CIRCULAR LETTER

TO : ALL LIFE INSURANCE COMPANIES AND MUTUAL BENEFIT ASSOCIATIONS (MBAs)

SUBJECT : INVENTORY OF INSURANCE PRODUCTS

In view of the declining interest rates in the market and increasing operating costs, all life insurance companies and MBAs are hereby directed to make an inventory of all insurance products approved by this Commission. All concerned are directed to conduct a thorough review of the actuarial assumptions used in developing the said products.

A duly-notarized Assessment Report signed by the President/Chief Executive Officer of the company/MBA and its accredited Actuary must be submitted to this Commission. The report shall consist of the following:

1. List of all approved products indicating the following:
   a. generic name
   b. marketing name, if any
   c. date of approval
   d. whether still being sold (active) or not (inactive)
   e. viable or not viable

2. For products found to be still viable, a certification that the premium rates are still adequate and the actuarial assumptions used are still attainable. Please attach summary of assumptions and analyses for each product as set out in Annex A;

3. For products found to be no longer viable, a commitment that the company shall stop selling the products immediately.

All life insurance companies and MBAs are hereby given until March 15, 2007 to comply with this directive.

Evangeline Crisostomo-Escobillo
Insurance Commissioner

Cc: Secretary Margarito B. Teves
Department of Finance

Head Office:
P. O. Box 3589 Manila
FAX No. 522-14-34
Tel. Nos. 523-84-61 to 70
E-mail: oic@i-manila.com.ph
I. Name of Plan / Marketing Name, if any:

II. Date of IC Approval:

III. Benefit Description:

IV. Assumptions:

   A. Asset Shares
      1. Net Annual Interest Rate on Invested Assets
      2. Mortality Table
      3. Surrender / Withdrawal Rates
      4. Expenses (Acquisition, Maintenance, Commissions, Taxes, etc.)
      5. Breakeven / Profitability Year

   B. Valuation Standards
      1. Reserving Method
      2. Mortality Table
      3. Valuation Interest Rate

V. Analyses based on past, current and prospective performances