

**[ IC CIRCULAR LETTER NO. 13-2005, April 13, 2005 ]**

**COMPLIANCE WITH KNOW-YOUR-CUSTOMER (KYC) MINIMUM REQUIREMENTS**

Pursuant to law and issuances:

Section 9 of the Anti-Money Laundering Act of 2001 (AMLA), as amended, requires covered institutions to establish and record the true identity of individual and corporate clients based on official documents;

IC Circular Letter No. 4-2004 prescribes the minimum information that must be secured by all insurance companies and intermediaries from their corporate and individual clients; and

IC Circular Letter No. 14-2004 prescribes "KYC Forms" (KYC Form 1 for corporate clients and KYC Form 2 for individual clients) to record the minimum information required under the Revised Implementing Rules and Regulations of the AMLA, allowing no insurance policies to be issued without the appropriate KYC form duly filled up;

and considering our review of existing insurance application forms, particularly those of life insurance companies, which already provides for the required minimum information in the KYC Forms, and in order to afford greater flexibility in complying with the said requirements:

I. Insurance companies and intermediaries are hereby allowed the use of existing application forms and/or other existing related forms as alternate sources of the minimum information, in lieu of the prescribed KYC Forms provided that:

A. The application or any other alternate form provides all the information required in the prescribed KYC Forms;

B. If any information is lacking in the current application or alternate form, the requirement for such information may be inserted or endorsed in the form until such application or alternate form is revised to include all the required minimum information;

C. If the use of the application or any other alternate form is not possible, insurance companies and intermediaries shall adopt the prescribed KYC Forms;

II. The alternative approach provided for in this Circular is for the full and effective compliance with the customer identification requirements of the AMLA, no waiver of any information required by the Implementing Rules, IC Circular Letter No. 4-2004, and Circular Letter No. 14-2004 intended thereof.

For your guidance and strict compliance.