



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



ADVISORY No. 08-2017

TO : ALL LIFE INSURANCE COMPANIES DOING BUSINESS IN THE PHILIPPINES

SUBJECT : SUBMISSION OF ACTUARIAL VALUATION RESULTS FOR PURPOSES OF RESTATEMENT

DATE : MAY 4, 2017

Relative to the implementation of the new valuation standards for life insurance policy reserves under Circular Letter No. 2016-66, there is a need to restate the financial statement for 2016.

In view of the foregoing, all life insurance companies are hereby directed to submit **on or before May 31, 2017** the actuarial valuation results for the January 1, 2016 and January 1, 2017 restatement following the format prescribed in Annex A.

Please be guided accordingly.


DENNIS B. FUNA
Insurance Commissioner

Name of Company _____

ANNEX A

Actuarial Valuation Results

For January 1, 2016 Restatement		Amount
(1)	Aggregate Reserves in the 2015 Annual Statement	
(2)	Provision for Dividends (Part of line 7 (page 3) of the 2015 Annual Statement)	
(3)	GPV Reserves as of 12/31/2015 using NPV discount rates (inclusive of unearned premium reserves)	
(4)	GPV Reserves as of 12/31/2015 using GPV discount rates for 12/31/2015 (inclusive of unearned premium reserves)	
(5)	Impact on Retained Earnings (Transition Adjustments) = -((3) - (1) - (2))	
(6)	Impact on Remeasurement on Life Insurance Reserves = -((4) - (3))	
(7)	Negative GPV Reserves as of 12/31/2015 using GPV discounts rates for 12/31/2015	

For January 1, 2017 Restatement		Amount
(1)	GPV Reserves as of 12/31/2015 using GPV discount rates for 12/31/2015 (inclusive of unearned premium reserves)	
(2)	GPV Reserves as of 12/31/2015 using GPV discount rates for 12/31/2016 (inclusive of unearned premium reserves)	
(3)	GPV Reserves as of 12/31/2016 using GPV discount rates, exchange rates and assumptions for 12/31/2016 (inclusive of unearned premium reserves)	
(4)	Impact on Retained Earnings (Transition Adjustments) = -((3) - (2))	
(5)	Impact on Remeasurement on Life Insurance Reserves = -((2) - (1))	
(6)	Negative GPV Reserves as of 12/31/2016 using GPV discounts rates for 12/31/2016	

Notes:

1. The Aggregate Reserves shall include the Policy Reserves for Life and Accident and Health for all lines of business, including the unearned premium reserve for variable life insurance and excluding the market value of the underlying assets backing the separate account. The market value shall be booked under 'Segregated Fund Liabilities' in the FRF.
2. The GPV Reserves shall include the unearned premium reserves and exclude the market value of the underlying assets backing the separate account for variable life insurance. The market value shall be booked under 'Segregated Fund Liabilities' in the FRF.

Prepared by:

Signature over Printed Name

Certified Correct by:

Signature over Printed Name
of Accredited Actuary