



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



Legal Opinion No.	2019 - 14
Date	27 December 2019

ATTY. GIEHRJEM P. PURACAN

Attorney-at-Law

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Subject: **Legal Opinion on the Letter of Guarantee Issued by The Thomas Miller P&I Club which was Posted as Collateral Security for the Surety Bond Issued by Visayan Surety and Insurance Corporation**

Dear Atty. Puracan:

This refers to your request for opinion regarding Letter of Guarantee issued by The Thomas Miller P&I Club to serve as collateral security for a Supersedeas Bond issued by Visayan Surety and Insurance Corporation.

According to your letter, Visayan issued Surety Bond, in the nature of a Supersedeas Bond with Bond No. MLA/JCL(15)249 on 22 November 2017 amounting to Five Million Two Hundred Ninety Eight Thousand Four Hundred One and 95/100 Pesos, which was then posted before the National Labor Relations Commission ("NLRC") for the case entitled "*Alexander Pinos vs. NYK-FIL Ship Management, et al*"¹ ("Case"). The said bond was then secured by a Letter of Guarantee from The Thomas Miller P&I Club.

Specifically, you raised the following issues for this Commission's consideration:

1. Is a Letter of Guarantee a suretyship product?
2. Do these guarantee services fall under Insurance Commission jurisdiction?

¹ Docketed as NLRC (POEA) RAB VII-CASE No. 05-0081-17 (S).