



**LETTER CIRCULAR NO. 2017 - 04**  
**SERIES OF 2017**

**TO: INSURANCE COMPANIES, MUTUAL BENEFIT ASSOCIATIONS AND OTHER SIMILAR ENTITIES SUPERVISED BY THE INSURANCE COMMISSION**

**RE: FREQUENTLY ASKED QUESTIONS (FAQs) ON SUBMISSION OF DATA TO THE CREDIT INFORMATION CORPORATION FOR THE INSURANCE COMPANIES, MUTUAL BENEFIT ASSOCIATIONS, AND OTHER SIMILAR ENTITIES SUPERVISED BY THE INSURANCE COMMISSION**

To inform the insurance companies, mutual benefit associations and other similar entities defined as Submitting Entities<sup>1</sup> supervised by the Insurance Commission on issues pertinent to their submission of credit data to the Credit Information Corporation ("CIC") pursuant to Republic Act No. 9510 and its Implementing Rules and Regulations, the following clarifications are being issued:

*Q1. What are the required submissions of insurance companies, mutual benefit associations and other similar entities supervised by the Insurance Commission?*

**A1. Aside from policy loans, insurance companies, mutual benefit associations and other similar entities supervised by the Insurance Commission are required to submit premium payments and insurance contracts.**

*Q2. What is the purpose of submitting premium payments?*

**A2. The data submitted to the CIC will form an essential component in assessing the creditworthiness and payment behavior of policy holders.**

*Q3. Are employee loans required to be submitted to the CIC?*

**A3. It depends. Generally, all loans or other credit accommodations availed of by employees as part of their compensation package are not required to be submitted. However, if the loans or credit accommodations are subject to the**

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<sup>1</sup> Section 3(q) of Republic Act No. 9510 - "Submitting Entity" refers to any entity that provides credit facilities such as, but not limited to, banks, quasi-banks, trust entities, investment houses, financing companies, cooperatives, nongovernmental, micro-financing organizations, credit card companies, insurance companies and government lending institutions.



same terms and conditions imposed on commercial transactions of the company, if there are any, should be submitted to the CIC.

*Q4. Are agent's loans required to be submitted to the CIC?*

**A4.** It depends. If the loans are merely incidental to the insurance company's engagement with its agents and are treated similarly with that afforded to employees, then such are not required to be submitted to the CIC. However, if the loans or other credit accommodations were extended to agents with the same terms and conditions imposed on commercial transactions, such should be submitted to the CIC.

For guidance and information.

  
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PRESIDENT & CEO