definition of senior management for this purpose shall be determined by the Board but would normally include first level management below Board level.

E. Members of the Board

Essential standards:

1. All directors shall make decisions objectively in the interests of the company.
2. Non-executive director shall scrutinize the performance of management in meeting agreed goals and objectives and monitor the performance report.
3. Non-executive directors shall constructively challenge and help develop strategic proposals for the company.
4. Non- executive directors shall satisfy themselves of the integrity of financial information and financial controls as systems of risk management are robust and defensible.

Qualifications

1. Directors

- a. Directors sitting on the board in any insurance entity shall be possessed of the necessary skills, competence and experience, in terms of management capabilities preferably in the field of insurance or insurance-related disciplines. In view of the judiciary nature of insurance obligations, directors shall also be persons of integrity and credibility.
- b. Every director shall own at least one (1) share of the capital stock of the corporation whose share should be in his name and recorded in the books of the corporation.

- c. Each director shall be at least twenty-five (25) years of age at the time of his appointment.
- d. Each director must have attended a special seminar on corporate governance conducted by a training provider accredited by the Insurance Commission.
- e. Persons who have been judicially declared insolvent, spendthrift or unable to enter in to a contract; or
- f. Directors, officers or employees of closed insurance companies or any insurance intermediaries who were responsible for such institution's closure as determined by the Insurance Commission.

2. Temporarily Disqualified

Directors/ officers/ employees disqualified from holding a director position for a specific/ indefinite period of time:

- a. Persons who refuse to fully disclose the extent of their business interests when required pursuant to a provision of law or of a circular, memorandum or rule or regulation of the Insurance Commission. This disqualification shall be in effect as long as the refusal persists;
- b. Directors who have been absent or who have not participated for whatever reasons in more than fifty percent (50%) of all meetings, both regular and special of the Board of Directors during their incumbency, or any twelve (12) month period during said incumbency. This disqualification applies for purposes of the succeeding elections;
- c. Persons convicted for offenses involving dishonesty, breach of contract or violation of insurance laws but whose conviction has not yet become final and executory;
- d. Directors and officers of closed insurance companies and insurance intermediaries pending clearance from the Insurance Commission;
- e. Directors disqualified for failure to observe/ discharge their duties and responsibilities prescribed under existing regulations. This disqualification applies until the lapse of the specific period of disqualification by the Insurance Commission;
- f. Directors who failed to attend the special seminar on corporate governance. This disqualification applies until the director concerned had attended such seminar;
- g. Persons dismissed/ terminated from employment for cause. This disqualification shall be in effect until they have cleared themselves of involvement in the alleged irregularity;
- h. Those under preventive suspension;