



Circular Letter No.:	2022-18
Date:	23 March 2022
Amends:	IMC No. 4-93; CL No. 2014-15

CIRCULAR LETTER

TO : ALL INSURANCE ADJUSTERS DOING BUSINESS IN THE PHILIPPINES

SUBJECT : CAP ON PENALTY FOR LATE SUBMISSION OF QUARTERLY REPORTS OF ADJUSTMENT CASES

WHEREAS, Section 340 of the Insurance Code, as amended by Republic Act No. 10607, provides that “every adjuster shall submit to the Commissioner a quarterly report of all losses which are the subject of adjustment effected by him during each month in the form prescribed by the Commissioner. The report shall be filed within one (1) month after the end of each quarter”;

WHEREAS, the Insurance Commission issued Circular Letter No. 2014-15 dated 15 May 2014 entitled “Fees and Charges” which prescribes penalties for delays in the submission of various reportorial requirements;

NOW. THEREFORE, pursuant to the authority of the Insurance Commissioner under Section 437(d), (o) and (p) of the Insurance Code, as amended, the following guidelines on the imposition of penalty for late submission of quarterly reports of adjustment cases are hereby promulgated:

Section 1. Pursuant to IMC No. 4-93 and Section 340 of the Insurance Code, as amended, all insurance adjusters are directed to submit Quarterly Reports of Adjustment Cases within one (1) month after the end of each quarter. As provided under CL No. 2014-15, late submission of such reports shall be fined the corresponding amount of Five Thousand Pesos (Php. 5,000.00) per day of delay.

In view of the pandemic and the imposition of community quarantine restrictions, **an adjustment company which has incurred late penalties relative to the submission of its Quarterly Reports of Adjustment Cases prior to the date of issuance of this Circular Letter may request for its penalties to be capped**

at One Million Pesos (Php. 1,000,000.00), subject to the same grounds and procedure for reduction of penalties set forth in Sections 2 and 3 of Circular Letter No. 2019-07 dated 18 March 2019.

In the case of penalties for late submissions of Quarterly Reports incurred after the effectivity of this Circular Letter, the Insurance Commission may, upon request of the adjustment company in accordance with Sections 2 and 3 of CL No. 2019-07, cap the aggregate imposable penalty for any given year at One Million Pesos (Php. 1,000,000.00).

The foregoing notwithstanding, any adjustment company incurring a penalty of One Million Pesos (Php. 1,000,000.00) may be given a warning, or have their license suspended or revoked, at the discretion of the Insurance Commissioner.

Section 2. Any adjustment company availing of the reliefs under this Circular Letter shall no longer be eligible to apply for reduction of penalty under Circular Letter No. 2019-07, as amended by Circular Letter No. 2021-70.

Section 3. This amendatory Circular Letter shall take effect immediately. Except as amended and supplemented hereby, all other provisions of Insurance Memorandum Circular No. 4-93 and Circular Letter No. 2014-15 shall remain effective.

DENNIS B. FUNA
Insurance Commissioner

