**Annex A**

**Report on Actuarial Valuation of Mutual Benefit Association Policy Reserves**

**Name of MBA: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

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

**Section A: Scope of Review**

1. Purpose of report
2. Name of Actuary (whether the Actuary is an employee of the insurance company or an external consultant), professional qualifications, and the capacity in which he/she is carrying out the valuation of policy reserves
3. Confirmation from the Actuary of compliance with requirements with this Valuation Standards, and reasons, if any, for not complying fully with any requirements

**Section B: Data Requirement**

Describe the following:

1. Steps taken to verify consistency, completeness, and accuracy of In-Force and Claims data
2. Adjustments made to the data and the rationale for such adjustments

**Section C: Valuation Methodology**

1. Describe the valuation method used for computation of policy reserve liability as well as claims liability for Incurred But Not Yet Reported (IBNR) claims for BLI and OLI
2. If methods used are different from those prescribed in this set of valuation standards, provide a detailed description of each method, including, but not limited to:
3. Scope of application including policies/products covered
4. How the method works including the formula
5. Disclosure of any approximation or simplification made
6. Justification for the use of said method
7. Document evidencing approval by the IC
8. Provide the details of any change in the valuation methods used since the last valuation date and quantify impact of the change.

**Section D: Valuation Assumptions**

1. State and justify for the key assumptions for policy reserve liabilities and claims liability for IBNR for both BLI and OLI.
2. Disclose and justify any material change in assumption from the previous valuation and quantify the impact of each change.

**Section E: Margin for Adverse Deviation (MfAD)**

1. State the MfAD used per assumption or parameter, and provide a rationale if different from the minimum prescribed in this set of valuation standards
2. Justify for any change in MfAD used from the last valuation date and quantify the impact of each change.
3. Provide MfAD used for the computation of claims liability for IBNR;

**Section F: Others**

Define terms and expressions used in the Report on Actuarial Valuation which may be ambiguous or subject to wide interpretation.

**Section G: Valuation Results and Discussion**

This shall include a summary of the valuation results (see Annex B) and a short narrative discussing the results for policy reserve liabilities and claims liability for IBNR for both BLI and OLI.

The summary shows the breakdown of the change in reserves due to the following: a) change in the discount rate; b) change in assumptions other than the discount rate; and c) change in the in-force file.

**Section H: Certification by the Actuary**

The Actuary shall provide a duly notarized certification as set out below:

“I hereby certify that I have conducted tests necessary to verify the reasonableness and integrity of the data, confirm that the information contained in this Report is accurate to the best of my knowledge and that I have calculated the reserves in accordance with the Valuation Standards prescribed by the Insurance Commission and the standards of practice of the Actuarial Society of the Philippines.”

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Signature over Printed Name of Actuary

 Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 IC Accreditation No.: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 PTR No.: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Section I: Certification by the President or Responsible Officer**

The President/Responsible Officer shall provide the following duly notarized certification:

“I hereby certify that the database is properly maintained and I have satisfied myself that the data provided to the certifying Actuary are accurate and complete.”

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature over Printed Name

of President/Responsible Officer

 Date : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_