

**[ IC INSURANCE CIRCULAR LETTER NO. 11-94 CL,  
April 25, 1994 ]**

**ISSUANCE OF INSURANCE POLICIES**

Information has reached this Office that some insurance brokers with the countenance of some insurance companies are issuing policies — an act they are not supposed to do.

An insurance broker, who, by definition under Section 301 of the Insurance Code, represents the insured cannot issue policies neither can it involve itself in the process of its issuance. Only insurance companies and their general agents, in some cases, are allowed to issue the same.

An insurance company that allows an insurance broker to issue policies in its behalf either tacitly or by a special power of attorney or by any other instruments and an insurance broker that issues the same with the consent of the insurance company shall be deemed to have violated the Insurance Code and shall, after notice and hearing, be sufficient cause for the suspension or revocation of their certificates of authority.

Please be guided accordingly.

Adopted: 25 Apr. 1994

(SGD.) ADELITA A. VERGEL DE DIOS  
*Insurance Commissioner*



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