



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



Legal Opinion (L.O.) No.	LO-2018-07
Date:	March 7, 2018

MR. MENELO J. CARLOS

President

**CHEM INSURANCE BROKERS AND
SERVICES CORPORATION**

C/o Resins Inc., E. Rodriguez Jr. Avenue,
Bagong Ilog, Pasig City

SUBJECT: Request for Clarification on Section 2.4 of
Insurance Memorandum Circular No. 2-85

Dear Mr. Carlos:

This is in connection with your company's letter dated 06 December 2017 requesting for clarification on Section 2.4 of Insurance Memorandum Circular (IMC) No. 2-85 in relation to the appointment of a Soliciting Official of an insurance brokerage company.

Section 2.4 of the IMC No. 2-85 dated 07 August 1985, states that:

“2.4 No official or employee of an insurance broker shall be licensed to act as an insurance agent, variable contract agent, or general agent.”


Based on your letter, it is your intention to recruit and engage a Soliciting Official for your company.

Based on the above-quoted provision, once an individual is employed as part of the rank-and-file, management workforce or appointed as the Soliciting Official of an insurance brokerage company, such individual is automatically disqualified to act as a licensed insurance agent, variable contract agent, or general agent.

On the other hand, if the appointed Soliciting Official is currently licensed as an insurance agent, such license as insurance agent will be cancelled after the approval of his/her application as Soliciting Official.

For your information and guidance.

Very truly yours,


DENNIS B. FUNA
Insurance Commissioner

