



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



Circular Letter (CL) No:	2016-47
Date:	19 August 2016
Supersedes:	"None"

CIRCULAR LETTER NO: _____

TO : All Mutual Benefit Associations Concerned

SUBJECT : Guidelines for the Liquidation of Inactive Mutual Benefit Associations (MBAs) and Disposition of Guaranty Fund (GF)

Pursuant to the powers of the Insurance Commissioner under Section 421 in relation to Section 437 (d) and (p) of Republic Act (R.A.) No. 10607, all concerned Mutual Benefit Associations ("MBA" for brevity) should be guided by the following:

I. SCOPE OF APPLICATION

This Circular Letter shall apply only to the following inactive MBAs with GFs under the account names "*Insurance Commission for the Account of (name of MBA)*" and have not updated their files with the Insurance Commission.

<u>Name of MBAs</u>	<u>Date of Issuance of Last License</u>
1. Association of Government Civil Engineers of the Philippines	2002
2. Barangay Mutual Benefit Fund, Inc.	2004
3. Benefit Association of Self-Employed	1991
4. Caballeros de Rizal Agricultural Endeavor	1994
5. Camarines Sur Teachers & Employees Association Inc.	2005
6. District City Engineers League of the Philippines	2000
7. Ilocos Sur Teachers Association MBI	2000
8. Mentors Guild Inc.	2004
9. Mondragon MBI	1986

10. Nelfei MBAI	2004
11. Pakisama MBAI	2006
12. Provenor MBAI	2000
13. Quezon City Police Department Security Association	1979
14. Transportation & Communication MBAI	2004
15. United MBAI	1985
16. Vicmico Employees Mutual Aid Association, Inc.	2003
17. Zamboanga Del Sur Mutual Benefit Association, Inc.	1995

II. RULES OF PRESUMPTION

1. The Insurance Commission shall send a letter to the last known address on record of the MBA concerned requiring the latter to notify the Insurance Commission within **fifteen (15)** days from its receipt if said entity still intends to continue its operation as an MBA. In case the concerned MBA fails to reply, the following rules of presumption shall be applied:

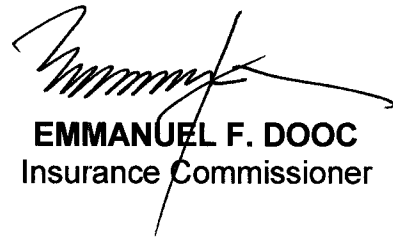
- a. If the MBA concerned does not reply within **fifteen (15)** days from the receipt of said letter, said MBA shall be deemed not interested to continue its operations;
- b. If said letter is returned to the Insurance Commission showing that the letter was not served due to the fact that said entity is no longer located in said address and there is no other means of determining the current address of the MBA concerned, a Notice shall be published in a newspaper of general circulation once a week for two (2) consecutive weeks directing the MBA concerned to submit a letter within thirty (30) days and inform the Insurance Commissioner if the concerned MBA intends to continue its operations. After the lapse of thirty (30) days from the last date of publication and there is still no reply from the concerned MBA, the same is deemed not interested to continue its operations;

2. In case the MBA concerned replies in writing and informs the Insurance Commission that it intends to continue its operations as an MBA, the same shall be endorsed to the Licensing Division for the licensing process to commence. Said MBA shall be given two (2) months to complete their licensing requirements, otherwise the MBA is deemed not interested to continue its operations.

3. All MBAs deemed not interested to continue their operations as determined in items 1a & b and 2 above, shall be endorsed to the CRL for appropriate handling including the disposition of GF.

4. Subsequent guidelines may be issued to supplement, amend, modify or clarify the foregoing matters.

This Circular shall take effect immediately.



EMMANUEL F. DOOC
Insurance Commissioner