



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



Circular Letter (CL) No.:	2020-69
Date:	11 June 2020
Supersedes:	NONE

### CIRCULAR LETTER

**TO :** ALL LIFE AND NON-LIFE INSURANCE COMPANIES, THEIR AGENTS, AND THE GENERAL PUBLIC

**SUBJECT :** GUIDELINES ON ISSUANCE OF TEMPORARY LICENSE TO NEW INSURANCE AGENT DURING THE STATE OF PUBLIC HEALTH EMERGENCY DUE TO THE CORONAVIRUS DISEASE 2019 (COVID-19)

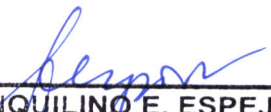
**WHEREAS**, Section 307 of the Amended Insurance Code provides:

"Section 307. No insurance company doing business in the Philippines, nor any agent thereof, shall pay any commission or other compensation to any person for services in obtaining insurance, **unless such person shall have first procured from the Commissioner a license to act as an insurance agent of such company** or as an insurance broker as hereinafter provided.

No person shall act as an insurance agent or as an insurance broker in the solicitation or procurement of applications for insurance, or receive for services in obtaining insurance, any commission or other compensation from any insurance company doing business in the Philippines, or any agent thereof, without first procuring a license so to act from the Commissioner, which must be renewed every three (3) years thereafter xxx

xxx xxx xxx. **The Commissioner shall satisfy himself as to the competence** and trustworthiness of the applicant and shall have the right to refuse to issue or renew and to suspend or revoke any such license in his discretion. xxx xxx xxx."

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**TRANQUILINO E. ESPEJON**  
IC Supervising Administrative Officer  
Administrative Division  
Insurance Commission

Date: \_\_\_\_\_

**WHEREAS**, Section 312 of the Amended Insurance Code provides:

"Section 312. The Commissioner shall, in order to determine the competence of every applicant to have the kind of license applied for, **require such applicant to submit to a written examination and to pass the same to the satisfaction of the Commissioner.** The Commissioner may delegate or authorize the administration of the examination to an independent organization, subject to such conditions that the Commissioner may provide."

**WHEREAS**, the Insurance Commission administers and conducts qualifying insurance agent's examinations through the Agent's Computerized Examination in its Head Office and District Offices and pen-and-paper qualifying insurance agent's examinations through regular and special examinations in different provinces all over the country;

**WHEREAS**, Presidential Proclamation No. 922 dated 08 March 2020 was issued declaring a State of Public Health Emergency Throughout the Philippines due to the Corona Virus Disease 2019 (COVID-19);

**WHEREAS**, Presidential Proclamation No. 929 dated 16 March 2020 was issued declaring a state National Emergency throughout the Philippines Due to COVID-19 and imposing an Enhanced Community Quarantine (ECQ) throughout Luzon until 14 April 2020 unless earlier lifted or extended as circumstances may warrant;

**WHEREAS**, IC Circular Letter No. 2020-12 entitled "*Guidelines Governing the Conduct of Business in the Insurance Commission During the Community Quarantine Period*" was issued;

**WHEREAS**, Item (1) of the said Circular Letter reads:

*"1. Suspension of Agents' Qualifying Examinations. - All agents' qualifying examinations, whether conducted within the premises of the Insurance Commission main/district offices (e.g., Agents' Computerized Examinations) or otherwise (e.g., Regular and Special Offsite Examinations), shall be suspended during the Community Quarantine Period (i.e., 15 March 2020 until 14 April 2020).*

*If the Community Quarantine Period shall be extended by lawful authorities, the suspension shall likewise last during such extension.*

**WHEREAS**, the ECQ over the entire Luzon was extended until 30 April 2020 pursuant to the 07 April 2020 Memorandum from the Executive Secretary;

**WHEREAS**, on 30 April 2020, the President issued Executive Order No. 112 imposing an ECQ in High-Risk Geographic Areas, including the National Capital Region from 01 to 15 May 2020;

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\_\_\_\_\_  
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IC Supervising Administrative Officer  
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**WHEREAS**, on 15 May 2020, the Inter-Agency Task Force for Management of Emerging Infectious Disease (IATF) issued Resolution No. 37, series of 2020 placing the National Capital Region (NCR) under Modified Enhanced Community Quarantine beginning 16 May 2020 until 31 May 2020;

**WHEREAS**, on 27 May 2020, the IATF issued Resolution No. 40, series of 2020 placing the National Capital Region (NCR) under General Community Quarantine from 1 June 2020;

**WHEREAS**, based on the IATF Omnibus Guidelines on the Implementation of Community Quarantine in the Philippines dated 15 May 2020, this Commission notes that the various protocols for the community quarantine have an impact on the ability of individuals to take the qualifying insurance agent's examination in a timely manner and has resulted in some prospective new applicants being unable to obtain an insurance agent's license and secure employment;

**WHEREAS**, this Commission recognizes that insurance agents play a critical role in making insurance products available and accessible to the insuring public and to the sustainability of the insurance industry;

**WHEREAS**, there is a need to introduce a temporary facilitative measure to allow individuals to sell insurance products to ensure services remain available during the response to COVID-19;

**NOW, THEREFORE**, in view of all the foregoing and pursuant to the statutory powers granted to the Insurance Commissioner under Section 437 of the Insurance Code of the Philippines, as amended by Republic Act No. 10607, the following guidelines are hereby adopted and promulgated, to wit:

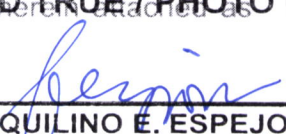
**Section 1. Scope** – This shall cover the process in applying for, and the criteria for the grant of, a temporary license for individual agents during the implementation of community quarantine, social distancing, or "mass or work gatherings" rules and regulations imposed by the President or authorized government agencies in responses to the COVID-19 pandemic.

**Section 2. Qualification of Applicants for Temporary Insurance Agent's License** – Applicants for issuance of temporary insurance agent's license should possess all qualifications under the Insurance Code, as amended by Republic Act No. 10607 and the existing rules and regulations issued by this Commission provided that, without the need to take and pass the qualifying insurance agent's examinations in view of the suspension of the conduct of qualifying agent's examinations.

**Section 3. Filing of Application for Temporary Insurance Agent's License** – All applications must be electronically submitted to the Commission by the sponsoring insurance company which the applicant wishes to represent through the Enhanced Licensing System by uploading the following:

- a. duly accomplished application form accompanied by a Documentary Stamp Tax; and
- b. Certification from the sponsoring insurance company to be signed by an officer with a position of at least Vice-President using the form hereto attached as Annex "A"

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IC Supervising Administrative Officer  
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Insurance Commission



The above-enumerated documents to be uploaded must be in a single Portable Document Format (pdf) file.

The sponsoring insurance company must maintain a record of all licensees issued with a temporary license and business transacted by them. At a minimum, record must contain the applicant's complete name, date of birth, BIR TIN No., SSS No., and the type of products the temporary insurance agent is authorized to sell. These records may be required to be submitted to the Commission for verification purposes.

It is the responsibility of each company to ensure that all data are accurate and true.

**Section 4. Payment of Licensing Fee.** The licensing fee in the amount of P1,515.00 for the individual agent's license shall be paid by the applicant to the sponsoring insurance company. The sponsoring insurance company shall remit the applicant's license fee on behalf of the applicant to the Insurance Commission.

It is the responsibility of the sponsoring insurance company to ensure that the appropriate request for Order of Payment is made and duly printed before proceeding to the IC Head Office for the payment of the Licensing Fee.

Upon submission of the duly accomplished form referred to in the preceding Section and the payment of licensing fee, the applicant shall be allowed to act as an insurance agent affiliated with the sponsoring insurance company.

**Section 5. Validity.** All temporary licenses issued pursuant to this Circular Letter will be valid until 31 December 2020 and shall automatically expire on such date; provided that, it shall automatically expire once the applicant passes or fails the qualifying insurance agent's examination or fails to take the said examination once Section 1 of IC CL No. 2020-12 is lifted.

**Section 6. Limitations.** Individuals issued with temporary insurance agent license must be under the supervision of a duly licensed agent who will oversee his/her work and conduct. The licensed agent may utilize Information and Communication Technology, such as but not limited to, teleconferencing, video conferencing, computer conferencing, or audio conferencing, to oversee the work and conduct of the temporary insurance agent.

**Section 7. Cancellation or revocation.** A license issued pursuant to this Circular is subject to cancellation or revocation if the licensee violates the insurance laws or if the interests of the insured or the public are endangered.

**Section 8. Acts Required of Temporary Insurance Agent.** - In the performance of their fiduciary duties and responsibilities under this Circular, all individuals licensed under this Circular shall become liable to all the duties, requirements, liabilities and penalties to which an insurance agent is subject.

**Section 9 Conversion of Temporary Agent's License to a Regular License.** A temporary agent's license may be converted to a regular agent's license by completion of all requirements and after the passing of qualifying insurance agent's examinations. All applications for regular license must be submitted through the Enhanced Licensing System. The validity period of such regular license shall be reckoned from the date of the issuance of the temporary agent's license and no additional license fee shall be required.

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TRANQUILINO E. ESPEJON  
IC Supervising Administrative Officer  
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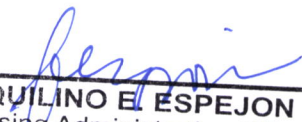
**Section 10. Separability Clause.** - If any provision of this Circular shall be held unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force and effect.

**Section 11. Effectivity.** - This Circular Letter shall take effect immediately.

  
**DENNIS B. FUNA**  
Insurance Commissioner



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**TRANQUILINO E. ESPEJON**  
IC Supervising Administrative Officer  
Administrative Division  
Insurance Commission

Date: \_\_\_\_\_

ANNEX "A"

**CERTIFICATION OF TRAINING  
FOR TEMPORARY INSURANCE AGENT**

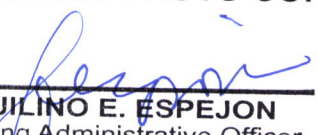
I, Vice President of <name of company>, do hereby certify that the <name of applicant> strictly complies with the following requirements of the Insurance Code and other pertinent circulars and guidelines duly issued by the Insurance Commission, as follows:

- i. Except for the notarization which shall be regularized on or before conversion of the temporary insurance agent's license to regular agent's license, applicant has duly filled out the Insurance Commission Form on Application for Agent's Insurance;
- ii. The applicant possesses all the qualifications and none of the disqualifications of an applicant for an insurance agent's license; and
- iii. The applicant has completed the necessary training for the type of license applied for.  
☐ Variable Life      ☐ Traditional Life      ☐ Non-Life

I acknowledge my administrative liability as a consequence of this Certification, if warranted after due notice and hearing, warranting any other appropriate action that may be taken by the Insurance Commission before the proper forum.

**CERTIFIED TRUE / PHOTO COPY**

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Signature over Printed Name and Date

  
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**TRANQUILINO E. ESPEJON**  
IC Supervising Administrative Officer  
Administrative Division  
Insurance Commission

Date: \_\_\_\_\_