



Legal Opinion (LO) No.:	2021 - 04
Date:	14 January 2021

ATTY. CALVIN L. KOHCHECHUA
 Chief Legal & Compliance Officer
 East West Ageas Life Insurance Corp.
 15/F One World Place, 32nd Street,
 Bonifacio Global City, Taguig City (1634)

**SUBJECT: Request for Legal Opinion on Geographical Limitation
 in Accordance with IC Circular Letter No. 2020-109**

Dear Atty. Kohchet-Chua:

This refers to your request for legal opinion dated 7 January 2021 on the subject, particularly seeking clarification on the interpretation of Section 2 of Circular Letter No. 2020-109 dated 26 November 2020, which provides that, to wit:

“2. Geographical Limitation. – Insurers shall *only insure persons and/or risks situated within the Philippines*. Remote Selling Initiatives may not be utilized in cross-border selling. Accordingly, insurers shall adopt measures to ensure *that no cross-border selling shall occur at the time of conduct of the sale*.” [Emphasis supplied.]

This Commission hereby quotes the pertinent portion of the subject request hereunder, viz:

“Given the foregoing, we seek your guidance on the following queries:

- 1. Troo has previously catered to the needs of real estate buyers for a Mortgage Redemption Insurance (MRI) in partnership with banks, i.e., buyers who purchase real estate on loan with the banks also purchase MRI from Troo to ensure the payment of these loans in case an untoward event takes place that prevents the buyers from paying their loans.*

A portion of these buyers are Overseas Filipino Workers (OFW) who come home to the Philippines, purchase real estate and MRI, and then return abroad for their work. It is worthy to note that: