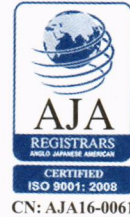




Republic of the Philippines
 Department of Finance
INSURANCE COMMISSION
 1071 United Nations Avenue
 Manila



Circular Letter (CL) No.:	2018-19
Date:	09 March 2018
Amends:	CL No. 2016-69

CIRCULAR LETTER

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

SUBJECT : AMENDMENT TO CIRCULAR LETTER NO. 2016-69 "IMPLEMENTATION REQUIREMENTS FOR FINANCIAL REPORTING, VALUATION STANDARDS FOR INSURANCE POLICY RESERVES AND AMENDED RISK-BASED CAPITAL (RBC2) FRAMEWORK"

Pursuant to the authority of the Insurance Commissioner under Sections 50 and Section 437 of the Amended Insurance Code (Republic Act No. 10607), Item 3c of Circular Letter (CL) No. 2016-69 on "Implementation Requirements for Financial Reporting, Valuation Standards for Insurance Policy Reserves and Amended Risk-Based Capital (RBC2) Framework" is hereby amended to read as follows:

"c. Margin for Adverse Deviation

MfAD shall be company-specific. The companies shall submit to the IC the documents and certification signed by an IC-accredited actuary to support the computation of their MfAD.

Companies shall be allowed to set the MfAD as follows:

Period Covered	Percentage (%) of company-specific MfAD
2017	0%
2018	50%
2019 onwards	100%

This amendatory circular shall take effect immediately. Except as amended hereby, all other provisions of CL No. 2016-69 shall remain effective. The unamended

provisions of the said Circular and the amendment introduced herein shall be read and construed as a single Circular.

Please be guided accordingly.


DENNIS B. FUNA
Insurance Commissioner

