



## **FINANCIAL CONSULTANT'S CONTRACT**

This Financial Consultant's Contract (the "Contract"), executed on   /  /   by and between

**PHILIPPINE LIFE FINANCIAL ASSURANCE CORPORATION**, a corporation organized and existing under the laws of the Republic of the Philippines, with principal office at 11/F STI Holdings Center, 6764 Ayala Avenue, Makati City (hereinafter referred to as the "**Company**");

I, \_\_\_\_\_ of legal age, Filipino and a resident at  
\_\_\_\_\_ (the "**Financial Consultant**")

WITNESSETH: That,

WHEREAS, the Financial Consultant has represented that he is willing and able to represent the Company as an independent entrepreneur in the solicitation of applications for various forms of life insurance, consistently with the terms, covenants and conditions of this Contract;

WHEREAS the Company agrees to engage the services of the Financial Consultant as such independent contractor subject to the terms and conditions of this Contract;

NOW THEREFORE, the Parties to this Contract agree as follows:

### **1. COVENANTS OF THE FINANCIAL CONSULTANT**

The **Financial Consultant** hereby agrees:

1. To solicit, obtain, and transmit to the Company applications for various forms of life insurance, effective on the date of this Contract, subject to the rules of the Company and the licensing authority of the Insurance Commission;
2. To take all reasonable steps to ensure that the applicant/proposed insured/payor is a suitable person to receive a life insurance policy

in terms of but not limited to his physical, occupational, financial, advocational, and moral background;

3. To disclose to the Company all the facts and circumstances within his knowledge about the proposed insured that would help the Company to properly assess the risk and attest to the integrity of all information disclosed in the application;
4. To use only the Company's printed application form and other official documents in obtaining applications for life insurance;
5. To collect and remit to the Company all premiums and premium deposits on all insurance business conducted on behalf of the Company;
6. To sign applications for insurance, health statements, and other official document(s) only after he has personally seen and interviewed the proposed insured or the owner (if other than the insured himself);
7. To forward to the Company immediately all applications for life insurance, with the name, signature and agency code of the Financial Consultant appearing on all such application forms and other related business forms, these being conditions for the entitlement to any commissions and other compensation by the Financial Consultant;
8. To issue immediately a Temporary Receipt upon receipt of money due or to become due to the Company in the course of soliciting business and/or servicing policies (*N.B.: The issuance by the Financial Consultant of an acknowledgement receipt not using official Company form shall be a violation of this provision. The Company shall issue an Official Receipt directly to the policyholder only when such payments have been received by the Company*);
9. To accept and issue receipts for premium payment made in check (unless the policy payment method is that of postdated checks) only if the same is dated and issued in the name of the Company (*N.B.: Payment not sufficient to cover the modal premium due shall be accepted*);
10. To deliver policies only if the insured and/or the owner is at that time in good health or has not had a significant change in insurability status since the time of application, and the first modal premium due on the policy is fully paid;

11. To return promptly, or on demand of the Company, all undelivered policies;
12. To hold in a fiduciary capacity all monies and properties received for or on behalf of the Company, with the corresponding obligation to remit the same to the Company within twenty-four (24) business hours and in accordance with its accounting and cashiering policies (*N.B.: The Financial Consultant shall forfeit commissions and other compensation on any insurance where he fails to remit or incurs a delay in remitting to the Company whatever premium(s) he has collected thereon*);
13. To provide the Company complete information regarding all transactions entered into or carried out in behalf of the Company and make an
14. accounting of all monies received at such times and in such manner as the Company may require;
15. To continue to provide after-sales service to his clients regarding any policy transactions that they may require in the future;
16. Promptly report any claim made by a policyholder or beneficiary (*N.B.: **Under no circumstance** should the Financial Consultant make any admission of liability or offer to settle any claim on behalf of the Company*); AND
17. To represent the Company as an **independent entrepreneur** with professionalism and integrity. In this regard, the Financial Consultant is fully aware that this Contract is not intended to make the Financial Consultant an employee of the Company. The Financial Consultant is free to exercise his/her own judgment as to time and as to lawful means of soliciting life insurance on behalf of the Company within the territories the Company is authorized to do business.

## **B. THE COMPANY'S RIGHT TO INVESTIGATE**

**The Company reserves the right to investigate any proposed business submitted by the Financial Consultant without giving any reason for such action.**

## **C. COMMISSIONS AND OTHER COMPENSATION**

*Schedule of Commission and Other Compensation.* The Financial Consultant, based on businesses solicited by him, shall be entitled to commissions and other compensation, in accordance with the attached Annex on Schedule of Commissions and Other Compensation. This Schedule may be changed by the Company at any time upon thirty (30) days advance notice through an Agency Update.

*Entitlement.* Commissions and other compensation shall be payable only on premiums paid in full and actual received by the Company on policies in-force.

Commissions shall be payable in accordance with the schedule of commissions by product type and provided that the license of the Financial Consultant is in-force at the time the commissions and other compensation are payable.

*Joint Business.* Business solicited by more than one consultant is considered a joint business and the commission and other compensation thereon shall be divided as agreed upon and indicated in the application form or in the absence of such agreement, equally among the consultants whose name and signature appear in the application; the maximum number of consultants sharing in one application shall be governed by the rules of the Company.

*Reinstatement of Policies.* If any policy shall terminate for non-payment of premiums and is thereafter reinstated, the reinstating consultant shall be entitled to whatever commission that may still be due and payable on the policy, subject to rules on reinstatement set by the Company.

*Effect of Returned Premiums.* If the Company cancels a policy for any reason whatsoever and returns all the premiums paid therefore, the Financial Consultant shall retribute to the Company any or all commissions and other compensation he received on the premium(s). In this regard, the Financial Consultant authorizes the Company to automatically charge his agency account with the amount of the commissions and other compensation to be restituted and when warranted, including other incidental expenses related to and incurred in the insurance of the policy cancelled.

*Conversion and Replacement.* When any policy written under this Contract is converted to another form, the commissions payable upon such new form shall be determined by the rules of the Company at the time of conversion.

The Financial Consultant shall have no claim for commissions on the new form unless the conversion is effected by the Financial Consultant himself.

When a life insurance product is to be purchased in a single contract or in more than one related contract, as a consequence of which any existing contract of life insurance has been or is to be:

- (i) rescinded, lapsed or surrendered;
- (ii) changed to paid-up insurance or continued as an extended term insurance or under automatic premium loan;
- (iii) changed in any other manner to effect a reduction of benefits;  
or
- (iv) subjected to borrowing of the entire or almost the entire policy loan values, whether in a single loan or under a schedule of borrowing over a period of time,

within one year before or after the issuance of the new coverage(s), no first year commission shall be allowed on the new policy unless the premium on the new policy is higher than that paid on the earlier policy, in which case a first year commission shall be allowed only on that portion of the premium on the new policy which is in excess of the annual premium of the earlier policy.

*Final Basis for Payment of Commissions and Other Compensation.* The books of the Company shall serve as conclusive evidence of the state of accounts between the Financial Consultant and the Company.

*Business Expenses.* All expenses for carrying out the undertakings of the Financial Consultant shall for the account of the Financial Consultant.

*Fees and Other Charges.* Cancellation charges, fees on "Not Taken Out" policies, fees of medical examiners, and other underwriting fees on policies solicited by the Financial Consultant shall be assessed against him in accordance with the Company's rules and regulations on the matter.

*Offsetting of Account Due or Owing.* The Financial Consultant unconditionally authorizes the Company to offset against his account any debt, obligation, or liability due or owing by the Financial Consultant to the Company based on the terms and conditions of such debt, obligations, and liabilities.

*Lawsuits.* All costs arising from lawsuits that may be brought upon the Company in consequence of any unauthorized action or statement of the Financial Consultant shall be paid by the Financial Consultant.

## D. TERMINATION OF THE CONTRACT

1. *Basis and Effectivity of Termination.* This Contract may be terminated immediately by the Company if the Financial Consultant:

- a. Fails to conduct his life insurance business with integrity, professionalism, and ethical standards required by the Company and Insurance Commission;
- b. Fails to renew his Certificate of Authority within the prescribed renewal date or the same is cancelled or revoked by the Insurance Commission;
- c. Fails to meet the minimum performance requirements of the Company in terms of production, case count, persistency, and other related parameters, as announced annually through an Agency Bulletin;
- d. Fails to remit or incurs a delay in the remittance of premiums collected from the policyholders of the Company;
- e. Participates, directly or indirectly, or in collusion with others, in filing of a fraudulent application for insurance, or reinstatement of policy or claim against the Company;
- f. Commits any crime involving moral turpitude or any other offense as shall affect the trust reposed on him as an Financial Consultant of the Company;
- g. Commits or attempts of commit, by himself or in collusion with others, act or acts to defraud the Company or any of its affiliates;
- h. Enters the service of another life insurance company and/or competitors, in whatever capacity;
- i. Renders any false statement or misrepresentation in his application for agency and incentives of the Company;
- j. Resorts to unethical practices in solicitation of life insurance, e.g. rebating, replacement, forgery, alterations in life insurance applications, etc.;
- k. Commits an act that is in violation of the Company's **Agency Code of Conduct** and/or any related ethical business standards prescribed by the Insurance Commission;

- l. Commits an act that is in violation of the Company's policy on multi-channel management; AND
- m. Commits any act constituting breach of trust or confidence; it being understood that any violation of the rules and regulations, or policies of the Company or any of the terms and conditions hereof or any amendment thereto shall constitute, among other things, a breach of trust or confidence.

This Contract may also be terminated if the Company withdraws from the territory where the Financial Consultant is authorized to operate.

*2. Effects of Termination.* Upon the termination of this Contract due to the violation by the Financial Consultant of any of the provisions hereof, all rights of the Financial Consultant hereunder, together with the rights to commissions and other compensation shall simultaneously cease and be forfeited in favor of the Company as and for liquidated damages.

The Financial Consultant shall immediately return to the Company all documents, agency materials, paraphernalia and such other properties, which he may have received there from, to effectively discharge him from responsibilities and obligations with the Company, without necessity of prior notice or demand.

The termination of this Contract by the Company or by the agent for any reason whatsoever shall forfeit all first year commissions due to the agent after the termination date.

*3. Termination by Reason of Death or Disability.* In case of termination of Contract by reason of death or physical or mental disability of the Financial Consultant, all future commissions from business brought in by the Financial Consultant shall be paid to the Financial Consultant or to his estate/designated beneficiary as they become due based on the in-force status of the policies.

For purposes of this Contract, "Disability", shall be understood to mean the failure of the Financial Consultant, on account of health, to perform his obligations under this Contract and to meet the minimum performance requirements of the Company as contained in the pertinent Agency Bulletin.

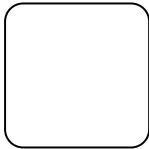
*4. Assignment of Orphaned Policies* . To ensure the continuous servicing of policyholders, the Company reserves the right to assign the orphaned policies of separated or terminated Financial Consultants subject to the pertinent rules of the Company.

## **E. MISCELLANEOUS PROVISIONS**

1. *Non-Transferability of Rights.* This Contract is not transferable, and no rights hereunder may be assigned or transferred.
2. *Reference to Company Policies and Sales & Marketing Update.* The rules and regulations of the Company now in-force and Sales & Marketing Update that may be issued from time to time and reproduced herein as way of reference shall constitute parts of this Contract and made applicable hereto.
3. *Non-Waiver of Company Rights.* The failure of the Company to require or to insist on strict compliance on the part of the Financial Consultant with the provisions of this Contract and the Company's rules, regulations, and Sales & Marketing Update shall not be construed as a waiver by the Company of the same.
4. The parties to this Agreement hereby acknowledge that The Financial Consultants an agent of the Company, whose obligations towards the Company are governed by the rules on Agency under the Civil Code of the Philippines (Republic Act No. 386). The parties to this Agreement further acknowledge and agree that the disclosed or undisclosed existence of any interests of the Financial Consultant, which, in the sole discretion of the Company, conflict with the interest of the Company, such as, but not limited to, Financial Consultant's engagement by any entity other than the Company, in order to perform the same, similar or analogous functions authorized under this Agreement, shall entitle the Company to revoke this Agreement.
5. *Right of Company to Terminate or Change Provisions of Contracts.* The Company reserves its right to terminate or change the provisions of this Contract provided that such changes are communicated to the Financial Consultant at least thirty (30) days prior to date of effectivity of any change. The foregoing notwithstanding, this Contract is subject to amendments made through circulars, memoranda, and other written communications issued and to be issued by the Company.



IN WITNESS WHEREOF, the parties set their hands hereto and made this Contract  
on \_\_\_\_\_ at MAKATI CITY



**FINANCIAL CONSULTANT**

**PHILIPPINE LIFE FINANCIAL  
ASSURANCE CORPORATION**

Represented by:

\_\_\_\_\_  
Financial Consultant

**ATTY. FERDINAND A. RECIO**  
First Vice-President, Operations &  
Corporate Planning

## **ACKNOWLEDGEMENT**

Before me a notary public for and in \_\_\_\_\_, this \_\_\_\_\_ day of personally appeared:

<b>Name</b>	<b>ID No.</b>	<b>ID / Expiry Date</b>
_____	_____	_____
_____	_____	_____

known to me to be the same persons who executed this Managing Director's Contract consisting of eleven (7) pages including this Acknowledgment, Annexes, and Schedules attached hereto, and they acknowledge the same to be their voluntary act and deed as well as the entities they respectively represent.

IN WITNESS WHEREOF, I hereunto sign my name and affix my notarial seal this \_\_\_\_\_ day of \_\_\_\_\_, 2023 in \_\_\_\_\_, Philippines.

**NOTARY PUBLIC**

Doc. No. \_\_\_\_\_  
Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
Series of 2023.



## **FINANCIAL CONSULTANT**

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### **Compensation Package**

**As a FINANCIAL CONSULTANT, you can be one of the highest earning professionals in the industry today.**

**Our Superior Compensation package provides you with:**

- Basic Commissions Up to 50%
- Renewal Commissions Up to the 5th Year
- CGL Commissions of 5% on Loans
- Facilitation Fee of 1% of gross principal loan value
- Advance Commission Benefit at P400.00/approved application on DECS Business. Maximum Advance Cash Benefit of P10,000.00/month.
- Annualized Commission Benefit on Loans amounting to P25,000.00 and above.
- Recruitment Bonus of P1,000.00/head
- Christmas Bonus of P2,500.00
- Free Life Insurance Coverage worth 100,000.00
- Free Hospitalization Benefits

**ALL LICENSED FINANCIAL CONSULTANTS WITH PDIA ACCREDITATION  
WILL BE ENTITLED TO BASIC COMMISSIONS:**

FOR STAR BASIC & RENEWAL COMMISSIONS					
PRODUCTS	RENEWAL COMMISSIONS				
WHOLE LIFE	1st year	2nd year	3rd yr	4th yr	5th yr
Life Contingency Provider	40%	21%	7%	5%	2%
Access Plan	40%	21%	7%	5%	2%
Health Access Plus	40%	20%	7%	5%	2%
ENDOWMENT					
Visa 20	30%	21%	7%	5%	2%
Visa 40	40%	21%	7%	5%	2%
TERM					
Health Protect	40%	21%	7%	5%	2%
Phil Life 100	30%				

***COMMISSIONS ARE RELEASED  
EVERY 15TH OF THE MONTH***

FOR GOLD BASIC AND RENEWAL COMMISSIONS					
PRODUCTS	RENEWAL COMMISSIONS				
WHOLE LIFE	1st year	2nd year	3rd yr	4th yr	5th yr
Life Contingency Provider	50%	18%	10%	6%	6%
Financial Protector	40%	12%	8%	5%	5%
Access Plan	40%	20%	7%	5%	2%
Health Access Plus	40%	20%	7%	5%	2%
ENDOWMENT					
Visa 20	30%	5%	5%	-	-
Visa 40	40%	20%	7%	5%	2%
Visa 15	20%	5%	5%	5%	5%
Visa 15 Plus	20%	5%	5%	5%	5%
Visa College Plan	20%	5%	5%	5%	5%

Wealth Protect	1%				
TERM					
Financial Venture	40%	12%	8%	5%	5%
Health Protect	40%	20%	7%	5%	2%
Five Protect	15%	5%	5%	5%	5%
Family Life Secure	10%	-	-	-	-
Family Life Secure Plus	10%	-	-	-	-
Family Life Accident	10%	-	-	-	-
Family Life Accident Sec Plus	10%	-	-	-	-

**COMMISSIONS ARE RELEASED  
AND PAID EVERY FRIDAY**

**5% CGL COMMISSION ON LOANS – ONE TIME  
1% FACILITATION FEE ON NET PROCEEDS – ONE TIME**

**ADVANCE COMMISSIONS FOR DEPED BUSINESS**

**On Insurance Applications**

*P400 per approved application.*

*Minimum of 5 (five) approved applications per month.*

*Maximum of P10,000.00 ACB per month*

**ANNUALIZED COMMISSION**

*For approved Insurance with loan applications submitted,  
**with loans ranging to P25,000.00 and above.***

**REFERRAL/RECRUITMENT BONUS**

A **Financial Consultant** shall be given a **Recruitment Bonus of P1,000.00** for each personally referred agent who in turn secures a license with us and produces **30** approved **INSURANCE or LOAN** Applications within three (3) months from date of his/her appointment.

**CHRISTMAS BONUS**

A **Financial Consultant** who produces **90** Approved applications (Insurance OR Loan) by November 30, shall be given a **Christmas Bonus of P2,500.00** released on the 15<sup>th</sup> of December.

**LIFE INSURANCE PROTECTION  
AND GROUP MEDICAL/HOSPITALIZATION BENEFITS**

This benefit is given **FREE**.

**TO QUALIFY:**

***INITIAL REQUIREMENTS:*** Must bring in at least **180 INSURANCE or LOAN** applications within the last twenty four (24) months. Must complete one (1) year residency with the Company and must not be more than 65 years

***TO RENEW & AVAIL FOR SUCCEEDING YEAR:*** Must hit at least **180** approved **INSURANCE or LOAN** applications every calendar year and must not be more than 65 years old.

<b>INSURANCE COVERAGE</b>	<b>P100,000.00</b>
<b>Basic Medical Benefits</b>	
Room & Board/day up to 31 days	600
Special Hospital Services at 100% of Actual charges	As Charged
<b>Surgical Medical Benefits</b>	
According to the schedule of operations, max of	35,000
anesthesiologist's Fee, Eligible Surgeon fee, max. of	10,500
In Hospital Physician's visit/day	600
Maximum Limit per disability	45,000
<b>Major Medical Benefits</b>	
Maximum Benefits	150,000
Surgical Maximum	70,000
Anesthesiologist's Fee	21,000
Corridor Deductible	500
<b>Inner Limits: (Inclusive of Basic)</b>	
Room and Board/day	1,100
In Hospital Physician Fee	1,100
Special Nurse	350
Special Hospital Charges	As Charged

**TO MAINTAIN THE POSITION**

A **Financial Consultant** must earn at least P3,600 gross commissions by the end of December PLUS he/she must have an **In-force Loyalty Plan**