

## **PSALM ADVISORY ON DAMA CLAIMS Status of Funding and Release of Funds to NPC 16 November 2020**

On 28 October 2020, PSALM issued an Advisory on DAMA<sup>1</sup> Claims & Interest Cut-off. This is to provide updates on the actions taken to secure the required funding for the settlement of these DAMA claims.

- The Board Resolution on PSALM’s supplemental budget for the payment of DAMA claims has already been circulated to and signed by the members of the PSALM Board.
- On the approval of the Department of Budget and Management (DBM) on the DAMA supplemental budget, all documentary requirements have been prepared and submitted by PSALM. The DBM, in an email on 09 November 2020, conveyed its recommended FY 2020 Corporate Operating Budget (COB) level for PSALM, which already includes the supplemental budget to cover the DAMA claims.
- PSALM has already made a drawdown from its loan facility with the Development Bank of the Philippines as funding for the DAMA claims.
- PSALM has remitted to the National Power Corporation (NPC) today, 16 November 2020, the initial funds for the payment of DAMA claims in accordance with the PSALM Board-approved procedures. PSALM expects the liquidation by NPC of the released funds, in accordance with the rules of the Commission on Audit and the PSALM Board-approved procedures.
- We reiterate that as to the manner and timing of the release of the payments to the DAMA claimants, NPC is the one responsible for the specific arrangements for and scheduling of the release of payments to settle the claims. Any questions relative to the same should be taken up with NPC directly.

For your information and guidance.

**PSALM MANAGEMENT**

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<sup>1</sup> National Power Corporation Drivers and Mechanics Association (DAMA) et al. vs. NPC, G.R. No. 156208