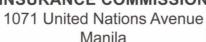


Republic of the Philippines Department of Finance **INSURANCE COMMISSION**







10 March 2021

DIR. MARIO A. AVENIDO President and CEO PUBLIC SAFETY MUTUAL BENEFIT FUND, INC. No. 318-320 Boni Serrano Ave. Corner 1st and 2nd West Crame, San Juan City customercare@psmbfi.com.ph rommel.psmbfi@gmail.com

SUBJECT: Verification of the 2019 Annual Statement (AS)

Dear Dir. Avenido:

This refers to your letter dated 24 February 2021 and email dated 02 March 2021 from Mr. Rommel D. Ramirez, Accounting Department Manager, with attached documents in compliance with the verification requirements contained in the IC letter dated 05 February 2021, the contents of which have been duly noted.

In view thereof, the figures in the attached summary of accounts and computation of the RBC ratio shall be the final balances of the 2019 AS. Hence, we now consider the verification of the 2019 AS closed.

Thank you.

DENNIS B. FUNA Insurance Commissione



PUBLIC SAFETY MUTUAL BENEFIT FUND,INC SUMMARY OF ACCOUNTS VERIFICATION AS OF 31 DECEMBER 2019

ADMITTED ASSETS

Aprill 125 Adde 13			Ĺ
Cash and Cash Equivalent	₽	1,504,813,181.98	
Financial Assets at Fair Value (FAFV) - Profit or Loss		212,875,086.13	
Member's Contributions Due and Uncollected		1,981,178.29	
Net Premius Due and Uncollected		208,702.27	
Unremitted Member's Contributions, Dues and Fees		2,341,402.53	
Unremitted Premiums		1,357,576.81	
Accrued Income		77,635,989.52	
Prepayments and other current assets		819,264,703.98	
Loans Receivable		5,398,712,756.82	
Financial Assets at Amortized Cost (FAAC)		10,461,300,416.02	
Property and Equipment- Net		81,660,265.26	
TOTAL ADMITTED ASSETS	P	18,562,151,259.60	
LIABILITIES			
Liability on Individual Equity Value	P	5,137,750,860.04	
Optional Benefit Reserve		428,186,195.55	
Claims Payable on Basic Contingent Benefit		193,007,076.31	
Claims Payable on Optional Benefits		29,768,973.61	
Unearned Income		137,202,250.14	
Accounts Payable		1,814,060,802.99	
Accrued Expenses		173,293,604.07	
TOTAL LIABILITIES	₽_	7,913,269,762.71	
FUND BALANCE			
Free and Unassigned Fund Balance	P	8,785,579,445.01	
Assigned Fund Balance			
Funds Assigned for Guaranty Fund		25,000,000.00	
Funds Assigned for Member's Benefit		1,877,609,744.00	
Revaluation Increment/Surplus		(39,307,692.12)	
TOTAL FUND BALANCE	₽	10,648,881,496.89	
TOTAL LIABILITIES & FUND BALANCE	₽	18,562,151,259.60	

PUBLIC SAFETY MUTUAL BENEFIT FUND, INC RBC EXHIBIT 17 - NET WORTH AND RBC RATIO VERIFICATION AS OF 31 DECEMBER 2019

	RBC requirement
(1) C-1: Asset Default Risk (Exh 17, col 4 total)	1,562,359,983.20
(2) C-2: Insurance Pricing Risk (Exh 19, Part 1, col 5 total)	104,421,724.21
(3) C-3: Interest Rate Risk (Exh 20, col 10 total)	113,030,518.92
(4) C-4: General Business Risk (Exh 19, Part 1, col 5 total)	53,189,931.11
(5) Sum of C-1 to C-4 requirements	1,833,002,157.43
(6) Aggregate RBC requirement $\sqrt{((1)+(3))^2+(2)^2}$ (4)	1,731,831,414.89
(7) Member's Equity (from p.3)	10,648,881,496.90
(8) RBC Ratio: (7) / (6)	615%
(9) RBC Ratio, previous year	726%