



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



Circular Letter (CL) No.:	2019-45
Date:	04 September 2019
Supersedes:	Advisory deferring CL No. 2014-31 and CL No. 2014-31 dated 08 July 2014

## CIRCULAR LETTER

**TO :** ALL INSURANCE AND PROFESSIONAL REINSURANCE COMPANIES AUTHORIZED TO TRANSACT BUSINESS IN THE PHILIPPINES

**SUBJECT :** AMENDED GUIDELINES FOR SECURITIES BORROWING AND LENDING TRANSACTIONS

**WHEREAS**, Section 437 of the Insurance Code, as amended by Republic Act (RA) No. 10607, authorizes the Insurance Commission (IC) to issue such rulings, instructions, circulars, orders and decisions as maybe deemed necessary to secure the enforcement of the provisions of the Code, to ensure the efficient regulation of the insurance industry in accordance with global best practices and to protect the insuring public;

**WHEREAS**, Section 1 of the Securities and Exchange Commission (SEC) Memorandum Circular (MC) No. 7, series of 2006 includes insurance companies to the entities that may be engaged or involved in securities borrowing and lending (SBL) transactions;

**NOW, THEREFORE**, pursuant to the powers vested in the Insurance Commission under Section 437 of the Amended Insurance Code, the following amended guidelines on SBL transactions of insurance and professional reinsurance companies are hereby adopted and promulgated;

### Section 1. Coverage

- a. This Circular Letter (CL) provides guidelines for SBL transactions that an insurance and professional reinsurance company may undertake.
- b. Insurance and professional reinsurance company may act as a Lender on SBL transactions.