



Circular Letter (CL) No.:	2024-22
Date:	21 October 2024
Supplements:	Insurance Memorandum Circular No. 3-1993

CIRCULAR LETTER

To : All Insurance Companies, Insurance Agents, and General Agents doing Business in the Philippines

Subject : Guidelines in the Renewal of Insurance Agent's License Expiring on 31 December 2024

WHEREAS, Item 6.3 of the said Memorandum Circular No. 3-93 provides for the definition of "**actively engaged**" for the purpose of renewal of an insurance agent's license, to wit:

*"The term '**actively engaged**' shall be taken to mean that the license holder shall have earned, **during the year following the issuance of the license, commissions or other compensation for services rendered** as such insurance agent or general agent amounting to at least **three thousand six hundred pesos.**"*

WHEREAS, Section 307 of the Insurance Code, as amended by Republic Act No. 10607 provides:

*"xxx xxx xxx No person shall act as an insurance agent or as an insurance broker in the solicitation or procurement of applications for insurance, or receive for services in obtaining insurance, any commission or other compensation from any insurance company doing business in the Philippines, or **any agent thereof, without first procuring a license so to act from the Commissioner, which must be renewed every three (3) years thereafter** xxx.*

*xxx xxx xxx. **The license shall expire after the thirty-first day of December of the third year following the date of issuance unless it is renewed.***

Licenses may be renewed in the case of the company represented by such agents xxx xxx xxx.”

WHEREAS, this Commission recognizes the need to update and revisit the term “actively engaged” as defined under Item 6.3 of IMC No. 3-93 while taking into consideration the amendment on the validity period of an insurance agent’s license;

WHEREAS, the Commission likewise recognizes the economic impact of the COVID-19 pandemic to insurance agents during the State of Public Health Emergency;

NOW, THEREFORE, in view of all the foregoing and pursuant to the statutory powers granted to the Insurance Commissioner under Section 437 of the Insurance Code of the Philippines, as amended by the Republic Act. No. 10607, the following guidelines on the Renewal of Insurance Agent’s License/s Expiring 31 December 2024 are hereby promulgated:

- I. All applications for renewal of insurance agent licenses expiring 31 December 2024 shall be submitted through the Enhanced Licensing System (ELS) by the authorized representative of each insurance company.
- II. All applications shall be accompanied by:
 - a. Duly Accomplished, readable, legible, and notarized Application Form signed by the authorized representative of the company with a rank of at least Vice-President;
 - b. Documentary Stamp Tax affixed to the hard copy which must be reflected in the soft copy to be uploaded; and
 - c. List of names of agents with corresponding type of license, and the amount of commission or compensation earned, using the prescribed format herein attached as Annex A, and signed by the authorized representative of the company with a rank of at least Vice-President or an equivalent rank.
- III. An agent is considered as “actively engaged” if the aggregate amount of commission or other compensation received by the agent during the three (3) year validity period (i.e. 2022, 2023, and 2024) amounts to **at least Ten Thousand Eight Hundred Pesos (P10,800.00)**.

For agents with both traditional life insurance agent’s license and variable life insurance agent’s license due for renewal, he/she shall be considered as “actively engaged” if the agent has earned or received an aggregate amount of **at least Ten Thousand Eight Hundred Pesos (P10,800.00)** in commission or other compensation **for both lines**.

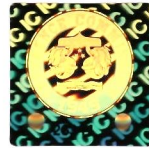
For non-life insurance agents representing more than one (1) non-life company, the requirement shall be deemed complied with if the agent has

earned or received an aggregate commission amounting to **at least Ten Thousand Eight Hundred Pesos (P10,800.00)** in commission or other compensation **from all the companies represented**.

- IV. Application with incomplete documentary requirements shall not be considered as “submitted”.
- V. Submission of application for renewal of agent’s license shall not be construed as an authority or license to engage in business as an insurance agent unless the application for renewal is approved by this Commission.

This Circular Letter shall take effect immediately.


REYNALDO A. REGALADO
Insurance Commissioner



ANNEX A: LIST OF AGENT

	Agent Name (Last Name, First Name, Middle Name; Alphabetical Order)	Type of License (Ordinary, General)	Kind of License (Traditional, Variable, Non- Life)	Amount of Commission Earned (in monetary value)			Total Aggregate Amount
				2022	2023	2024	
1							
2							
3							
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Authorized Company Representative

Signature

Date