



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

Circular No	: 2015-22
Date	: 6 May 2015
Supplements	: CL 21-2006

**CIRCULAR LETTER**

**TO : ALL INSURANCE COMPANIES, MUTUAL BENEFIT ASSOCIATIONS, TRUSTS FOR CHARITABLE USES, INSURANCE AND REINSURANCE BROKERS AND OTHER INSURANCE INTERMEDIARIES**

**SUBJECT: SUPPLEMENT TO CIRCULAR LETTER NO. 21-2006 ON THE NEGATIVE LIST OF OFFICERS AND EMPLOYEES**

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IC Circular Letter No.21-2006 on the Negative List of Officers and employees provides:

"To further promote professionalism on the workforce of the insurance industry and to protect the insuring public and other stakeholders, this Commission will establish a Negative List of officers and employees. In line with this, all Insurance and Reinsurance Brokers and Other Insurance Intermediaries must provide this Office with the list of your inactive as well as active officers and employees who may have been found guilty of, or with pending complaints filed against them before the company, any administrative body, or court for committing any of the following:

1. wilfully violating any provisions of the Insurance Code;
2. Intentionally making a material misstatement in his application to qualify as an officer or employee;
3. attempting fraud, misrepresentation or dishonest practices,
4. misappropriating or converting to his own use of illegally withholding moneys required to held in fiduciary capacity;

5. materially misrepresenting the terms and condition of policies or contracts of insurance which his company has sold;
6. materially misrepresenting the terms and conditions of policies or contracts of insurance which his company has sold.

The list must be duly certified to by a responsible officer, with a rank of at least Vice-President and submitted to the Commission not later than June 20, 2006 and thereafter, every 20<sup>th</sup> of the month. In case the company has no such mentioned officers and employees, it has to submit a certification to that effect.

A penalty of P1, 000.00 each day of delay shall be imposed for failure to comply with the foregoing."

The officer/employee whose name is in the Negative List cannot be left for an indefinite period where no determination of guilt has been pronounced as this would create undue and unfair damage to the officer/employee concerned.

For purposes of providing a definite period within which an officer/employee whose name appears in the Negative List of Officers for committing any of the acts prohibited under IC Circular Letter No. 21-2006, **pending complaints** therein mentioned against the said officer/employee should not exceed three (3) years from the time the officer/employee was placed in the Negative Officers List.

If after three (3) years, and no subsequent action/proceeding has been filed or proceeded against the said officer/employee, the Negative List shall be lifted. The officer/employee shall, however, be reinstated in the Negative List once a ruling or finding of guilt, has been issued.

For your information and guidance.

  
EMMANUEL F. DOOC  
Insurance Commissioner