

[IC CIRCULAR LETTER NO. 4-2010, January 26, 2010]

INTERIM GUIDELINES ON THE LICENSING AND OPERATION OF PRE-NEED AGENTS

With the effectivity of the Pre-need Code of the Philippines ("Pre-need Code") transferring the supervision and regulation of all pre-need companies and pre-need agents (sales counselors and general agents) to the Insurance Commission, the following interim guidelines are issued for the guidance of the pre-need companies, sales counselors and general agents:

1. All existing licenses of sales counselors and general agents issued by the Securities and Exchange Commission are hereby recognized and are considered effective in accordance with Section 59 of the Pre-need Code. All pre-need companies are required to provide the Insurance Commission with the list of renewed licenses for 2010 of their sales counselors and general agents within 20 days from date of issuance of this Circular. The list, which is in hard and soft copy, must at least contain the names of sales counselors and/or general agents, the individual tax identification numbers, addresses, and the pre-need plan/s the particular agent is allowed to sell (pension, education or life);
2. New applications of pre-need agents or sales counselors must be submitted to the Licensing Division of the Insurance Commission, to be accompanied by the following requirements: a) list of agents to be licensed in hard and soft copy with information on agents normally required by the previous regulator, b) fee on the amount of Two Hundred Pesos (P200.00) per sales counselor, c) certificate of training in pre-need products and agent's responsibilities, d) proof of good moral character in the form of either an NBI, police or Barangay clearance, or certificate of good moral character;
3. For applications for renewal of pre-need agents' licenses, only the list of agents and the fees are required. The applications are considered for renewal of licenses if the applicants were able to obtain their licenses for the preceding year;
4. The application for license of a particular applicant may be refused or cancelled for valid reason and any fee paid can no longer be reimbursed;
5. The license of pre-need agents (sales counselors and general agents) shall be effective until December 31, 2010, unless revoked or cancelled for cause. A pre-need agent shall represent only one pre-need company and cannot sell the pre-need plans of any other pre-need company;