



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



Circular Letter (CL) No.:	2020-45
Date:	21 April 2020
Amends:	CL No. 2019-71

CIRCULAR LETTER

TO : ALL LIFE INSURANCE COMPANIES DOING BUSINESS IN THE PHILIPPINES

SUBJECT : AMENDMENTS TO CIRCULAR LETTER NO. 2019-71 PRODUCT OVERSIGHT AND GOVERNANCE

WHEREAS, on 17 December 2019, this Commission issued Circular Letter (CL) No. 2019-71 *Product Oversight and Governance* which sets out standards for an effective governance of product development and management of life insurance companies;

WHEREAS, Section 3.1 of CL No. 2019-71 requires companies to submit on April 30 of each year, an annual inventory of all insurance products approved by the Insurance Commission as of 31 December of the prior year;

WHEREAS, Section 9.1 of CL No. 2019-71 gave life insurance companies six (6) months from the effectivity of the said Circular to comply with the submission of Product Oversight and Governance Policy;

WHEREAS, in line with Proclamation No. 922, s. 2020, declaring a State of Public Health Emergency throughout the Philippines due to Corona Virus Disease 2019 (Covid-19) and Proclamation No. 929 s. 2020 declaring a state of calamity throughout the Philippines due to Covid-19, the IC is cognizant of the Philippine government's continuing efforts to implement travel restrictions, intensive health screening measures and temporary suspending of business operations in order to contain the spread of Covid-19;

WHEREAS, these travel restrictions and/or temporary suspension of business operations pose specific challenges on the preparation, completion and submission of reportorial requirements of entities regulated by this Commission;

WHEREAS, Item 2 of CL No. 2020-12 *Guidelines Governing the Conduct of Business in the Insurance Commission During the Community Quarantine Period* states that "The submission of all regular reportorial requirements falling due within the

Community Quarantine Period shall be extended for a period of **THIRTY (30) DAYS** from due date.

If the Community Quarantine Period shall be extended by lawful authorities, the Insurance Commissioner may, upon his discretion, likewise extend the submission period hereunder at a later time.”;

WHEREAS, this Commission recognizes that there is a need to clarify some provisions of the CL No. 2019-71;

NOW THEREFORE, in view of all the foregoing and pursuant to the authority of the Insurance Commissioner under Section 437 of the Insurance Code of the Philippines, as amended by Republic Act (RA) No. 10607, the following provisions of CL No. 2019-71 are hereby amended as follows:

“3. Product Inventory

3.1 The Company shall submit **to the Actuarial Division of the Insurance Commission** on April 30 of each year, an annual inventory of all insurance products approved by the Insurance Commission as of 31 December of the prior year, including those products that the Company has discontinued selling, following the format prescribed by the Insurance Commission in Annex A.

3.2 For the initial year, the annual inventory to be submitted **on or before 30 June 2020** by the Company shall include all insurance products with in-force policies as of **31 December 2019**. For subsequent submissions, only changes to the product inventory of the prior year shall be reported.

XXX

3.4 In addition to the paper copy of the report, soft copy in Excel format shall be submitted to actuarial@insurance.gov.ph.

XXX

9. Transitory Provision

9.1 All life insurance companies shall comply with the submission of Product Oversight and Governance Policy **on or before 15 August 2020**.

XXX

10. Sanctions and Penalties

XXX

10.2 Non-submission of the Product Oversight and Governance Policy **and/or Product Inventory Report** shall be ground for non-processing of any request for approval of product and/or form by the Insurance Commission after the **deadlines prescribed under this circular**.

XXX”

Except as amended hereby, all other provisions of CL No. 2019-71 shall remain effective. The unamended provisions of CL No. 2019-71 and the amendments introduced herein shall be read and construed as a single circular.

This Circular shall take effect immediately.



DENNIS B. FUNA
Insurance Commissioner

