

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

CIRCULAR LETTER No. 5-2000

To : All Non-Life Insurance Companies, Insurance Agents, General Agents, and Brokers Doing Business in the Philippines

Subject : Lifting of Freeze Rates Order on Fire Policies

In view of the expiration of Circular Letter No. 7-99 prescribing "freeze rates" for fire policies renewed during the period April 30, 1999 to April 30, 2000, the following rules and regulations are hereby issued:

1. Each company shall file with this Commission its own fire rating structure for approval in accordance with Section 349 of the Insurance Code. Failure to submit the required rating structure shall mean that the company will be using the rates in the Fire Tariff Manual of 1998 until the company is able to file its own rating structure.
2. For earthquake insurance, the minimum rate shall be 0.100% for all structures. All other rules and regulations in the Fire Tariff Manual of 1998 remain enforced. In addition, a catastrophe loss reserve for this cover is required to be maintained starting year 2000.

Please be guided accordingly.

(SGD.) EDUARDO T. MALINIS
Insurance Commissioner

25 April 2000