

**[ IC CIRCULAR LETTER NO. 2013-23, September 04, 2013 ]**

**GUIDELINES FOR THE APPROVAL OF PERSONAL EQUITY RETIREMENT ACCOUNT (PERA) INVESTMENT PRODUCTS**

Pursuant to Title 9. Policy Forms, Section 226 of the Insurance Code, Sections 3 (g) and 15 (b) of PERA Act of 2008 and Rule 3 (h) of its Implementing Rules and Regulations, the following guidelines relative to approval of PERA Investment Products are hereby promulgated for your guidance:

1. No PERA Investment Product shall be issued/delivered within the Philippines by a life insurance company unless previously approved by the Insurance Commission in accordance with Rule 3 (h) of the Rules and Regulations Implementing the PERA Act of 2008.

2. In addition to the applicable requirements set out in Title 10. Variable Contracts, Sections 227 to 240 of the Insurance Code, Circular Letter Nos. 27-2005 and 32-2011 and Guidelines on Variable Life Insurance Contracts, the contracts for PERA Investment Products shall contain in substance the conditions of PERA Act of 2008 under the following Sections as well as the corresponding PERA Rules:

a. **Section 4. Establishment of a PERA** - A Contributor may create and maintain a maximum of five (5) PERA, at any one time: Provided, That the Contributor shall designate and maintain only one (1) Administrator for all his PERA.

*The Contributor shall make all investment decisions pertaining to his PERA. However, he has the option of appointing an Investment Manager, either in writing or in electronic form, to make investment decisions on his behalf without prior consultation.*

b. **Section 5. Maximum Annual PERA Contributions** - A Contributor may make an aggregate maximum contribution of One Hundred Thousand Pesos (Php100,000.00) or its equivalent in any convertible foreign currency at the prevailing rate at the time of the actual contribution, to his/her PERA per year. Provided, That if the Contributor is married, each of the spouses shall be entitled to make a maximum contribution of One Hundred Thousand Pesos (Php100,000.00) or its equivalent in any convertible foreign currency per year to his/her respective PERA: Provided, further, That if the Contributor is an overseas Filipino, he shall be allowed to make maximum contributions double the allowable maximum amount.

*A Contributor has the option to contribute more than the maximum amount prescribed herein: Provided, That the excess shall no longer be entitled to a tax credit of five percent (5%).*