

[IC CIRCULAR LETTER NO. 2014-32, July 09, 2014]

EXPEDITIOUS APPROVAL OF LIFE INSURANCE PRODUCTS

*Adopted: 09 July 2014
Date Filed: 11 July 2014*

Pursuant to the provisions of Section 437 of the Insurance Code, as amended, the following amendments to Circular Letter Nos. 27-2005 and 32- 2011 on Expeditious Approval of Traditional Life Insurance Products, are hereby promulgated:

A. Item No. 3 of Circular Letter No. 27-2005 dated 26 August 2005 is amended to read as follows:

"3. This Circular shall apply to the following:

- a. traditional life insurance products both on standard policy provisions and/or asset share format as prescribed by Circular Letter No. 30-92 dated 20 November 1992 and Circular Letter No. 14-93 dated 25 June 1993;
- b. traditional life insurance products which are not on standard policy provisions and/or asset share format; and
- c. other traditional life insurance products.

This Circular shall not apply to:

I. variable life insurance basic plans and riders

II. non-traditional health insurance products, e.g., HMO type products;

III. traditional life insurance products which will be marketed through new/innovative distribution channels such as malls, kiosks, online and telemarketing, etc.

B. Item II of Circular Letter No. 32-2011 dated 05 October 2011 is amended to read as follows:

"II. On item no. 4, the Insurance Commission may conduct a post-audit within **three (3)** years from the date of product approval. After such **3-year** period, the Deed of Undertaking as specified in item no. 2 of the said circular shall lapse and the Insurance Commission can no longer recall the approval of the life insurance product for violation of the Insurance Code and circulars and guidelines issued by the Insurance Commission as specified in item no. 5 of the same circular. However, the Commission may order the insurance company to refrain from further selling the product even after the **3-year** period if there is a finding of