March 14, 2003

CIRCULAR LETTER NO. 4-2003

TO ALL INSURANCE COMPANIES LICENSED TO DO BUSINESS IN THE PHILIPPINES

SUBJECT INTEREST INCOME DUE THE CONTRIBUTIONS TO THE SECURITY FUND LIFE AND NON-LIFE ACCOUNTS


FOR LIFE INSURANCE COMPANIES 6.4273864%
FOR NON-LIFE INSURANCE COMPANIES 7.4550522%

The following are the rates of income earned in the year 2002 from investment of 1999 interest income:

FOR LIFE INSURANCE COMPANIES 0.5792914%
FOR NON-LIFE INSURANCE COMPANIES 0.5989603%

The aforesaid accrued interest income shall be reflected in your financial statements as of December 31, 2002.

The corresponding interest income due from the Security Fund contributions shall be reinvested in Government Securities, and deposited with the Bureau of the Treasury.

You will be advised regularly of income earned out of said reinvestments.

EDUARDO T. MALINIS
Insurance Commissioner