



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

Circular No. : 2015-12-B  
Date : 19 March 2015

**CIRCULAR LETTER**

TO : **All Life Insurance Companies Authorized to Do Business  
In the Philippines**

SUBJECT : **Filing of 2014 Annual Statements**

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In connection with the filing of the 2014 Annual Statements, the following guidelines are hereby issued:

1. The **blue** Annual Statement (3 sets) showing the financial condition of life companies as of December 31, 2014 shall be signed and sworn to by the president, chief operating officer/general manager, secretary, treasurer, actuary and chief accountant and shall be on legal size bond paper (8 1/2 x 14 inches), using either the Times New Roman font size #12 or Arial font size #10;
2. The Annual Statement should be "Soft Cover Binding", permanent adhesive;
3. Annex "A" is the updated list of the required documents and other schedules which shall form part as attachments in the submission of Annual Statements and must be submitted in a separate folder ;
4. The exact formats, columnar headings and footnote instructions found in every page of the blank forms of the prescribed Annual Statement including those required formats attached to Annex "A" shall be **strictly observed**;
5. Any Annual Statement not in accordance with the required format and with missing data/information and incomplete attachments **shall not be accepted**.

Please file your 2014 Annual Statements on or before April 30, 2015 to **avoid penalty**.

  
**VIDA T. CHIONG**  
Deputy Insurance Commissioner  
Officer-in-Charge

Name of Company: \_\_\_\_\_

**LIST OF DOCUMENTS TO BE SUBMITTED TO FORM PART OF THE ANNUAL  
STATEMENTS OF LIFE INSURANCE COMPANIES:  
For the Year Ended December 31, 2014**

**Note:** Please check if the life insurance company's has microinsurance business before receiving the Annual Statement. There is a revised A/S intended for those companies with MI operation.

**A. TO BE SUBMITTED TO LIFE DIVISION**

- \_\_\_\_\_ 1. 2014 Audited Financial Statements with comparative figures for 2013, signed by an external auditor accredited by this Commission
- \_\_\_\_\_ 2. Reconciliation Statement of the Audited Financial Statements versus the Annual Statement figures
- \_\_\_\_\_ 3. Reconciliation of figures/accounts in the Adjusted Trial Balance (breakdown/groupings) to tally with the figures/accounts in the Annual Statement
- \_\_\_\_\_ 4. Adjusted Trial Balance as of December 31, 2014 signed by the Chief Accountant
- \_\_\_\_\_ 5. Income Statement for the year ended December 31, 2014
- \_\_\_\_\_ 6. Soft copy of the Annual Statement and attachments. **(in USB)**
- \_\_\_\_\_ 7. Computation of Risk Based Capital Ratio of the company
- \_\_\_\_\_ 8. For foreign companies, Annual Statement on Worldwide Business and Statement of Receipts and Disbursements as of year end
- \_\_\_\_\_ 9. List of current members of board of directors, independent directors, their respective addresses, positions and also the chairman and members of Audit, Remuneration and Nomination committees.
- \_\_\_\_\_ 10. Minutes of meetings of the board and executive committees, including a copy each of the board resolutions made during the year
- \_\_\_\_\_ 11. Amended Articles of Incorporation relative to the increase of authorized capital stock and General Information Sheet
- \_\_\_\_\_ 12. A certification of the company's Comptroller or any responsible officer with the rank of at least Vice President for the items specified in Annex B of Circular Letter dated January 14, 1987
- \_\_\_\_\_ 13. Certification on the balances of all actuarial accounts and a statement of opinion on Policy Loans by the Company's Actuary duly accredited by this Commission in accordance with Circular Letter dated January 14, 1987
- \_\_\_\_\_ 14. Soft copy of detailed schedule of the following actuarial accounts with printed copies of the 1<sup>st</sup> and last page showing the total of the said schedules.
  - a. Seriatim list of all policyholders indicating therein the basic information (i.e. policy number, policy holders, issue, age, issue date, plan, amount of insurance, reserves, cash values etc. using the attached Life Required Format No. 5
  - b. Schedule of policy loans indicating policy number, policyholders, outstanding balance as of December 31, 2014, interest both earned and unearned.
  - c. Schedule of net premiums, due and uncollected.

- d. Schedule of premium deposit fund indicating the policy number, plan, amount of insurance, issue date, maturity date of the plan , annual premium, outstanding premium deposit fund amount of the plan, to be signed by the Comptroller with rank at least Vice President;
  - e. Detailed Schedule of amount recoverable from accepting companies;
  - f. Schedule of Claims Payable as of 2014 and schedule of all claims file filed for the 1<sup>st</sup> quarter of 2015.
- \_\_\_\_\_ 15. Schedule showing balance sheet items in foreign currency and their peso equivalent, including a sub-schedule showing the currency breakdown in case an account consists of multiple currencies
  - \_\_\_\_\_ 16. Confirmation of sales of investments in Bonds and Treasury Bills, together with Statement of Securities Account of BTR-RoSS as of December 31, 2014
  - \_\_\_\_\_ 17. Certification from the custodian bank for dollar-denominated Bonds as of year end
  - \_\_\_\_\_ 18. Schedule of dollar denominated bonds using the attached Life - Required Format No.1
  - \_\_\_\_\_ 19. Detailed schedules, together with the supporting documents of all investments and other asset accounts;
  - \_\_\_\_\_ 20. Certification from Phil. Depository & Trust Co. for the scriptless stocks certificates as of December 31, 2014;
  - \_\_\_\_\_ 21. Documents supporting Mortgage Loans, Guaranteed Loans, Collateral Loans, Chattel Mortgage loans, Salary Loans and Other Loans accounts
  - \_\_\_\_\_ 22. Bank statements/passbooks of all current, savings and time deposit accounts as of December 31, 2014 and January 2015, together with the pertinent bank reconciliation statements;
  - \_\_\_\_\_ 23. Detailed schedule of deposit in transit showing in columns the official receipts number, date, date deposited, name of depository bank and to be supported with Official Receipts and Validated Deposit Slips.
  - \_\_\_\_\_ 24. Certification of receivables from government agencies/government owned controlled corporations.
  - \_\_\_\_\_ 25. Detailed Schedule of EDP for the last five (5) years together with the sales invoices and official receipts to support purchases of EDP Equipment during the year;
  - \_\_\_\_\_ 26. Computation of Premium Tax during the year, using the attached Life- Required Format No. 2
  - \_\_\_\_\_ 27. Computation of DST in accordance with BIR RA 10001 (number of policies issued and total sum insured should tally with the figures in the Annual Statement) using the attached Life – Required Format No. 3
  - \_\_\_\_\_ 28. Official receipts to support payments of Premium Tax, Documentary Stamps Tax and Real Estate Tax during the year 2014.
  - \_\_\_\_\_ 29. LOA from BIR, Tax Assessment and proof of payments .(BIR Form No. 0605)
  - \_\_\_\_\_ 30. For companies with Variable Contracts
    - \_\_\_\_\_ a) Separate Annual Statement for each variable account;
    - \_\_\_\_\_ b) Copy of Exhibit II – Statement of Changes in Net Assets and Exhibit III – Unit Movement for the year , using the attached Life –Required Format No. 4
    - \_\_\_\_\_ c) Schedule showing balance sheet items in foreign currency and their peso equivalent, including a sub-schedule showing the currency breakdown in case an account consists of multiple currencies;
    - \_\_\_\_\_ d) Confirmation of sales of investments in Bonds and Treasury Bills, together with the yearend Statement of Securities Account of BTr~Ross;
    - \_\_\_\_\_ e) Certification of investments as of yearend from custodian bank for the company's dollar~denominated Bonds;
    - \_\_\_\_\_ f) Schedule of dollar denominated bonds using the attached Life – Required Format No. 1

- \_\_\_\_\_g) Statement of Account as of yearend from Philippine Depository & Trust Corp. for scriptless equity investments;
- \_\_\_\_\_h) Bank statements/passbooks of all current, savings and time deposit accounts as of December 31, 2014 and January 2015, together with the pertinent bank reconciliation statements; and,
- \_\_\_\_\_i) Detailed schedule of deposit in transit showing in columns the official receipts number, date, date deposited, name of depository bank and to be supported with Official Receipts and Validated Deposit Slips.

31. For companies with Micro – Insurance business

- \_\_\_\_\_a) Performance Standard (SEGURO)
- \_\_\_\_\_b) Soft Copy of the following:
  - \_\_\_\_\_Production : Schedule showing separately in columns the name of the assured, policy number, certificate number, sum assured, premium, premium tax, DST and other taxes (per product line)
  - \_\_\_\_\_Collections : Schedule showing separately in columns the name of the assured, policy number, certificate number, sum assured, premium, premium tax, DST, other taxes, amount collected, date and number of official receipt.
  - \_\_\_\_\_Claims Paid : Schedule showing separately in columns the name of assured/claimant, Claim no., date filed, policy number, sum insured, date of loss, amount of loss, nature of claim, date paid and voucher number.

32. For companies with OFW business

- \_\_\_\_\_a) Computation of legal Reserve
- \_\_\_\_\_b) Soft Copy of the following:
  - \_\_\_\_\_b.1. Production : Schedule showing separately in columns the name of the assured, policy number, certificate number, sum assured, premium, premium tax, DST and other taxes (per product line)
  - \_\_\_\_\_b.2. Collections : Schedule showing separately in columns the name of the assured, policy number, certificate number, sum assured, premium, premium tax, DST, other taxes, amount collected, date and number of official receipt.
  - \_\_\_\_\_b.3. Claims Paid : Schedule showing separately in columns the name of assured/claimant, Claim no., date filed, policy number, sum insured, date of loss, amount of loss, nature of claim, date paid and voucher number.

## B. TO BE SUBMITTED TO THE STATISTICS DIVISION

- \_\_\_\_\_ 1. 2014 Audited Financial Statements with comparative figures for 2013, signed by an external auditor accredited by this Commission
- \_\_\_\_\_ 2. Reconciliation Statement of the Audited Financial Statements versus the Annual Statement figures
- \_\_\_\_\_ 3. Reconciliation of figures/accounts in the Adjusted Trial Balance (breakdown/groupings) to tally with the figures/accounts in the Annual Statement
- \_\_\_\_\_ 4. Adjusted Trial Balance as of December 31, 2014 signed by the Chief Accountant
- \_\_\_\_\_ 5. Income Statement for the year ended December 31, 2014
- \_\_\_\_\_ 6. Soft copy of the Annual Statement and attachments (in USB)
- \_\_\_\_\_ 7. Computation of Risk Based Capital Ratio of the company
- \_\_\_\_\_ 8. Schedule V – Premiums & Claims by Market Segment & Region
- \_\_\_\_\_ 9. Extra copy each of Pages 1, 3, 4, 7A, 7B, 9A, 9B, 16, 17, 20 and 46
- \_\_\_\_\_ 10. Separate Analysis of Operations (Page 4) for Variable Contracts
- \_\_\_\_\_ 11. Figures on Page 7 (Exhibit 1) shall be gross of loading. Submit on a separate sheet the assumed and ceded premiums for unauthorized companies
- \_\_\_\_\_ 12. List of current members of board of directors, independent directors, their respective addresses, positions and also the chairman and members of Audit, Remuneration and Nomination committees.
- \_\_\_\_\_ 13. Certification on the balances of all actuarial accounts and a statement of opinion on Policy Loans by the Company's Actuary duly accredited by this Commission in accordance with Circular Letter dated January 14, 1987
- \_\_\_\_\_ 14. Computation of Premium Tax during the year, using the attached Life-Required Format No. 2
- \_\_\_\_\_ 15. Computation of DST in accordance with BIR RA 10001 (number of policies issued and total sum insured should tally with the figures in the Annual Statement) using the attached Life – Required Format No. 3
16. For companies with Variable Contracts
  - \_\_\_\_\_ a) Separate Annual Statement for each variable account;
  - \_\_\_\_\_ b) Exhibit II – Statement of Changes in Net Assets and Exhibit III – Unit Movement for the year , using the attached Life –Required Format No. 4
17. For companies with Micro – Insurance business
  - \_\_\_\_\_ a) Performance Standard (SEGURO)
  - \_\_\_\_\_ b) Soft Copy of the following:
    - \_\_\_\_\_ Production : Schedule showing separately in columns the name of the assured, policy number, certificate number, sum assured, premium, premium tax, DST and other taxes (per product line)
    - \_\_\_\_\_ Collections : Schedule showing separately in columns the name of the assured, policy number, certificate number, sum assured, premium, premium tax, DST, other taxes, amount collected, date and number of official receipt.
    - \_\_\_\_\_ Claims Paid : Schedule showing separately in columns the name of assured/claimant, Claim no., date filed, policy number, sum insured, date of loss, amount of loss, nature of claim, date paid and voucher number.

18. For companies with OFW business

\_\_\_\_\_a) Soft Copy of the following:

- \_\_\_\_\_a.1. Production : Schedule showing separately in columns the name of the assured, policy number, certificate number, sum assured, premium, premium tax, DST and other taxes (per product line)
- \_\_\_\_\_a.2. Collections : Schedule showing separately in columns the name of the assured, policy number, certificate number, sum assured, premium, premium tax, DST, other taxes, amount collected, date and number of official receipt.
- \_\_\_\_\_a.3. Claims Paid : Schedule showing separately in columns the name of assured/claimant, Claim no., date filed, policy number, sum insured, date of loss, amount of loss, nature of claim, date paid and voucher number.

Submitted by: \_\_\_\_\_ Date \_\_\_\_\_  
Received by: \_\_\_\_\_

**Life – Required Format No. 1**  
**Dollar Denominated Bonds**

Description	Face Value		Acquisition Cost		Price (%)	Dollar Rate at the time of acquisition
	Peso	Dollar	Peso	Dollar		
<b>Total</b>						

Life – Required Format No. 1

**Life – Required Format No. 2**  
**Computation of Premium Tax**

Particulars	Column 1 (Traditional)	Column 2 (Variable)	Column 1 minus Column 2
Exhibit IA of the Annual Statement			
Line 4 - Collected during the year – direct business, 1 <sup>st</sup> year			
Line 11- Single premium & consideration, direct business			
Line18- Collected during the year – direct business, renewal			
Total			
Add/Deduct adjustments:			
1 Cost of Insurance			
2 Zero Rated Premiums			
3			
4.			
5.			
6.			
7.			
Total – tax base			
Multiply by the tax rate			2%
Premium Tax during the year			

**Note: Please refer to your AS on Exhibit 1A lines 4, 11 & 18 of column 1 & 2 to fill up the space provided above. All the adjustments are to be supported and subject to verification.**

Life - Required Format No. 2

**Life – Required Format No. 3**  
**Computation of DST**

Bracket	Rate	No. of Policies Issued	Sum Insured	DST
If the amount of insurance does not exceed Php100,000.00	Exempt			
If the amount of insurance exceeds Php 100,000 00 but does not exceed Php 300,000.00	Php 10.00			
If the amount of insurance exceeds Php 300,000 00 but does not exceed Php 500,000 00	Php25 00			
If the amount of insurance exceeds Php 500,000.00 but does not exceed Php 750,000 00	Php50 00			
If the amount of insurance exceeds Php 750,000 00 but does not exceed Php 1,000,000 00	Php75 00			
If the amount of insurance exceeds Php1,000,000 00	Php100 00			
Total		XXXXX	XXXXX	XXXXX

**Note: The total number of policies issued and sum insured should tally with the AS figures.**



**Life – Required Format No. 4**

**ANNUAL STATEMENT  
FOR THE YEAR ENDED DECEMBER 31, 2013 OF THE**

**EXHIBIT II - STATEMENT OF CHANGES IN NET ASSETS**

Net Assets, Beginning of the year		Ps	_____
Additions	Deposits, Net of Withdrawals		_____
	Gross Investment Income:		
	Interest in Bonds	Ps	___
	Dividend Income		___
	Interest on Bank Deposits		___
	Interest on Loans		___
	Other Income (Specify)		___
	Total Additions		_____
Deductions	Investment Expenses		
	Investment Management Fees		___
	Taxes		___
	Other Expenses (Specify)		___
	Total Deductions		_____ ( _____ )
Net Assets, End of the Year		Ps	=====

**EXHIBIT III - UNIT MOVEMENT FOR THE YEAR**

Outstanding Units at the beginning of the year	Ps	_____
Add/ (Deduct) Deposits/(Withdrawals) during the year		_____
Outstanding Units at the end of the year	Ps	=====

# LIFE REQUIRED FORMAT NO. 5

## SERIATIM FORMAT

Policy No.	Name	Issue Date	Face Amount	Plan	Mode	Gross Premium	Net Premium	Gross Deferred Premium	Net Deferred Premium	Gross Premium Due & Uncollected	Last Due Date	Net Premiums Due & Uncollected	Reserve	Cash Value