



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



Legal Opinion (LO) No.:	2021-01
Date:	19 January 2021

ATTY. SHIRLEY G. VELASQUEZ-VIRAY
ATTY. MA. CELINE ANGELA DE GUZMAN
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Subject: Legal Query on Extended Warranties/
Indemnification

Dear Attys. Velasquez-Viray and De Guzman:

This refers to your email last 20 November 2020, seeking confirmation as to the following:

- (1) The Extended Warranty is not an insurance product under the Insurance Code, but a warranty governed by the Consumer Act of the Philippines and the Civil Code of the Philippines; and
- (2) The contractual liability insurance policy entered into between Client and Electronics Company does not require Client to register as an insurance company in the Philippines.

Per your email, your client is a company organized in the United States of America engaged in the business of providing insurance and reinsurance ("the Client"). One of the Client's customers is a US-based electronics manufacturer and distributor which sells in the Philippines through internet sales, retail sales, and agent sales ("the Electronics Company"). The business operations of the Electronics Company and its contractual relationship with the Client is described in your email, to wit: