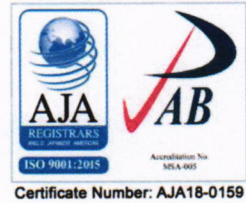




Republic of the Philippines  
Department of Finance  
**INSURANCE COMMISSION**  
1071 United Nations Avenue  
Manila



Circular Letter (CL) No.	2018-64
Date:	28 December 2018
Amends:	IC CL No. 2014 - 15 on the schedule of fees and charges

## CIRCULAR LETTER

**TO : ALL INSURANCE, REINSURANCE COMPANIES AND MUTUAL BENEFIT ASSOCIATIONS**

**SUBJECT : GUIDELINES ON THE REGISTRATION OF CONTROLLED INSURERS**

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Pursuant to the powers granted to the Insurance Commissioner under Section 437 of the Insurance Code, as amended by Republic Act ("R.A.") No. 10607 and provisions of Chapter III (The Business of Insurance), Title 20 (Holding Companies) of the Insurance Code, as amended by R.A. No. 10607, the following Guidelines on the Registration of Controlled Insurers, are hereby issued:

### SECTION 1. DEFINITION OF TERMS

In these Guidelines, unless the context otherwise requires, the following words have the following meaning:

- a. "Control" - means possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or management services, or otherwise.

This term includes "controlling", "controlled by" and "under common control with";

- b. "Controlled insurer" - means an insurance company authorized to do insurance business in the Philippines that is controlled, directly or indirectly, by or a holding company;
- c. "Controlled person" – any person, other than a controlled insurer, who is controlled directly or indirectly by a holding company;
- d. "Holding company" –any person who directly or indirectly owns, controls an insurance company authorized to do insurance business in the Philippines and those who are determined as such by the Commissioner pursuant to Section 292 of the Insurance Code, as amended by R.A. No. 10607;
- e. "Insurance holding company system" – a type of business organization two or more affiliated persons, one or more of which is an insurance company authorized to do insurance business in the Philippines;
- f. "Person" - entities that are affiliated with insurance companies and not otherwise subject to such regulation.

## SECTION 2. REGISTRATION OF A CONTROLLED INSURER

Every insurer authorized to do business in the Philippines and which is part of a holding company system shall register with this Commission in accordance with Section 294(a) of the Insurance Code, as amended by R.A. No. 10607 and shall furnish the Commission with the following information concerning its holding company in accordance with Section 294(b) of the Insurance Code, as amended by R.A. No. 10607:

1. A copy of the Charter or Articles of Incorporation and By-laws;
2. The identities of the principal or majority shareholders, officers, directors and controlled persons;
3. List of shareholders and percentage of ownership;
4. Information as to the capital structure and general financial condition of the holding company;
5. A description and list of the principal business/es; and
6. National Bureau of Investigation Clearance or similar clearance from foreign counterpart of the major shareholder or ultimate beneficial owner of the controlled insurer.

The registration shall only be one-time only and, shall not be recurring.

## SECTION 3. PRESUMPTION OF CONTROL

Control is presumed to exist when a person directly or indirectly owns, controls or holds with the power to vote **forty percent (40%) or more** of the voting securities of any other person: *Provided*, That no person shall be deemed to control another person solely by reason of his being an officer or director of such other person,