



Legal Opinion (LO) No.:	2022-09
Date:	23 March 2022

Mr. JUSTIN DANIEL T. ARCENAS
Managing Director
CASHKO INSURANCE BROKERAGE
 3rd Floor, Dr. Ramon Arcenas Building
 Osmeña Boulevard, Cebu City
 Province of Cebu

ATTENTION: Mr. RICKY M. MORALES
 ricky.morales@ruralnet.ph

SUBJECT: Request for a Legal Opinion on queries regarding Group Insurance

Dear **Mr. Arcenas:**

This refers to your letter dated 23 February 2022 requesting for the Commission’s legal opinion on queries pertaining to subject matter of Group Insurance.

In your letter, you stated that pursuant to your company’s group insurance proposal to a prospective client company engaged in the business of lending, several questions were raised by your client lending company regarding its designation as a policyholder of the group insurance representing the client lending company’s customers who are availing loans from it. In order to satisfy your client, your company requested confirmation or an opinion regarding following queries:

1. *Whether the lending company is allowed or is not prohibited under the Insurance Code or its rules to act as policyholder in a group policy covering its customers;*
2. *Whether the lending company as policyholder of the group policy is not required to be licensed as an insurance agent; and,*
3. *Whether the lending company is authorized or is not prohibited from collecting a service fee from the insurance company for providing services in the administration of the group policy for its customers.*