



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



Legal Opinion (L.O.) No.:	10-2018-06-A
Date:	16 April 2018

MS. JILL MARIE B. LOPEZ
Assistant Corporate Secretary
AXA Philippines
34th Floor GT Tower International
6813 Ayala Ave. Cor. H.V. Dela Costa St.
Makati City.

**SUBJECT: Clarification and Confirmation regarding
One Management Arrangement between
AXA Philippines and Charter Ping An**

Dear Ms. Lopez:

This refers to your 02 April 2018 letter seeking clarification and confirmation on whether the approval of your Shared Services Agreement, as per IC Legal Opinion-2018-06, includes the one management arrangement wherein both AXA Philippines (AXA) and Charter Ping An Insurance Corporation (CPAIC) will have the same set of Corporate Officers.

You likewise mentioned that the one management arrangement is a consequence of the shared services agreement and is aimed at better operational efficiency and that currently, both companies have the same President/CEO, Mr. Rahul Hora.

In IC Legal Opinion-2018-06, this Commission duly notes that CPAIC is a subsidiary and one hundred percent (100%) owned by AXA and that in support of its request for approval of said shared services, it submitted to this Commission the respective Audited Financial Statements, Current Salary Structures, and Organizational Structures of both AXA and CPAIC.

In view of the foregoing and upon careful evaluation, this Commission finds that the one management arrangement mentioned in your letter is not inconsistent with the shared services agreement that this Commission approved. This Commission duly notes that said one management arrangement is specifically aimed at better operational efficiency in the conduct of said approved shared agreement.

However, we reiterate what we have mentioned in IC Legal Opinion-2018-06, that the findings by the Insurance Commission does not affect the validity or invalidity of the employment contract/relationship of CPAIC absorbed employees considering that the determination of the same falls under another jurisdiction.

Please be guided accordingly.

Thank you.



DENNIS B. FUNA
Insurance Commissioner

