

AMENDED RULES ON CONTINGENCY FUNDS, FUTURE FUNDS, BENEFIT ENHANCEMENT FUNDS AND SIMILAR RIDERS

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/1e2a39fac697/>

IC Circular Letter No. 41-2006 dated December 20, 2006 is hereby amended as follows:

1. The Insurance Commission shall no longer allow insurance companies and MBAs to issue contingency funds, future funds, benefit enhancement funds and other similar riders that accumulate or permit the accumulation of fund deposits or contributions in excess of total future premiums under insurance policies after effectivity hereof.
2. insurance companies and MBAs may continue issuing Premium Deposit Fund riders provided that they limit the maximum amount that may be held at any time in the fund to the total future premiums due under the insurance policy. In the case of a renewable policy, the maximum amount that may be held in the fund must not exceed the total premiums payable until its last renewal date. In no case shall a policyholder make any additional deposit to his Premium Deposit Fund if the existing balance thereof is already equal or greater than the sum of alt future premiums payable on his policy.
3. For subject riders already issued, the directive for insurance companies and MBAs to refund to the policyholders the amount in the fund in excess of the total future premiums due under the policies is hereby revoked provided that all such amounts already refunded may no longer be recovered.
4. Subject to the provisions of the Premium Deposit Fund rider or agreement, any excess premium shall be refunded to the policyholders only after their policies have been paid-up.

All other terms and conditions of IC Circular Letter No. 41-2006 that are not inconsistent with the foregoing shall remain in force.

This Circular shall take effect immediately.

Adopted: 21 Dec. 2007

(SGD.) EDUARDO T. MALINIS
Insurance Commissioner

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.