



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



Circular Letter No.:	2021-38
Date:	28 May 2021
Supplements/ Amends:	CL No. 2020-93

CIRCULAR LETTER

TO : ALL ENTITIES REGULATED BY THE INSURANCE COMMISSION

SUBJECT : GUIDELINES ON THE RE-IMPOSITION OF PENALTIES WHICH WERE SUSPENDED UNDER CL NO. 2020-93 AS DIRECTED UNDER BAYANIHAN 2

WHEREAS, by reason of the COVID-19 outbreak and the imposition of community quarantine in different areas in the country, the Insurance Commission has issued various Circular Letters extending the deadlines for the filing and submission of various regulatory documentary requirements;

WHEREAS, the President issued Administrative Order No. 30 dated 21 April 2020, "Directing All Government Offices to Formulate and Issue Guidelines on the Interruption of Periods for the Filing of Documents, Payment of Taxes, Charges and Other Fees, and Cancellation of Proceedings Before Their Respective Offices, and on the Movement of Timelines for the Release of Benefits";

WHEREAS, the penalties for delay in the submission of reportorial requirements to the Commission is provided for in Circular Letter No. 2014-15 dated 15 May 2014 on "Fees and Charges";

WHEREAS, the Commission has previously issued Circular Letter No. 2019-07 dated 18 March 2019 or the "Guideline and Grounds for the Reduction of Penalties Due to Delays in the Submission of Reportorial Requirements";

WHEREAS, on 27 August 2020, the Commission issued Circular Letter No. 2020-87 or the "Guidelines on the Imposition of Penalty for the Late Filing

and/or Submission of Various Regulatory Documentary Requirements by Reason of the Imposition of Community Quarantine in Different Areas in the Philippines”;

WHEREAS, on 11 September 2020, Republic Act No. 11494, otherwise known as the “Bayanihan to Recover as One Act”, was signed into law;

WHEREAS, on 22 September 2020, the Commission issued Circular Letter No. 2020-93 on the “Suspension of the Imposition of Penalty for the Non-Filing, Late Filing, and Failure to Comply with Compulsory Notification and Other Reportorial Requirements During the Period of Community Quarantine”, superseding CL No. 2020-87;

WHEREAS, by reason of the COVID-19 pandemic, Metro Manila, Bulacan, Rizal, Laguna, and Cavite (NCR Plus) were placed under Enhanced Community Quarantine (ECQ) from 05 April 2021 until 11 April 2021, under Modified ECQ from 12 April 2021 until 14 May 2021, and under General Community Quarantine (GCQ) with heightened restrictions from 15 May 2021 to 31 May 2021;

WHEREAS, in view of the imposition of the ECQ and subsequent quarantine measures, this Commission acknowledges the specific challenges on the business operation and preparation of regulatory documentary requirements of regulated entities;

NOW, THEREFORE, in view of all the foregoing and pursuant to the powers granted to the Insurance Commissioner under Section 437 of the Insurance Code, as amended by Republic Act No. 10607; Section 6 of Republic Act No. 9829, otherwise known as “The Pre-Need Code of the Philippines”; Section 4 of Executive Order No. 192, series of 2015; Implementing Rules and Regulations of Republic Act No. 9160, otherwise known as the “Anti-Money Laundering Act of 2001 (AMLA), as amended”; Rule 27 of the Implementing Rules and Regulations of Republic Act No. 10168, otherwise known as “The Terrorism Financing Prevention and Suppression Act”; and Section 4(www) of R.A. 11494, the following guidelines are hereby adopted and promulgated:

Section 1. Application. – This Circular shall apply to all the penalties imposed under Item No. VII, paragraph B of CL No. 2014-15 and the other Circular Letters subsequently issued by the Commission which require the regulated entities’ submission of reportorial requirements and impose penalty for any delay in the filing and/or submission thereof: *Provided, That this Circular shall only cover the filing and/or submission of compulsory notification and reportorial requirements to the Commission due on or before 31 December 2020.*

Section 2. Imposition of Penalties. – All compulsory notification and reportorial requirements due on or before 31 December 2020 shall be submitted to the

respective Divisions of the Insurance Commission **on or before 30 June 2021**. Failure to file and/or submit such compulsory notification and reportorial requirements on or before the new deadline shall merit the imposition of penalty set out in Item No. VII, paragraph B of CL No. 2014-15, without prejudice to the application of CL No. 2019-07. **The computation of the applicable penalty for late filing and/or submission of compulsory notification and reportorial requirements under this Circular shall be reckoned from 30 June 2021.** CL No. 2020-93 is hereby deemed **amended accordingly**.

Section 3. Separability Clause. – If any provision of this Circular Letter shall be held unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force and effect.

Section 4. Effectivity. – This Circular shall take effect immediately.


DENNIS B. FUNA
Insurance Commissioner

