



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



Circular Letter (CL) No.	:	2020-38
Date	:	09 April 2020
Supersedes	:	

CIRCULAR LETTER

TO : ALL PRE-NEED COMPANIES AUTHORIZED TO DO BUSINESS IN THE PHILIPPINES

SUBJECT : GUIDELINES IN THE FILING OF PRE-NEED 2019 ANNUAL STATEMENTS

WHEREAS, Sections 42 and 43 of Republic Act (RA) No. 9829, otherwise known as the "Pre-Need Code," directs all pre-need companies authorized to do business in the Philippines to submit (a) Annual Audited Financial Statements (AFS) signed and sworn to by its chief executive officer, chief finance officer and external auditors, within one hundred twenty (120) days after the calendar or fiscal year, and (b) Annual Statement of its trust fund for each type of plan, in a form prescribed by the Insurance Commission (IC or the "Commission") and shall include details as to all income, disbursements, assets and liability items of and associated with the said trust fund accounts;

WHEREAS, the IC issued Circular Letter (CL) No. 2014-15 dated 15 May 2014 entitled "Fees and Charges" ("Circular on Fees and Charges") which likewise imposes penalties for the delay of the submission of the reportorial requirements as expressly enumerated in Item No. VII, paragraphs A, B and D;

WHEREAS, in line with Proclamation No. 922, s. 2020 declaring State of Public Health Emergency throughout the Philippines due to Corona Virus Disease 2019 (Covid-19) and Proclamation No. 929, s. 2020 imposing an Enhanced Community Quarantine (ECQ) throughout Luzon until 12 April 2020 unless earlier lifted or extended as circumstances may warrant, the IC issued CL No. 2020-20 dated 23 March 2020 entitled "Filing of 2019 Annual Statements/ 2019 Audited Financial Statements" allowing

the filing of regulated entities' 2019 AS and/or 2019 AFS (including their required attachments) until 01 June 2020 without imposing penalty/ies for late submission thereof;

NOW, THEREFORE, in view of all the foregoing and in accordance with the Insurance Commissioner's power under Section 6 of the Pre-Need Code of the Philippines, the following guidelines are hereby issued.

SECTION 1. Annual Statements of the Pre-Need Company and Annual Statements of Trust Fund.

A separate AS showing the financial condition of the pre-need company and AS of the Trust Fund **for each type of plan** shall be submitted to the Pre-Need Division following the prescribed format, to wit:

1. AS shall follow the pro-forma template, as seen in **Annex "A-1" and "A-2"**;
2. AS shall be on a legal size bond paper (8 1/2 x 14 inches), using either the Times New Roman font size #12 or Arial font size #10 and **must be bound with ring binding**;
3. The exact formats, columnar headings and footnote instruction found in every page of the attached pro-forma AS shall be **strictly observed**;
4. The submitted AS shall include supporting documents necessary to authenticate the contents of the AS, as seen in **Annex "B"**;
5. Any AS not in accordance with the prescribed format, with missing data/information, and incomplete attachments shall not be accepted.

The above enumerations do not prejudice the power of the Commission under Section 6 (c) of the Pre-Need Code of the Philippines to require other relevant information in the regulation, supervision and monitoring of the operations and management of pre-need companies to ensure compliance with the Pre-Need Code, as well as existing laws, rules, regulations and procedures.

SECTION 2. Filing of Annual Statements.


Annual Statements of the pre-need company and the AS of the Trust Fund for each type of plan shall be submitted on or before 30 April 2020.

SECTION 3. Late submission of Annual Statements.

Following Proclamation No. 929, the 2019 Annual Statements (including their required attachments) submitted after 30 April 2020 shall be accepted without imposing penalty/ies for late submission until 01 June 2020 or until forty-five (45) days after the lifting of the ECQ, whichever comes later.

SECTION 4. Effectivity Clause.

This Circular shall take effect immediately.


DENNIS B. FUNA
Insurance Commissioner

