



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



Circular Letter (CL) No.:	2021-25
Date:	8 April 2021
Supersedes:	None

CIRCULAR LETTER

TO : ALL PRE-NEED COMPANIES AUTHORIZED TO DO BUSINESS IN THE PHILIPPINES

SUBJECT : ONLINE SUBMISSION OF DOCUMENTS AND SCHEDULES TO SUPPORT OWNERSHIP OF ASSETS IN LIEU OF PHYSICAL INVENTORY

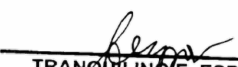
WHEREAS, Section 46 of Republic Act (RA) No. 9829, otherwise known as the "Pre-Need Code of the Philippines," states that the Commission shall at least once a year and whenever it considers that the public interest so demands, cause an examination to be made into the affairs, financial condition and method of business of every pre-need company, and of any other person, firm or corporation managing the fund or affairs and/or property of such pre-need company.

WHEREAS, prior to the COVID-19 outbreak, IC examiners conducted physical inventory count as part of the examination. However, due to the restriction on movement of people pursuant to the existing guidelines of the Inter-Agency Task Force for the Management of Emerging Infectious Disease, it is not feasible to conduct physical inventory count;

WHEREAS, to minimize face-to-face interactions and the risk of transmission/infection of COVID-19, IC shall require pre-need companies to submit online the documents and schedules to support ownership of assets.

NOW, THEREFORE, in view of all the foregoing and pursuant to the Insurance Commissioner's power under Section 6 of RA No. 9829, otherwise known as the "Pre-Need Code of the Philippines," the following guidelines are promulgated:

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TRANQUILINO E. ESPEJON
IC Supervising Administrative Officer
Administrative Division
Insurance Commission

SECTION 1. ONLINE SUBMISSION OF DOCUMENTS AND SCHEDULES TO SUPPORT OWNERSHIP OF ASSETS

All pre-need companies shall submit a schedule of its assets with the supporting documents indicated in **Annex "A"** of this Circular Letter to support ownership of assets as of 31 December 2020. All submissions shall be uploaded to the IC Online Uploading Portal using the following web address:

<https://onuploading.insurance.gov.ph/templates/login>

Uploaded documents shall be encrypted and the checksum of each file/folder shall be certified and uploaded in the above portal by the IT/authorized representative of the pre-need companies to ensure the data integrity of the uploaded documents.

SECTION 2. CERTIFICATION FROM THE PRESIDENT/CEO/CFO AND CHIEF ACCOUNTANT

The submission shall be accompanied by a notarized joint certification executed by the President/CEO/CFO and Chief Accountant, stating therein that all schedules and documents submitted, as required under this Circular Letter, have been reviewed to ensure completeness and accuracy. (Please see **Annex "B"**)

Any false statement or false representation shall be penalized in accordance with existing laws, rules and regulations.

SECTION 3. PERIOD OF SUBMISSION

All submissions pursuant to this Circular Letter shall be made **on or before 31 May 2021**.

SECTION 4. APPLICABILITY

This Circular Letter shall only be applied for financial reporting periods covering the year 2020, unless extended or changed as deemed appropriate by the Insurance Commission.

This Circular Letter shall take effect immediately.


DENNIS B. FUNA
Insurance Commissioner



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TRANQUILINO E. ESPEJON
IC Supervising Administrative Officer
Administrative Division
Insurance Commission

CHECKLIST OF DOCUMENTS TO BE SUBMITTED ONLINE IN LIEU OF PHYSICAL INVENTORY

(NAME OF COMPANY)

For the Year Ended 31 December 2020

Schedules and corresponding documents supporting the accounts held as Corporate Assets:

A. Insurance Premium Fund

- i. Same required supporting documents for assets mentioned below, if any
- ii. Financial Statements as of 31 December 2020, for IMA accounts

B. Government Securities

- i. Statement of Securities Account of BTr-ROSS as 31 December 2020
- ii. Confirmation of Sale
- iii. Bond Certificate (front and back portion), if on hand
- iii. Official receipt, banks validated deposit slips and bank statement/passbook, if sold and matured

C. Cash on Hand and in Banks

- i. Certification of Custodian for Petty Cash Fund, Revolving Fund, etc.
- ii. Bank reconciliation statements as of 31 December 2020 and 31 January 2021 **using adjusted balance method**, together with bank statements, pasbooks of all current, savings and time deposit accounts, respectively
- iii. Official receipts, bank validated deposit slips and bank statements to support year-end deposit in transit, if any
- iv. Time Deposits:
 - a. Certificate of Time Deposit showing 31 December 2020 balance
 - b. Proof of roll-over and proof of proceeds of maturity/pre-termination such as official receipts, bank validated deposit slips, pasbook and bank statement, whichever is applicable

D. Mutual Funds/UITF

- i. Statement of Account/Holdings/Net Asset Value (NAV/ps) as of 31 December 2020 from the issuer of Mutual Funds/UITF
- ii. Proof of purchase/acquisition of Mutual Funds/UITF

E. Corporate Bonds

- i. Statement of Accounts/Holdings as of 31 December 2020 from the company's custodian bank
- ii. Confirmation of Purchase/Agreement
- iii. Official receipt, banks validated deposit slips and bank statement/passbook, if sold and matured

F. Mortgage and Planholders Loans

- i. Documents to support mortgage and planholders' loans
- ii. Proof of collection such as official/acknowledgment receipt, bank validated deposit slips, passbook/bank statements and other applicable documents

G. Stocks

- i. Certificate of Stocks (front and back portion)
- ii. Certificate of Custodian/ Brokers Ledger, if under custodianship
- iii. Statement of Accounts as of year-end from Philippine Depository and Trust Corporation (PDTCT), if scriptless
- iv. Confirmation of Purchase & paid checks or any proof of payment, if unissued
- v. Confirmation of Sale, official receipt, banks validated deposit slips and bank statement/passbook, if sold

H. Real Estate

- i. Copy of the Certificate of Title such as TCTs/CCTs (front and back portion)
- ii. Appraisal/ reappraisal report from a licensed real estate appraiser accredited by the Philippine Association of Real Estate Appraisers
- iii. Deed of absolute sale and proof of payment such as cancelled checks, official receipt, if newly-acquired property
- iv. Application for registration duly acknowledged by the Office of the Register of deeds and official receipt for the filing fee, if title is with Register of Deeds
- v. Latest real estate tax payments and tax declaration of property.

I. Other Investments

- i. IMA Accounts
 - a. Statement of Accounts/Holdings as of 31 December 2020 from the company's custodian bank
- ii. Preferred Shares
 - a. Proof of investments such as stock certificates (front and back portion)
- iii. Real Estate Investment Trusts (REITS)
 - a. Proof of investments/Statement of Accounts as of 31 December 2020
- iv. Service Assets
 - a. Copy of the Certificate of Title such as TCTs/CCTs (front and back portion)
 - b. Copy of the Certificate of Contracts for memorial lots and columbarium vaults
 - c. Deed of absolute sale, deed of assignment and proof of payment, if newly-acquired
 - d. Latest real estate tax payments and tax declaration of property (for land titles and condominium units)
- v. Investment in Subsidiary
 - a. Audited Financial Statements as of 31 December 2020 for the subsidiary company, if already available.

J. Accounts/ Notes Receivable

- i. Proof of existence of receivable
- ii. Proof of collection such as official/acknowledgment receipt, bank validated deposit slips, passbook/bank statements and other

K. Receivable from Trust Fund

- i. Documents to support receivable from Trust Fund (including detailed schedule)

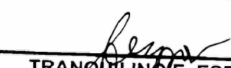
L. Property and Equipment

- i. Sales Invoice, official receipt and check voucher for newly acquired property and equipment

M. Other Document

- i. Schedule of memorial lots sold during the year in spot cash and in installments (reported as IPF and Service Asset investments), in excel format.

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 TRANQUILINO E. ESPEJON
 IC Supervising Administrative Officer
 Administrative Division
 Insurance Commission

Annex "B"

Republic of the Philippines}

_____) s.s.

JOINT CERTIFICATION

KNOW ALL MEN BY THESE PRESENTS, That, we, (Name of the President/CEO/CFO) and (Name of the Chief Accountant) of (Name of the Company) with office address at (Address of the Company) having been duly sworn in accordance with law, hereby depose and state that:

1. We are the President/Chief Executive Officer/Chief Financial Officer and Chief Accountant, respectively, of the said company;
2. All the described assets as appearing in the schedules herein attached are outstanding as of 31 December 2020; and such are in the name of the company;
3. The schedules and documents contained therein are complete and accurate;
4. Any false statement or false representation as appearing in the documents above-mentioned shall be subject to penalty/ies in accordance with existing laws, rules and regulations; and
5. We attest and certify to the truth of the foregoing.

In witness whereof, we have hereunto set our hands this (Date) in (Place).

(Name)
Affiant


(Name)
Affiant

Notary Public

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of 20____;

Subscribed and sworn to before me by (Affiant I) and (Affiant II), affiants, exhibiting their respective (ID I) and (ID II), valid until _____ and _____.

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