



Republic of the Philippines
Department of Finance
INSURANCE COMMISSION
1071 United Nations Avenue
Manila

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Date:	26 May 2016
Supersedes/Amends:	

CIRCULAR LETTER

**TO : ALL LIFE AND NON-LIFE INSURANCE COMPANIES,
MUTUAL BENEFIT ASSOCIATIONS (MBAs) and
INSURANCE INTERMEDIARIES
DOING BUSINESS IN THE PHILIPPINES**

SUBJECT : BILL OF RIGHTS OF POLICYHOLDERS

The Insurance Commission is mandated to promote and safeguard the interest and welfare of the insuring public. In line with this, a Bill of Rights of Policyholders ("Bill of Rights") annexed to this Circular Letter is hereby issued.

This Bill of Rights consists of an enumeration of the basic rights of the insured under the Insurance Code, as amended by Republic Act No. 10607 and its pertinent rules and regulations.

For purposes of this Circular, "policyholder" refers to the named owner of an insurance policy who may be the insured or assured in a life or non-life insurance policy or a beneficiary as may be applicable. It includes an insured member or covered dependents of the mutual benefit association (MBA). It may also include a prospective client or the insuring public in general, as may be appropriate.

The term "insurance company/ies" may refer to a life or non-life insurance company or an MBA duly authorized to engage in insurance business by the Insurance Commission. "Policy" shall mean an insurance policy, certificate of cover, or certificate of membership.

"Intermediaries" may either be an insurance broker or insurance agent as defined under the Insurance Code, as amended.

This Bill of Rights is issued to promote the protection of the rights of policyholders as may be found in various insurance laws, rules and regulations. It also seeks to safeguard all other contractual rights which are provided for under the insurance policy.

Any violation of the Bill of Rights shall be considered as breach of pertinent insurance laws, rules and regulations for which the Insurance Commission is authorized to impose appropriate sanctions and penalties.

All insurance companies and intermediaries are hereby enjoined to observe the Bill of Rights and ensure conformity thereto at all times.

This Circular shall take effect immediately.



EMMANUEL F. DOOC
Insurance Commissioner

BILL OF RIGHTS OF POLICYHOLDERS

- 1. Right to a financially sound and viable insurance company.** Policyholders shall have the right to an insurance company that is financially stable and solvent to ensure its ability to honor its contractual obligations to its policyholders.
- 2. Right to access insurance companies' official financial information.** Policyholders shall have the right to access insurance companies' audited financial statements and annual reports.
- 3. Right to be informed of the license status of insurance companies, intermediaries and soliciting agents.** Policyholders shall have the right to be informed if a particular insurance company, intermediary or soliciting agent is duly licensed to engage in doing insurance business in the Philippines.
- 4. Right to be offered a duly approved insurance product.** Only duly approved insurance products in accordance with the Insurance Code and pertinent regulations shall be offered.
- 5. Right to be informed of the benefits, exclusions and other provisions under the policy.** Policyholders shall have the right to be informed of the benefits, exclusions and all other provisions of the policy.
- 6. Right to receive the policy.** Policyholders shall have the right to receive the policy within a reasonable period of time after payment of premium.
- 7. Right to confidentiality of information.** Policyholders shall be protected from unauthorized disclosure of personal, financial and other confidential information by insurance companies, intermediaries and soliciting agents, except as otherwise allowed by law, regulations or valid court or government order.
- 8. Right to efficient service from insurance companies, intermediaries and soliciting agents.** Policyholders shall have the right to timely and prompt delivery of service from insurance companies, intermediaries and soliciting agents.
- 9. Right to prompt and fair settlement of claims.** Insurance companies shall process and settle policyholders' claims with utmost good faith and within a reasonable period. Policyholders shall have the right to: (i) receive a written acknowledgement of the claim; (ii) prompt payment of valid claims within the period prescribed under the Insurance Code or pertinent regulations; or, (iii) receive a written denial of claim with the stated ground and/or basis thereof.
- 10. Right to seek assistance from the Insurance Commission.** Policyholders shall have the right to seek assistance in settling any controversy between an insurance company, intermediary or soliciting agent and policyholder. Policyholders shall have the right to: (i) report any wrongful act or omission of an insurance company, intermediary or soliciting agent; (ii) file a complaint against any insurance company for unreasonable denial of a valid insurance claim; and, (iii) institute action against any erring insurance company, intermediary and soliciting agent for any of the grounds provided under the Insurance Code and other pertinent regulations.