



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



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
customer care@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.

Very truly yours,

DENNIS B. FUNA
Insurance Commissioner



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

ADMITTED ASSETS

Cash and Cash Equivalent	P 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 Premium 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	P 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	P 10,648,881,496.89
TOTAL LIABILITIES & FUND BALANCE	P 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%