



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

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CIRCULAR LETTER

**TO : ALL INSURANCE/REINSURANCE COMPANIES AND
MUTUAL BENEFIT ASSOCIATIONS AUTHORIZED TO
TRANSACTION BUSINESS IN THE PHILIPPINES**


**SUBJECT : INVESTMENTS IN MUTUAL FUNDS AND UNIT INVESTMENT
TRUST FUNDS**

In accordance with Section 202 (j) of the Amended Insurance Code (RA 10607), investments in Mutual Funds and Unit Investment Trust Funds (UITFs) may be allowed for insurance, reinsurance companies and mutual benefit associations (MBAs), provided that:

1. The Mutual Fund had the prior approval by the Securities and Exchange Commission;
2. The UITF had the prior approval by the Bangko Sentral ng Pilipinas;
3. The said Funds are placed in any of the following instruments:
 - a. Fixed Income Securities
 - b. Equities
 - c. Combination of fixed income securities and equities
4. The aggregate placements in each fund (mutual fund or UITF) based on the company's latest synopsis, do not exceed:
 - a. 10% of Total Admitted Assets for a life insurance company or MBA
 - b. 20% of Net Worth for a non-life insurance or professional reinsurance company.

These shall be considered reserve investments.

Please be guided accordingly.


EMMANUEL F. DOOC
Insurance Commissioner