



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

CIRCULAR LETTER (CL) NO. :	<b>2015 – 35</b>
DATE :	<b>July 13, 2015</b>
AMENDING :	<b>CL No. 2015–31</b> <b>CL No. 2015–32</b>

**CIRCULAR LETTER**

**TO : ALL NON-LIFE INSURANCE AND PROFESSIONAL REINSURANCE COMPANIES DOING BUSINESS IN THE PHILIPPINES**

**SUBJECT : AMENDMENTS TO CIRCULAR LETTERS:**

- 1. CL NO. 2015-31 : *TRANSITION PERIOD AND FULL IMPLEMENTATION REQUIREMENTS FOR FINANCIAL REPORTING FRAMEWORK, VALUATION STANDARDS FOR INSURANCE POLICY RESERVES, AND NEW RISK-BASED CAPITAL FRAMEWORK***
- 2. CL No. 2015-32 : *VALUATION STANDARDS FOR NON-LIFE INSURANCE POLICY RESERVES***


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The previously-issued **Circular Letters No. 2015–31 and No. 2015–32** are hereby amended as follows:

1. The submission of the completed **Financial Reporting Template and Actuarial Valuation report** as of 31 December 2014 of Non-Life Insurance and Professional Reinsurance Companies has been moved from 15 July 2015 to **31 July 2015** to coincide with the submission of the completed **RBC2-QIS Template**. The rest of the timelines as indicated in Circular Letter No. 2015–31 shall remain.

2. The first four (4) Actuarial Valuation reports of Non-Life Insurance and Professional Reinsurance Companies **as of 31 December 2014, as of 31 March 2015, as of 30 June 2015, and as of 30 September 2015** need not be certified by an accredited Non-life Actuary. In case the Actuarial Reserve Valuation report was not prepared/certified by an accredited Non-life Actuary, the curriculum vitae of the person who prepared the Valuation report shall, likewise, be submitted. However, the Actuarial Valuation report **as of 31 December 2015 and thereafter** shall have to be certified by an accredited Non-Life Actuary, as required under Circular Letter No. 2015-32.
  
3. The "*Summary of Valuation Results*" labeled as Annex B in *Circular Letter No. 2015-32: Valuation Standards for Non-Life Insurance Policy Reserves* is hereby amended to include the reserves computed based on the old framework. Please see attached "***Summary of Valuation by Line of Business***".

Please be guided accordingly,



**EMMANUEL F. DOOC**  
Insurance Commissioner

Name of Company: \_\_\_\_\_

**Actuarial Valuation Results**

**Non-Life Insurance Policy Reserves in Philippine Peso**

**For the period ended dd/mm/yyyy**

**Summary of Valuation by Line of Business**

(Based on new framework)

Lines of Business <sup>1</sup>	Fire	Marine	Motor Car	Casualty	Suretyship
Premium Liabilities					
(1) UPR: Gross of Reinsurance					
(2) URR: Best Estimate					
(3) MfAD					
(A) Total (MAX(1,2 + 3))					
Losses and Claims Payable					
(4) Outstanding Claims					
(5) IBNR: Best Estimate <sup>2</sup>					
(6) Loss Adjustment Expenses Payable					
(7) MfAD					
(B) Total (4 + 5 + 6 +7)					
Policy Reserves (A + B)					

(A) This summary shall be accompanied by a short narrative discussing the valuation results for each class of business.

(B) Kindly also submit a soft copy of your development triangles by class of business as of the indicated period above.

Please see Paragraph 13.1 of CL2015-32.

(Based on old framework)

Lines of Business <sup>1</sup>	Fire	Marine	Motor Car	Casualty	Suretyship
Premium Liabilities					
(1) UPR: Gross of Reinsurance					
(A) Total					
Losses and Claims Payable					
(2) Outstanding Claims					
(3) IBNR: Best Estimate <sup>2</sup>					
(B) Total (2 + 3)					
Policy Reserves (A + B)					

(A) This summary shall be accompanied by a short narrative discussing the valuation results for each class of business.

<sup>1</sup> The Company may come up with a more granular categorization of its lines of business through its internal risk assessment.

<sup>2</sup> IBNER may already be incorporated in the IBNR line item, or may appear as a separate line item, depending on the Company's discretion

Prepared by: \_\_\_\_\_  
(Signature over Printed Name)

Countersigned by:

\_\_\_\_\_  
Chief Financial Officer  
(Signature over Printed Name)

\_\_\_\_\_  
President  
(Signature over Printed Name)