TO: ALL REGULATED ENTITIES OF THE INSURANCE COMMISSION

SUBJECT: AMENDMENTS ON THE GUIDELINES ON GROUP INSURANCE OF BOTH LIFE AND NON-LIFE INSURANCE COMPANIES

Pursuant to the authority of the Insurance Commissioner under Section 437 of the Amended Insurance Code (Republic Act No. 10607), the following provisions under Circular Letter No. 2017-57 dated 12 December 2017 otherwise known as "Guidelines on Group Insurance of Both Life and Non-life Insurance Companies" are hereby amended to read as follows:

Section 1.6. Coverage of the group insurance may be extended to dependents of the insured member, which include the member’s spouse, children, siblings and parents.

Section 2.3. Notwithstanding Section 2.2, insurance companies may act as the policyholder for its employees or agents, subject to the following conditions:

a. Insurance products must be specifically approved by the Insurance Commission for this purpose;
b. Submitted insurance product will not be subjected to any expeditious approval process;
c. Insurance companies must submit to the Insurance Commission a group policy protection framework in favor of its employees; and,
d. The group policy contract must contain a stipulation pour autrui or a stipulation in favor of the members that reads as:

"This Group Policy Contract is being issued in favor of the covered employee who shall have all the rights to bring any direct action against
the Insurance Company for any damage suffered by him/her.”

Any provisions of IC Circular Letter No. 2017-57 not amended by this Circular shall remain effective.

This Circular Letter shall take effect immediately.

DENNIS B. FUNA
Insurance Commissioner