**ANNEX B.3**

**CHECKLIST OF SUPPORTING DOCUMENTS**

**OF MUTUAL BENEFIT ASSOCIATIONS**

**For The Year Ended 31 December \_\_\_\_\_**

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**NAME OF ASSOCIATION**

| **DOCUMENT** | **SOFT COPY** |
| --- | --- |
| **PDF File** | **Excel File** |
|  | 1. | Current Year (CY) Audited Financial Statements (AFS) with comparative figures for Prior Year (PY), signed by an External Auditor ***accredited by the Insurance Commission*** and duly received by the Bureau of Internal Revenue (BIR)**Note:**   The Commission shall only accept AFS that have received either unqualified or qualified opinions. In cases where a qualified opinion is issued, a Management Letter shall be submitted in accordance with the guidelines provided.  | *(Whole AFS- strictly PDF File converted from Excel and Word File, to enable CTRL F function)**(Scan copy of the stamped received by BIR)* |  |
|   | 2. | General Information Sheet (GIS) filed with Securities and Exchange Commission (SEC) ***if with changes or updates*** |  |  |
|  | 3. | Certification or Statement of Opinion from an actuary duly accredited by the Insurance Commission, for the balances of the following accounts:* Basic contingent benefit reserve;
* Optional benefit reserve;
* Liability on individual equity;
* Membership certificate loans/Policy loans;
* Member's contributions/premiums due & uncollected; and
* Claims payable on basic contingent benefit/Optional benefits.
 |  |  |
|  | 4. | Certification by the Association's Comptroller or any other responsible officer holding a rank of at least Vice President, for the accounts: * Members' fees &, dues receivable;
* Unremitted members’ contributions, dues & fees;
* Unremitted premiums;
* Members' assessment receivable;
* Members' deposit;
* Capital Deposits;
* Capital Equity or any similar deposit (if any);
* Members' contributions/premiums received in advance; and
* Retirement Savings Fund, Loan Liquidation Fund, or any similar fund (if any).
 |  |  |
|  | 5. | A detailed schedule of the following actuarial accounts, accompanied by PDF copies of both the first page and the last page (**which displays the totals of the schedules**), along with a **reconciliation of any discrepancies between the schedule and the balance per AS**:1. Format No. 1 - Seriatim List of Outstanding Members
2. Format No. 2A - Claims Paid During the Year
3. Format No. 2B - Claims Denied During the Year
4. Format No. 3 - Claims Paid and Unpaid as of Q1 of the Succeeding Year
 | *(First Page and Last Page only of* ***ALL*** *the required schedules)* | *(Excel File of* ***ALL*** *the required schedules)* |
|  | 6. | Copies of the latest approved Implementing Rules and Regulations (IRR) for Basic Life Products and Optional Products |  |  |
|   | 7. | Minutes of meetings of the Board and Executive Committees, including copies of all Board Resolutions adopted during the CY. |  |  |
|  | 8.  | Supporting documents of assets and liabilities (**see Appendix**) **indexed according to account type and in accordance with the presentation in the AS template**. **Note:** Failure to submit supporting documents to verify the existence of the assets and liabilities shall result in non-admittance of the assets and recognition of non-ledger liabilities, respectively.   |  |  |

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| **General Reminders:**1. *Filing Fee – ₱20,000.00 + 200 Legal Research Fee (1% x ₱20,000.00)*
2. *Penalty for Late Submission - ₱5,000.00/day of delay including weekend and Holidays*
3. *To avoid penalty due to wrong data entry pursuant to IC CL No. 2014-15, the Association should completely and properly fill out applicable schedules in the Annual Statement.*
4. *All figures should be rounded to two (“2”) decimal places and to avoid Reference Errors, no linking should be made outside each Microsoft Excel file.*
5. *The company has the option to submit the following documents as part of the verification or examination process. However, this does not preclude the Commission from requesting the said documents during the verification/examination:*
* *Management Letter, which must include, but is not limited to, a summary of the issues that led to the issuance of the Qualified Opinion, the company's justification, and the proposed course of action to address the noted issues.*
* *AFS of Subsidiaries, Associates and Joint Ventures; and*
* *Latest copy of Certificate of Tax Exemption issued by the BIR pursuant to BIR Revenue Memorandum Order No. 38-2019.*
* *AVR of Net Pension Asset/Liability Account and supporting documents for the Plan Assets Account (e.g. statement of account, trust fund financial statements and/or pertinent supporting documents)*

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**Date Received:**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Complete**

**Incomplete**

**Remarks:**

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**Received by:**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*Signature over Printed Name*

*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*

*Designation*

**Submitted by:**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*Signature over Printed Name*

*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*

*Designation*

**APPENDIX: SUPPORTING DOCUMENTS OF ASSETS**

|  |  |
| --- | --- |
| **Accounts** | **Supporting Documents** |
| 1. Cash On Hand
 | **A. All sub-accounts except Documentary Stamps Fund** 1. Certification duly signed by the Custodian**B. Documentary Stamps Fund** 2. Certification duly signed by the Custodian 3. Daily Ledger Report for the Documentary Stamp Tax utilized in January of succeeding Year**C. Undeposited Collections*** + - 1. Official Receipts (OR)
			2. Bank-validated deposit slip
			3. Copy of the bank statements showing the crediting of the deposit
 |
| 1. Cash In Banks
 | 1. Passbook/ Statement of Account as of end of CY under association’s name;
2. Supporting documents of the Deposit in transit (DIT) like Official Receipts, Invoice, Validated Deposit Slips etc.
 |
| 1. Time Deposits
 | 1. Certificate of Time Deposits
2. If rolled over – roll over documents
 |
| 1. Reinsurance
 | Statement of Account from Reinsurer and/or Cedant on the outstanding balance of reinsurance account duly confirmed by the counterparty as of CY |
| V. Bonds/Debt Securities *(For Investments in Financial Asset at Fair Value Through Profit or Loss, Financial Assets at Amortized Cost, Financial Assets at Fair Value Through OCI)*  | **A. PH issued Government Debt Securities**1. If lodged to Bureau of Treasury (BTr) – BTR NROSS  Portfolio Statement as of CY
2. If not lodged to BTr - bond certificates or Portfolio holding statement issued by broker/bank/investment bank where acquired
3. If sold and not included in the statement – confirmation of purchase, bank statements/passbooks, official receipt, bank validated deposit slips
4. If rolled over – roll over documents
5. If matured and not included in the statement – bank statements and bank validated deposit slip, official receipt
6. Amortization schedule for Financial Assets at Amortized Cost

 **B. Corporate/Foreign Debt Securities**1. If scriptless- Statement of account as of CY from Philippine Depository and Trust Corporation
2. If under custodianship-bond certificates or Portfolio holding statement issued by broker/bank/investment bank where acquired
3. If sold and not included in the statement – confirmation of purchase, bank statements/passbooks, official receipt, bank validated deposit slips
4. If rolled over – roll over documents
5. If matured and not included in the statement – bank statements and bank validated deposit slip, official receipt
6. Amortization schedule for Financial Assets at Amortized Cost
 |
| VI. Equity Securities *(For Investments in Financial Assets at Fair Value Through Profit or Loss, Financial Assets at Fair Value Through OCI)*  | 1. If listed - Statement of Accounts as of CY from Philippine Depository and Trust Corporation (PDTC) under company’s name or under broker’s name with sub-account under company’s name or share/stock certificate
2. If unlisted
* Share/Stock Certificate
* Latest General Information Sheet (GIS) of issuing company
* Current year audited financial statement with unqualified opinion
1. If stock certificates are still unissued – confirmation of purchase, vouchers, and paid checks.
2. If stocks are sold – confirmation of sale, official receipt, bank-validated deposit slip
 |
| VII. Investment Management Agreement (IMA) Accounts | 1. Complete set of Financial Statements/ Statement of Account
2. Signed Investment Management Agreement
3. One Schedule per each IMA account showing all assets and liabilities under IMA with information but not limited to as follows: investment details, amount, where it was booked
 |
| VIII. Mutual Funds, Unit  Investment Trust Fund (UITF), Other Funds | Certificate or Statement of Account issued by counterparty registered/authorized by its regulatory body.  |
| IX. Real Estate Loans  | 1. Original Transfer Certificate of Title (TCT) or Condominium Certificate of Title (CCT) duly annotated by the Registry of Deeds (RD) in favor of the company
2. Annotated Special power of attorney for those borrowers' whose TCT/CCT not in their name;
3. If the amount of loan is still outstanding as of the year end and are fully paid before the inventory date the company may submit copy of certification of release of loans and official receipts for payments received; and
4. If the TCT/CCT is in process for annotation at the RD, submit copy of the transmittal letter duly received by them.
5. Loan Agreement
6. Amortization Schedule
7. Appraisal report, if any
8. Audited Financial Statement (AFS) of borrower, if any
 |
| X. Collateral Loans, Unquoted Debt Securities  | 1. Original copy of security held as collateral such as (stock/bonds/TCTs/CCTs/policy contract);
2. Certificate of the Corporate Secretary of the Issuer that the securities are pledged as collateral; and
3. Promissory Note/ Loan Agreement
4. Amortization Schedule
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| XI. DepEd salary Loans  | 1. DepEd salary deduction code and Agreement with DepEd
2. Amortization schedule

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| XII. Purchase Money Mortgage  | 1. TCT/CCT duly annotated in favor of the company
2. Loan agreement
3. Deed of trust given by the buyer as borrower to a seller as lender
4. Appraisal made by an appraiser at or about the time of disposition of such real property
5. Amortization Schedule
6. AFS of borrower, if applicable.
7. Board resolution allowing the sale through purchase money mortgage
 |
| XIII. Financial Assistance Loan Program( For employees, agents officers etc. of the Association) | 1. Board Resolution embodying the program
2. For Salary Loans - Summary Alphalist of Withholding Tax Compensation (as required by the examiner)
3. For Car Loans/Chattel Mortgage – copy of the Car Registration, updated Official Receipt, appraisal report of the security, and insurance coverage to extent of loan balance, if any.
4. Loan Agreement
5. Amortization Table
 |
| XIV. Investments in Subsidiaries, Associates and Joint Ventures  | 1. Stock certificate/certification issued by the counterparty
2. GIS of Issuing Company
3. Current year audited financial statements with unqualified opinion
 |
| XV. Real Estate Properties  | 1. Original Transfer Certificate of Title (TCT) / Condominium Certificate of Title (CCT) duly annotated
* If newly acquired property – deed of sale, proof of payment (cancelled checks, official receipts, cash vouchers), and Certificate Authorizing Registration (CAR)
* If title is with the Registry of Deeds – application for registration duly acknowledged by the Office of the Registry of Deeds and the official receipt for filing fee
* If foreclosed properties – court receipt and statement of loan balance including capitalized interest and penalties
1. Appraisal/reappraisal report from a licensed real estate appraiser, if any
 |
| XVI. IT Equipment  | 1. Invoices/Official Receipts/Delivery Receipts for acquisitions made for the year
2. Contract for system development
 |
| ***Include ALL APPROVAL LETTER for investments that require prior approval from IC pursuant to Circular Letters no. 2022-23[[1]](#footnote-2), 2021-53[[2]](#footnote-3) and 2017-43[[3]](#footnote-4), as well as the approval of appraisal for real estate properties and any other investment approvals issued by the Commission.***  |

1. Guidelines on Domestic Investments that do not require prior approval. [↑](#footnote-ref-2)
2. Omnibus guidelines on Foreign Currency Denominated Investments and Insurance Policies. [↑](#footnote-ref-3)
3. Investment in Income Producing Real Properties. [↑](#footnote-ref-4)