



STATEMENT OF OPINION

I, Panfilo P. de la Paz, consulting actuary of **TSPI MUTUAL BENEFIT ASSOCIATION, INC. (TSPI MBAI)**, express the opinion that, based on the data supplied to me by **Ms. Alice Z. Cordero, President and CEO of TSPI MBAI**, the legal policy reserves of **TSPI MBAI** as of 31 December 2020 amounting to:

TSPI Mutual Benefit Association, Inc.

Liabilities

Aggregate reserves for life policies and contracts

BLIP aggregate reserves	18,548,516.29
CLIP aggregate reserves	466,383.34
MRI aggregate reserves	9,118.26
LPIP aggregate reserves	2,917,558.39
LMIP aggregate reserves	8,026,621.80
GLIP aggregate reserves	3,607,416.01
Total aggregate reserves	33,575,614.09

Equity value of active clients	110,362,173.88
Interest on equity value of active clients	1,933,607.14
Equity value of inactive clients	127,809,811.25
Interest on equity value of inactive clients	6,627,254.74
Total equity value	246,732,847.00
Overall total	280,308,461.09

Policy and contract claims

Due and unpaid	538,765.92
In course of settlement	
Resisted/denied	147,900.00
Incurred but not reported	
IBNR	2,600,000.01
Less: reinsurance on IBNR 2020	
Total claims liability reserves	3,286,665.93

Add: reinsurance assumed	
Less: reinsurance ceded	
Net liability	3,286,665.93

are adequate and accurate. The calculations of the legal certificate/policy reserves are based on reasonable actuarial assumptions and are in accordance with generally accepted actuarial principles and the provision of the Insurance Code governing mutual benefit associations.

PANFILO P DE LA PAZ, FASP, FSA
 Consulting Actuary
 PTR No 3941
 22 March 2021



ACTUARIAL VALUATION NOTES

A. Valuation Methodology

a. **BLIP**

Reserves were based on the Unearned Premium wherein the allocation for the BLIP Premium is 50% for the Equity Value, 40% for the Insurance Benefit and 10% for Administrative Expenses.

b. **GLIP, MRI, LPIP, LMIP**

Reserves were based on the Unearned Premium wherein a 20% provision was allocated for Administrative Expenses.

c. **GLIP**

Reserves for GLIP – Basic were based on Net Level Premium method using 95% of 1980 CSO Male at 3.75%. Reserves for GLIP – Optional were based on Commissioner's Reserve Valuation Method (CRVM) using 95% of 1980 CSO Male at 3.75%.

B. Other Values Certified

Equity value's annual interest rate is 0.50%. Provision for claims incurred but not reported (IBNR) is 110% of the actual IBNR claims from January 1, 2021 to March 10, 2021.