CIRCULAR LETTER

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

I. The rates for the accrued interest income net of administrative expenses based on the approved COA-MBM-MOF Joint Circular No. 1-87 dated January 1, 1987 on the reassessed contributions to the Security Fund Accounts for the year 2004 are as follows:

FOR LIFE INSURANCE COMPANIES 4.536%
FOR NON-LIFE INSURANCE COMPANIES 5.123%

II. The aforesaid accrued interest income shall be reflected in your financial statements as of December 31, 2004.

BENJAMIN S. SANTOS
Insurance Commissioner