



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



Circular Letter (CL) No.:	2018-67
Date:	28 December 2018
Amends:	Part VII, C(14); CL No. 2014-15, d. 15 May 2014

CIRCULAR LETTER

TO : ALL NON-LIFE INSURANCE COMPANIES DOING BUSINESS IN THE PHILIPPINES AND ALL LICENSED INSURANCE AGENTS

SUBJECT : GUIDELINES IN THE IMPOSITION OF FINES FOR BREACH OF TARIFF RATES

WHEREAS, Section 365 of Republic Act No. 10607, otherwise known as the Amended Insurance Code of the Philippines, provides that:

"Section 365. No member or subscriber of a rating organization, and no insurance company doing business in the Philippines, or agent, employee or other representative of such company, and no insurance broker shall charge or demand a rate or receive a premium which deviates from the rates, rating plans, classifications, schedules, rules and standards, made and last filed by a rating organization or by or on behalf of the insurance company, or shall issue or make any policy or contract involving a violation of such rate filings."

WHEREAS, Section 372 of the same Code states that:

"Section 372. If the Commissioner, after notice and hearing, finds that any insurance company, rating organization, agent, broker or other person has violated any of the provisions of this title, it shall order the payment of a fine not to exceed Twenty-five thousand pesos (P 25,000.00) for each such offense, and shall immediately suspend or revoke the license issued to such insurance company, rating organization, agent, or broker. The issuance, procurement or negotiation of a single policy or contract of insurance shall be deemed a separate offense."