



KASAGANA-KA  
Mutual Benefit Association, Inc.

**KASAGANA-KA Mutual Benefit Association, Inc.**  
**12<sup>th</sup> Annual General Meeting**  
**SEAMEO INNOTECH, LB Soriano Hall**  
**Diliman Avenue, Quezon City**  
**May 31, 2018, 1:00 pm**

**In Attendance**

**Board of Trustees**

- |                                     |  |
|-------------------------------------|--|
| 1. Isabel M. Iliw-iliw              | – President, Treasury Committee Chairperson      |
| 2. Marissa A. Loyola                | – Treasurer, Treasury Committee Member           |
| 3. Jerlene B. Perez                 | – Secretary, Risk Committee Chairperson          |
| 4. Ma. Teresa G. Bucad              | – Member, Product & Development Committee member |
| 5. Anita L. Manundo                 | – Member, Product & Development Committee member |
| 6. Elizabeth G. Fuentes             | – Member, Nomination & Election Committee member |
| 7. Marilyn C. Aldave                | – Member, Nomination & Election Committee member |
| 8. Philip Arnold P. Tuaño           | – Independent Board, Audit Committee Chairperson |
| 9. Brenda F. Lumbao                 | – Secretary (for AGM Ratification)               |
| 10. Maria Cleofe Gettie C. Sandoval | – Independent Board (for AGM Ratification)       |

**Area Coordinators**

- |                         |                                      |
|-------------------------|--------------------------------------|
| 11. Josephine Abugan    | – Batasan branch representative      |
| 12. Estrelia Medel      | – Camarin branch representative      |
| 13. Josanie Lagnason    | – Fairview branch representative     |
| 14. Josephine Abugan    | – Novaliches branch representative   |
| 15. Alma Gilbaliga      | – Tandang Sora branch representative |
| 16. Clara dela Cruz     | – Bocaue branch representative       |
| 17. Francisca Salcedo   | – Guiguinto branch representative    |
| 18. Elsie Aguilar       | – Marilao branch representative      |
| 19. Ma. Lilibeth Molina | – Meycauayan branch representative   |
| 20. Nida Cuizon         | – Morzagaray branch representative   |
| 21. Rita dela Cruz      | – Sapang Palay branch representative |
| 22. Meneliza Clete      | – Marikina branch representative     |
| 23. Lilibeth Lagnason   | – Masinag branch representative      |
| 24. Jenifer Abao        | – Montalban branch representative    |
| 25. Emily Rala          | – Padilla branch representative      |
| 26. Glenda Hernandez    | – RHS branch representative          |
| 27. Teresita Padel      | – Sumulong branch representative     |
| 28. Rosalie Reblando    | – Las Piñas branch representative    |
| 29. Enriqueta Navarro   | – Trece branch representative        |



KASAGANA-KA  
Mutual Benefit Association, Inc.

**Board of Advisers**

30. Leticia T. Rodriguez
31. Wenifreda F. Rodriguez
32. Chona B. Capayas
33. Martiniana G. Mancio
34. Maria Anna Ignacio

- Ethics Committee Chairperson
- Ethics Committee member
- Ethics Committee member
- Ethics Committee member

**Management & Staff**

35. Silvida R. Antiquera
36. Evangeline E. Pe
37. Evelyn A. Lagmay
38. Analyn A. Shih
39. Diobert F. Calanza
40. Mcquen R. Abellano
41. Richard L. Monteron
42. Adrian P. San Andres
43. Aljon L. Laureano

- General Manager
- Operations Manager
- Finance Manager
- Exec. Assistant
- Accounts Officer
- Accounts Officer
- Accounts Officer
- Accounts Officer
- Accounts Officer
- MIS Officer

Certified by:

  
Brenda F. Lumbao  
Board Secretary



KASAGANA-KA  
Mutual Benefit Association, Inc.

## Order of Business

- I. Call to Order
- II. Prayer
- III. Determination of quorum
- IV. Approval of the proposed agenda
- V. Reading & Approval of the Minutes of 11<sup>th</sup> Annual General Meeting held on May 31, 2017
- VI. Business Arising from the previous meeting
- VII. Presentation of the President's Report
- VIII. Presentation of the 2017 Audited Financial Statements
- IX. Approval and ratification of Board and Management Actions
- X. Confirmation of the Independent Board Members
- XI. Confirmation of the elected representative from KPF as a member of the Board of Trustee
- XII. Appointment of an External Auditor and Compiler for 2018 Financial Statement
- XIII. Amendment to the Articles of Incorporation & By-Laws
- XIV. Election of Committee members
  - a. Audit Committee
  - b. Treasury Committee
  - c. Product Development & Innovation Committee
  - d. Nomination & Election Committee
- XV. Launching of the Enhance Basic Life Insurance Plan (BLIP) and Hospital Income Insurance Plan (HIIP)
- XVI. Equity Value Enhancement
- XVII. Updates on KMBA Building
- XVIII. Awarding of Certificates and Tribute to Board member/s
- XIX. Other Matters
- XX. Oath Taking of the new members of the Board of Trustees
- XXI. Adjournment



**I. Invocation**

The meeting started at 1:37 p.m. with a prayer led by Ms. Wenifreda Rodriguez.

**II. Determination of Quorum**

The Board Secretary announced the presence of a quorum, with 34 out of 34 Trustees and Coordinators present.

**III. Approval of the proposed agenda**

Board President Isabel presented the provisional agenda for the meeting. There being no objections or additions to the same, the agenda was adopted by the Assembly upon motion by Ms. Anita Manundo and seconded by Ms. Elizabeth Fuentes.

Subject	No. of Voting Delegates	No. of Votes in Favor	No. of Votes Against	No. of Abstain Votes	No. of Absentees
Approval of proposed Agenda	32	32	0	0	0

**IV. Reading and approval of the Minutes of 11th Annual General Meeting held on May 31, 2017**

President Isabel informed the body that a copy of the minutes has been posted in the website of KMBA. The members are presumed to have read the document. Just the same, a copy of the minutes was presented before the Assembly. Together, the members went through the document page by page.

With no corrections or comments raised, the Assembly approved the minutes of the 2017 Annual General Meeting upon motion by Mr. Randy Tuaño and seconded by Ms. Nida Tagubar.

Subject	No. of Voting Delegates	No. of Votes in Favor	No. of Votes Against	No. of Abstain Votes	No. of Absentees
Approval of Minutes of 10 <sup>th</sup> Annual General Meeting	32	32	0	0	0



KASAGANA-KA  
Mutual Benefit Association, Inc.

**V. Business Arising from previous meeting**

The Assembly agreed that there were no pending business arising from the previous annual meeting

**VI. President's Report**

Pres. Isabel rendered the report of Operations for the year 2017. Financial highlights as of end 2017 are as follows:

Assets	Php 189.4M
Liabilities	Php 116.6M
Fund Balance	Php 70.8M
Total Expenses	20% of premium collections

Membership has continued to grow, and along with it the amount of collections. Aside from regular KMBA members, who are members of K-Coop, KMBA has associate members from groups in Baguio as well as in CAPS-R Cebu.

BLIP collections in 2017 reached Php33.4M, whereas total claims for the same year was around Php 6.0M for 475 beneficiaries. In all, BLIP claims since 2006 has amounted to Php37.1M

The total CLIP collections for 2017 was Php6.9M. Total claims, on the other hand, was Php1.4M, still within the 20% limit of the total CLIP collections.

There were 17,354 K-Kalinga enrollees. For them, KMBA released Php 864,000 in total claims in 2017. For K-Bente, there were 71,029 enrolled policy-holders. The number of claimants from this insurance coverage has been high. This is the reason why there have been negotiations with Sunlife-Grepa to enhance the policy.

Philhealth enrollees totalled 1,032 members.

KMBA has provided a total of Php 480,000 in benefits for its 100 Kuya Jun Scholarship Program beneficiaries. It has also released Php 93,000 in calamity assistance.

Pres. Isabel also shared some pictures documenting various team-building and competency development activities, for members and staff alike.

For 2018, KMBA's priorities are the following:



KASAGANA-KA  
Mutual Benefit Association, Inc.

- Construction of the KMBA Building
- Enhanced BLIP Launching
- MIS Registration with the BIR
- Staff development
- Establishing new partnerships

Ms. Josephine Abugan congratulated the Assembly for a job well done in 2017. She went on to make a motion for the approval of the President’s Report. Ms. Marilyn Aldave seconded the motion. There being no objections, the Report was approved.

Subject	No. of Voting Delegates	No. of Votes in Favor	No. of Votes Against	No. of Abstain Votes	No. of Absentees
AGM Resolution No. 1	32	32	0	0	0

**GENERAL MEMBERSHIP RESOLUTION NO. 1, SERIES OF 2018:  
ACCEPTANCE OF THE PRESIDENT’S REPORT**

**RESOLVED** that the General Membership accepts the President’s Report of Operations for 2017 and KMBA’s priority projects and activities for 2018.

**VII. Treasurer’s Report**

Mr. Mark Babor, partner from BDO-Roxas, Cruz, Tagle, and Co., KMBA’s external auditor was designated by the Treasurer to present the audited Financial Statements for 2017. Before he ended, he invited the members to feel free to raise questions or points for clarification from his report.

In general, the audit found that KMBA’s processes in terms of documenting its financial transactions are appropriate for its size and nature of business. The controls it has adopted are adequate to prevent and identify fraudulent acts. It is also compliant with government rules and regulations.

One item that needs improvement, and which Mr. Babor underscored as essential for KMBA to do, is to establish an offsite back-up information system. This will protect KMBA’s business in case any untoward incident compromises the records it keeps in its principal office. GM Salve responded that this same finding has been made by previous auditors, and one that KMBA really must address soon.



The following are the financial highlights:

- Revenues up by 4%
- Net Revenues down by 22%
- Cash up by 10%
- Investments showed no decrease in value
- Fixed assets up by 4200%
- Total assets up by 15%
- Total liabilities up by 11%
- 2017 Net Worth Php68.6M, up by 22%

While revenue for the year is up, once expenses are accounted for, net revenues are down by 22%. The external auditor noted that KMBA’s plans to increase its membership fee will be appropriate to support the rising expenses. On the other hand, KMBA is in an enviable position. Its current assets can pay five times for its current liabilities.

Its investments, on the other hand, showed no decrease in value. The 4200% increase in fixed assets is due to the purchase of lot, where the new KMBA building is currently being constructed.

After the presentation, a representative from Taytay, Marilyn Aldave asked the auditor if the existing financial condition of KMBA is good enough to sustain its entire operation. The auditor gladly shared that the way the trend is going, KMBA can sustain its liabilities without having to fear of losing the ability pay for its claims and other operational expenses.

KMBA Board of Adviser, Ms. Letty Rodriguez then appealed to the members in the assembly to motivate their center members to continue to patronize the products and services of the KMBA.

With the overall good financial condition of the KMBA, the Assembly approved the audited financial statements for 2017, representing the Treasurer’s Report, upon motion by Ms. Jenifer Abao and seconded by Ms. Teresa Bucad.

<b>Subject</b>	<b>No. of Voting Delegates</b>	<b>No. of Votes in Favor</b>	<b>No. of Votes Against</b>	<b>No. of Abstain Votes</b>	<b>No. of Absentees</b>
AGM Resolution No. 2	32	32	0	0	0



**GENERAL MEMBERSHIP RESOLUTION NO. 2, SERIES OF 2018: ACCEPTANCE OF THE TREASURER’S REPORT**

**RESOLVED** that the General Membership accepts the Treasurer’s Report highlighting the 2017 Audited Financial Statements.

**VIII. Approval and Ratification of Board and Management Actions**

The summary of Board Resolutions adopted in 2017 was presented by Board Secretary Jerlene Perez. On behalf of the Board and the management, she submitted the list for ratification by the Assembly, together with all management actions undertaken and executed the previous year. BDO Roxas, Cruz, Tagle & Co. CPA’s was appointed by the Nomination & Election Committee Chairman Marilyn Aldave to validate the votes for all AGM resolution during the 12<sup>th</sup> Annual General Meeting.

Meeting Date	Number	Title
Feb 16, 2017	70	KMBA REPRESENTATIVE TO THE K-COOP BOARD OF DIRECTORS
	71	KMBA CALAMITY ASSISTANCE
	72	INCREASE IN MANAGEMENT FEE
	73	REVISED PLAN AND BUDGET PROJECTION FOR 2017
	74	APPROVAL OF THE MISSION AND VISION STATEMENTS
Mar 25, 2017	75	APPROVAL OF PROPERTY ACQUISITION LOCATED AT MATIMPIIN ST. V. LUNA QUEZON CITY
	76	APPROVAL OF EARNEST MONEY AS PROPERTY INVESTMENT
	77	AUTHORIZING ISABEL M. ILIW-ILIW, PRESIDENT, TO TRANSACT FOR KASAGANA-KA MUTUAL BENEFIT ASSOCIATION, INC. (KMBA) ON THE PURCHASE OF THE PROPERTY LOCATED AT NO. 5 MATIMPIIN ST.M BGY. PINYAHAN, Q.C.
	78	RENEWAL OF THE REINSURANCE POLICY FOR CATASTROPHE EXCESS OF LOSS (CAT-XOL)
	79	ATTENDANCE OF THE GENERAL MANAGER TO THE ICMIF CONFERENCE
	80	APPOINTMENT OF A REPRESENTATIVE TO THE KSO SALARY REVIEW COMMITTEE
Apr 28, 2017	81	APPROVAL OF THE SUNLIFE GREPA INSURANCE PRODUCT
	82	ACCEPTANCE OF THE AUDIT COMMITTEE REPORT ON RELATED PARTY TRANSACTIONS
May 25, 2017	83	ENGAGEMENT OF EXTERNAL AUDITOR FOR THE 2017 FINANCIAL STATEMENTS
	84	GRANT OF ADDITIONAL MEMBERS’ BENEFITS (K-20)
Jul 14, 2017	85	APPROVAL OF THE BUILDING PLAN
	86	APPROVAL OF THE BUILDING CONSTRUCTION COST ESTIMATE
	87	AWARD OF THE SERVICE CONTRACT FOR ARCHITECTURAL DESIGN
	88	AWARD OF THE SERVICE CONTRACT FOR PROJECT MANAGEMENT
	89	DESIGNATING SILVIDA REYES ANTIQUERA AS PROJECT ADMINISTRATOR FOR THE DESIGN AND CONSTRUCTION OF KMBA OFFICE BUILDING
	90	CREATION OF THE BAC AND CONSTRUCTION COMMITTEE AND APPOINTING MEMBERS THEREOF
Aug 24, 2017	91	APPROVAL OF HOSPITAL INSURANCE INCOME PLAN PRODUCT
	92	APPROVAL OF THE ADDITIONAL PREMIUM FOR CAT-XOL





KASAGANA-KA  
Mutual Benefit Association, Inc.

	93	FRAUD MANAGEMENT MANUAL
	94	OUTSOURCING INTERNAL AUDIT AND COMPLIANCE MONITORING SERVICE
	95	AUTHORIZED SIGNATORIES
Oct 10, 2017	96	OFFICIAL TRAVEL BUDGET OF THE GENERAL MANAGER
	97	BLIP ENHANCEMENTS
Nov 10, 2017	98	2018 BUDGET
	99	PARTICIPATION IN THE UITF INVESTMENT POOL OF Mi-MBAs UNDER THE MiMAP (RIMANSI) NETWORK
	100	ENGAGEMENT OF THE SERVICES OF AN EXTERNAL AUDITOR FOR THE 2018 FINANCIAL STATEMENTS

Rita Dela Cruz of Sapang Palay highly commended the efforts done by the Management and the Board of Trustees in keeping on toes with the needs of the times. She added that the members are happy with ICs approval of HIIP and the enhanced features of BLIP.

There being no other questions or concerns, Ms. Anita made a motion to accept and ratify said Board Resolutions and all management actions. Her motion was seconded by Ms. Enriqueta. She added a congratulatory remark to KMBA for a good performance last year. Hearing no objections, Pres. Isabel announced the Assembly's ratification of all Board and Management Actions in 2017.

After the presentation of the list, the floor was opened for motion from the members to ratify the Board Resolutions for 2017. The following was the result of the voting process:

Subject	No. of Voting Delegates	No. of Votes in Favor	No. of Votes Against	No. of Abstain Votes	No. of Absentees
Board Resolution No. 70 to 100	32	32	0	0	0

Ms. Marissa Loyola, Treasurer, made a motion for approval of 2017 Board and management actions and was seconded by Ms. Estrella Medel.

Subject	No. of Voting Delegates	No. of Votes in Favor	No. of Votes Against	No. of Abstain Votes	No. of Absentees
AGM Resolution No. 3	32	32	0	0	0

**GENERAL MEMBERSHIP RESOLUTION NO. 3, SERIES OF 2018: RATIFICATION OF ALL BOARD RESOLUTIONS AND MANAGEMENT ACTIONS**

**RESOLVED** that the General Membership ratifies all Board Resolutions as well as the actions and decisions by Management in 2017.



**IX. Confirmation of Independent Board Member**

Board Secretary Jerlene informed the Assembly that the Board recommends Atty. Cleofe Gettie Catapang Sandoval as new Independent Board member, following the resignation of Ms. Perla Batingal earlier this year. She went on by mentioning some of Atty. Sandoval’s qualifications and work experiences.

Atty. Sandoval was Undersecretary for Programs under the Office of the President – Office of the Presidential Adviser on the Peace Process during the Aquino III Administration. She was instructor in the Ateneo School of Medicine and Public Health. She also served as Associate Director for Field Operations in the Leaders for Health Programs, and as Project Officer in the Health Unit, both in the Ateneo Graduate School of Business in Makati. She likewise worked as Coordinator in the Women’s Unit of Sentro ng Alternatibong Lingap Panlegal.

Pres. Isabel reminded the Assembly that Atty. Sandoval has previously helped KMBA by training its leaders in parliamentary procedures.

Recognizing Atty. Sandoval’s credentials and helpful support to KMBA, Ms. Beth Fuentes moved to confirm Atty. Sandoval as the new independent Board member. Ms. Rita Dela Cruz seconded her motion. Hearing no objections, the motion was carried.

Subject	No. of Voting Delegates	No. of Votes in Favor	No. of Votes Against	No. of Abstain Votes	No. of Absentees
AGM Resolution No. 4	32	32	0	0	0

**GENERAL MEMBERSHIP RESOLUTION NO. 4, SERIES OF 2018: CONFIRMATION OF THE NEW INDEPENDENT BOARD MEMBER**

**RESOLVED** that the General Membership accepts the recommendation of the Board and confirmed Atty. Cleofe Gettie Catapang Sandoval as new Independent Board member.

**X. Confirmation of Ms. Brenda Lumbao as new KPF representative to the KMBA Board**

Ms. Marissa Loyola stood to present to the Assembly the recommendation of the Board to confirm Ms. Brenda as KPF representative. Ms. Brenda was duly elected by the Kasagana-Ka employees as its President in August 2017. She serves as able Cluster Manager in the Central Sector of K-Coop.



Ms. Beth made a motion to confirm Ms. Brenda as new KPF representative to the KMBA Board. Ms. Anita seconded her motion. There being no objections or questions as to the motion, it was thereby deemed carried.

Subject	No. of Voting Delegates	No. of Votes in Favor	No. of Votes Against	No. of Abstain Votes	No. of Absentees
AGM Resolution No. 5	33	33	0	0	0

**GENERAL MEMBERSHIP RESOLUTION NO. 5, SERIES OF 2018: CONFIRMATION OF THE MS. BRENDA LUMBAO AS NEW KPF REPRESENTATIVE TO THE KMBA BOARD**

**RESOLVED** that the General Membership accepts the recommendation of the Board and confirmed Ms. Brenda Lumbao, duly-elected KPF President, as the new KPF Representative to the KMBA Board, vice Ms. Jerlene Perez.

**XI. Engagement of External Auditor for the 2018 Financial Statements**

Pres. Isabel informed the Assembly that the Board recommends the engagement of BDO-Roxas, Cruz, Tagle, and Co. as external auditor for the 2018 Financial Statements, the same firm that audited the 2017 FS. According to her, the firm has proved to be easy to work with, competent, accommodating, and helpful during the audit process for last year's FS. Moreover, complete staff work by management confirmed that among prospective external auditors requested to submit proposals, BDO-Roxas, Cruz, Tagle, and Co. has the lowest financial bid. Its familiarity with the KMBA Operation, after having previously worked with the Association, also gives the firm an advantage.

After hearing the firm's earlier helpful and simple explanation of the financial position of the KMBA, Ms. Marissa moved to approve the engagement of BDO-Roxas, Cruz, Tagle, and Co. as external auditor for the 2018 Financial Statements. Ms. Lilibeth seconded her motion. No member objected to the motion. President Isabel announced that the motion is carried.

Subject	No. of Voting Delegates	No. of Votes in Favor	No. of Votes Against	No. of Abstain Votes	No. of Absentees
AGM Resolution No. 6	34	34	0	0	0



KASAGANA-KA  
Mutual Benefit Association, Inc.

**GENERAL MEMBERSHIP RESOLUTION NO. 6, SERIES OF 2018: ENGAGEMENT OF EXTERNAL AUDITOR FOR THE 2018 FINANCIAL STATEMENTS**

**RESOLVED** that the General Membership approves the recommendation of the Board and confirms the engagement of BDO-Roxas, Cruz, Tagle, and Co. as the external auditor for the audit of the 2018 Financial Statements

**XII. Engagement of Compiler for 2018**

Part of the requirement in the audit of financial statements is the engagement of a compiler. The Board, through Pres. Isabel, informed the Assembly that it recommends the procurement of the services of Quinsay, Radam, and Co. as compiler. It is the same firm that assisted KMBA in 2017.

With the strong recommendation from the Board as to the firm’s performance, Ms. Tess moved to accept and confirm the Board approval of the engagement of Quinsay, Radam, and Co. as compiler for the 2018 Financial Statements. Ms. Marlyn seconded her motion. There being no objections, the approval was carried.

Subject	No. of Voting Delegates	No. of Votes in Favor	No. of Votes Against	No. of Abstain Votes	No. of Absentees
AGM Resolution No. 7	34	34	0	0	0

**GENERAL MEMBERSHIP RESOLUTION NO. 7, SERIES OF 2018: ENGAGEMENT OF COMPILER FOR THE 2018 FINANCIAL STATEMENTS**

**RESOLVED** that the General Membership approves the recommendation of the Board and confirms the engagement of Quinsay, Radam, and Co. as the compiler for the 2018 Financial Statements

**XIII. Amendments to the Articles of Incorporation and By-Laws**

GM Salve presented the amendments to the Articles of Incorporation and the by-laws, which the Board have already approved and are now being submitted to the Assembly for its evaluation and approval.

First, under the Articles of Incorporation, the underlined items under the proposed amendment column are the changes:



KASAGANA-KA  
Mutual Benefit Association, Inc.

CURRENT PROVISION	PROPOSED AMENDMENT
The undersigned incorporators, all of legal age and majority of whom are residents of the Philippines, have this day voluntarily agreed to form a non-stock, non-profit, association under the laws of the Republic of the Philippines.	The undersigned incorporators, all of legal age and majority of whom are residents of the Philippines, have this day voluntarily agreed to form a non-stock, non-profit, <u>mutual aid</u> association under the laws of the Republic of the Philippines.
<p>SECOND: That the purpose or purposes for which such Association is incorporated are:</p> <ol style="list-style-type: none"> <li>1. To promote the welfare of the poor;</li> <li>2. To extend financial assistance to its members in the form of death benefits, medical subsidy, pension and loan redemption assistance;</li> <li>3. To ensure continued access to benefits/resources by actively involving the members in the direct management of the Association that will include implementation of policies and procedures geared towards sustainability and improved services;</li> </ol>	<p>SECOND: That the purpose or purposes for which such Association is incorporated are:</p> <ol style="list-style-type: none"> <li>1. To promote the welfare of the poor;</li> <li>2. To extend <u>social protection services</u> by providing for the payment of life, sickness, accident, pension and other <u>benefits exclusively to its members</u>;</li> <li>3. To ensure continued access to benefits/resources by actively involving the members in the direct management of the Association that will include implementation of policies and procedures geared towards sustainability and improved services;</li> <li>4. <u>To provide benefits in kind and other relevant financial assistance to its members</u>; and</li> <li>5. <u>To establish partnerships with foreign and domestic entities in promoting microinsurance through sharing of best practices.</u></li> </ol>
THIRD: That the place where the principal office of the corporation is to be established or located is at #5 Don Francisco St., Don Enrique Heights, Brgy. Holy Spirit, Commonwealth Avenue, Quezon City, Philippines.	THIRD: That the place where the principal office of the corporation is to be established or located is at <u>Rm. 504 F&amp;L Building, Brgy. Holy Spirit, Commonwealth Avenue, Quezon City, Philippines.</u>
SEVENTH: That the capital of the Association was contributed by the incorporators and directors who are also members of the Association as follows	SEVENTH: That the capital of the Association was contributed by the incorporators and <u>trustees</u> who are also members of the Association as follows
EIGHT: That no part of the net income shall inure to the benefit of any member, trustee, officer, or any private individual or entity which the Association may obtain as a result of its operation. No compensation shall be paid to its Trustees.	EIGHT: That no part of the net income shall inure to the benefit of any member, trustee, officer, or any private individual or entity which the Association may obtain as a result of its operation. No compensation <u>or any remuneration</u> shall be paid to its Trustees.
NINTH: That ROSALINA VERGARA has been elected by the members as Treasurer of the Association, to act as such until her successor is duly elected and qualified in accordance with the By-Laws, and that as such Treasurer, she has been authorized to receive in the name and for the benefit of the Association all contributions or donations paid or given by the members.	NINTH: That ROSALINA VERGARA has been elected by the members as Treasurer of the Association, to act as such until her successor is duly elected and qualified in accordance with the By-Laws, and that as such Treasurer, she has been authorized to receive in the name and for the benefit of the Association all contributions <u>paid by members</u> and donations given by <u>individuals, private and government institutions.</u>
ELEVENTH: That the Association shall comply with all requirements for non-stock corporations in the course of its operations.	ELEVENTH: That the Association shall comply with all requirements for non-stock, <u>non-profit, mutual aid associations</u> in the course of its operations.



GM Salve explained that the amendments in the Articles are intended primarily to underscore the fact that KMBA is a mutual aid association, thus covered by tax exemptions provided under the Tax Code. The other main change in the Articles is to reflect the principal place of business of KMBA, where it has held its operations for over a year already. It may be recalled that KMBA started leasing on its current office space when the Don Enrique property was undergoing renovations.

Ms. Josephine moved to approve all the amendments to the Articles of Incorporation. Ms. Teresa joined her motion. There being no objections to the motion, all the amendments to the Articles of Incorporation are deemed carried and unanimously approved.

Subject	No. of Voting Delegates	No. of Votes in Favor	No. of Votes Against	No. of Abstain Votes	No. of Absentees
AGM Resolution No. 8	34	34	0	0	0

**GENERAL MEMBERSHIP RESOLUTION NO. 8, SERIES OF 2018: APPROVAL OF THE AMENDMENTS TO THE ARTICLES OF INCORPORATION**

**RESOLVED** that the General Membership unanimously approves all the following amendments to the Articles of Incorporation:

Then, GM Salve discussed the amendments to the By-Laws:

CURRENT PROVISION	PROPOSED AMENDMENT
Section 1. Annual Meetings – The annual meetings of the members shall be held at the principal office of the Association or any other feasible venue as may be decided by the Board of Trustees on any date in May 31 of each year.	Section 1. Annual Meetings – The annual meetings of the members shall be held at the principal office of the Association or any other feasible venue as may be decided by the Board of Trustees on any date in May 31 of each year.
Section 3. Notices – Notices of the time and place of annual and special meetings of the members shall be given either personally or by special delivery mail at least two (2) weeks before the date set for such meeting.	Section 3. Notices – Notices of the time and place of annual and special meetings of the members shall be given either personally or by special delivery mail <u>or by posting the notice in the website at least 28 days before the date set for such meeting.</u>
Section 5. Order of Business – The order of business at the annual meeting of the members are as follows: X x x f. Election of the Trustees for the ensuing year g. Other matters	Section 5. Order of Business – The order of business at the annual meeting of the members are as follows: X x x f. <u>Report of the Treasurer</u> g. Election of the Trustees for the ensuing year h. Other matters



KASAGANA-KA  
Mutual Benefit Association, Inc.

<p>Section 1. Board of Trustees – The Board of Trustees of the KASAGANA-KA Mutual Benefit Association, Inc. shall consist of nine (9) members elected by the active members. One (1) trustee shall be an independent individual not connected nor involved in transactions dealing in KASAGANA-KA Mutual Benefit Association, Inc. nor KASAGANA-KA Development Center, Inc.</p>	<p>Section 1. Board of Trustees; <u>Composition and Election</u> – The Board of Trustees of KASAGANA-KA Mutual Benefit Association, Inc. shall consist of <u>six (6) member-representatives from its various areas of coverage, two (2) independent members and one (1) duly-elected representative of the employees of the Kasagana-Ka Synergizing Organizations (KSO).</u> The member-representatives to the Board are elected from among and <u>by the Area Coordinators, who are themselves elected by KMBA members from among the Center Chiefs covered by the Kasagana-Ka Cooperative Satellite Offices.</u></p>
<p>Qualifications of Trustees</p>	<p>Updated to conform to the qualifications provided under the KMBA Governance Manual</p>
<p>Disqualifications of Trustees</p>	<p>Updated to conform to the disqualifications provided under the KMBA Governance Manual</p>
<p>(This is an additional Section; no current Section on Independent Trustees)</p>	<p>Independent Trustees Section added to conform to the qualifications, disqualifications and elections of Independent Trustees provided in the Governance Manual</p>
<p>Section 4. Term of Office of Trustees – Of the nine (9) Trustees elected by the active members, the first seven (7) trustees elected with the highest number of votes will serve for a period of three (3) years and the last two (2) will serve for only two (2) years. The Independent Board may be re-elected for another two (2) years. Elections thereafter will only be for the positions of trustees vacated.</p>	<p>Section 5. Term of Office of Trustees – Of the <u>six (6) trustees first elected following the adoption of this by-laws;</u> elected by the active members, the first <u>three (3)</u> trustees elected with the highest number of votes will serve for a period of three (3) years and the last <u>three (3)</u> will serve for two (2) years. Elections thereafter shall only be for the positions of trustees vacated.</p> <p><u>A Trustee may serve for two three-year terms only, after which s/he shall be perpetually barred from serving as member of the Board of Trustees of KMBA.</u></p> <p>Term of independent Trustees to conform to Governance Manual</p>
<p>(This is an additional Section; no current Section on Vacancies in the Board)</p>	<p><b><u>Section 6. Vacancies</u></b> - If a vacancy occurring in the Board, <u>by reason of death, incapacity, removal, or resignation of any of its members, will result in the Board not being able to meet quorum requirements during its meetings, said vacancy may be filled up through a special election. Said election shall be bound by the same set of procedures provided in the Association’s election guidelines. The elected Trustee in such case shall serve only for the unexpired term of her predecessor. If the vacancy will not compromise the Board’s ability to achieve quorum or perform its functions, the Association shall wait for the next regular elections for Board members to fill it up.</u></p>
<p>(This is an additional Section; no current Section on Meetings; Notices)</p>	<p><b><u>Section 7. Meetings; Notices</u></b> – Regular Board meetings shall be held monthly at the Association’s principal place</p>



KASAGANA-KA  
Mutual Benefit Association, Inc.

	<p><u>of business. Apart from the regular meetings, the President or a majority of the Trustees may, at any time, call special board meetings to consider and discuss urgent matters.</u></p> <p><u>Notices of regular and special meetings of the BoT, including other relevant papers and/or documents, shall be posted in KMBA’s website and sent to all Board members at least five (5) days before such meetings. Calls/resolution for special Board meetings shall be forwarded initially to the BoT Secretary, taking into account the five-day rule on notices for meetings.</u></p>
(This is an additional Section; no current Section on Quorum)	<p><u><b>Section 8. Quorum</b> – A quorum for any Board meeting shall be at least two-thirds (2/3) of its members. Where there is no quorum, the Board may still decide to go on with the meeting and discuss items set in the agenda; Provided, that no voting and/or action on the identified decision points shall be taken during said meeting; Provided further, that the Board President, Secretary, and the Association’s General Manager shall ensure that key points from the ensuing discussion related to such decision points or proposed resolutions are properly documented and sent to all Board members as part of the minutes of meeting, and that final decision or voting by the Board on the proposals will be included in the agenda of the Body’s next meeting.</u></p>
Section 1. Officers – The officers of the Association shall be a President, a Secretary and a Treasurer. They shall be elected by the Board of Trustees from among themselves. The Board may combine compatible offices in a single person.	Section 1. Officers – The officers of the Association shall be a President, <u>a Vice President</u> , a Secretary and a Treasurer. <u>With the exception of the independent members, the Board shall elect the said officers from among themselves: Provided, the KSO representative shall serve as ex-officio Board Secretary.</u>
(This is an addition, given the proposed addition of Vice-President.)	Section 2. Vice President – The Vice President shall <u>exercise all powers and perform all the duties of the President during the absence or incapacity of the latter. She shall also perform such duties as may be assigned to her from time to time by the Board.</u>
Section 1. Funds. X x x a. Members shall be charged FIFTEEN PESOS (Php15.00) contribution per week for the payment of death or total and permanent disability of a member or any member’s legal spouse, or any of the member’s biological and/or legally-adopted children, ONE day old but not more than 21 years old and single;  X x x	Section 1. Funds. X x x <u>a. Members shall be charged FIFTEEN PESOS (Php15.00) contribution per week for the payment of death or total and permanent disability of a member or any member’s legal spouse, or any of the member’s biological and/or legally-adopted children, two weeks old but not more than 21 years old and single;</u> <u>X x x</u>
Section 1. Amendments – These by-laws, or any provision thereof, may be amended, repealed, or new by-Laws	Section 1. Amendments – These by-laws, or any provision thereof, <u>may be amended, repealed, or new by-Laws</u>





KASAGANA-KA  
Mutual Benefit Association, Inc.

<p>adopted by a majority vote of the members at any regular or special meeting duly held for the purpose.</p>	<p><u>adopted by a vote of at least two-thirds (2/3) of the Trustees as fixed in the Articles of Incorporation at any regular or at a special meeting duly called for the purpose. Any such amendments made by the Board must be submitted to the General Assembly in the immediately succeeding annual regular meeting for ratification.</u></p>
---	---

There were no substantial comments on the proposed amendments. There were however observations that reference to the KSO should have been KPF. Further, there was common sentiment that one three-year term is enough for Board members to serve KMBA.

GM Salve first submitted for Assembly approval the provision authorizing the Board to make subsequent amendments or revisions to the existing by-laws, or to repeal it and adopt a new set of by-laws, subject to Assembly ratification in the immediately succeeding regular general meeting. Ms. Yvette Molina moved to approve this provision. Ms. Alma Gilbaliga seconded the motion. Hearing no objections, Pres. Isabel announced the Assembly’s unanimous approval of the same.

Subject	No. of Voting Delegates	No. of Votes in Favor	No. of Votes Against	No. of Abstain Votes	No. of Absentees
AGM Resolution No. 9	34	34	0	0	0

**GENERAL MEMBERSHIP RESOLUTION NO. 9, SERIES OF 2018: AUTHORIZING THE BOARD OF TRUSTEES TO EFFECT AMENDMENTS, REVISIONS, REPEAL OF THE CURRENT BY-LAWS AND THE ADOPTION OF A NEW SET OF BY-LAWS**

**RESOLVED** that the General Membership unanimously agrees to grant authority to the Board of Trustees to effect amendments, revisions, repeal of the current by-laws and the adoption of a new set of by-laws, subject to ratification by the Assembly in the immediately succeeding regular general meeting.

Noting the above observations from several members, both corrections were put to a vote. By show of hands, there was unanimous decision to correct the reference to KSO into KPF. Also, by show of hands, everyone decided to grant members of the Board of Trustees only one term of three years. Finally, by show of hands, there was again unanimous decision to adopt the amendments to the By-Laws, including the two provisions that was put to a vote. Pres. Isabel opened the floor for any objections or questions as to the result of the vote. Ms. Josephine stood to make a motion to approve the by-laws, subject to the correction that KSO should be KPF, and that the term of the Board members remains one term of three years, with no opportunity for re-election.



KASAGANA-KA  
Mutual Benefit Association, Inc.

Subject	No. of Voting Delegates	No. of Votes in Favor	No. of Votes Against	No. of Abstain Votes	No. of Absentees
AGM Resolution No. 10	34	34	0	0	0

**GENERAL MEMBERSHIP RESOLUTION NO. 10, SERIES OF 2018: APPROVAL OF THE AMENDMENTS TO THE BY-LAWS**

**RESOLVED** that the General Membership unanimously approves all the following amendments to the By-Laws:

**XIV. Election of Committee Members**

Following a process of nomination, with acceptance from the nominees save those who were nominated in absentia, below is the list of the Committees and their respective members:

**Audit**

Chairperson:

Philip Arnold P. Tuaño, Independent Trustee

Member:

Atty. Cleofe Gettie C. Sandoval, Independent Trustee  
Marissa A. Loyola, BoT Treasurer

**Treasury**

Chairperson:

Isabel Iliw-iliw, BoT President

Member:

Marissa A. Loyola, BoT Treasurer  
Eduardo Pangan, KDCI BoT  
Noel Tolentino, KDCI BoT  
Silvida R. Antiquera, KMBA Gen. Manager

**Product Development And Innovation**

Chairperson:

Marilyn C. Aldave, BoT Member

Member:

Brenda F. Lumbao, BoT Secretary  
Ma. Teresa G. Bucad, BoT Member  
Josephine Abugan, Area Coordinator  
Josanie Lagnason, Area Coordinator

**Nomination & Election**

Chairperson:

Ma. Gettie Cleofe C. Sandoval, Independent Trustee

Member:

Philip Arnold P. Tuaño, Independent Trustee  
Marilyn C. Aldave, BoT Member  
Alma Gilbaliga, Area Coordinator  
Jenifer Abao, Area Coordinator



KASAGANA-KA  
Mutual Benefit Association, Inc.

Ethics  
Chairperson: Elizabeth G. Fuentes, BoT Member  
Member: Ma. Teresa G. Bucad, BoT Member  
Wenifreda F. Rodriguez, BoT Adviser  
Leticia T. Rodriguez, BoT Adviser  
Chona B. Capayas, BoT Adviser

Prior to the naming nominees to the Risk Committee, Mr. Randy Tuaño explained its functions. According to him, the Committee will study and deliberate on material issues that may impact on the operations of KMBA. Further, they will prepare strategies and programs to minimize, if not completely avoid, such risks from having negative effects on KMBA's operations. With the understanding of the functions, the following shall compose the Risk Committee:

Risk  
Chairperson : Brenda F. Lumbao, BoT Secretary  
Member : Philip Arnold P. Tuaño, Independent Trustee  
Ma. Cleofe Gettie C. Sandoval, Independent Trustee  
Nida Tagubar, Area Coordinator  
Meneliza Clete, Area Coordinator

There being no objection raised to the nominations, and there being no seat contested, Ms. Manundo, moved for the acceptance of the nominated members as the newly-elected committee members. The general membership unanimously agreed to the nomination.

Subject	No. of Voting Delegates	No. of Votes in Favor	No. of Votes Against	No. of Abstain Votes	No. of Absentees
AGM Resolution No. 11	34	34	0	0	0

**GENERAL MEMBERSHIP RESOLUTION NO. 11, SERIES OF 2018: ACCEPTANCE AND ADOPTION ON THE RESULT OF ELECTION OF THE COMMITTEE MEMBERS**

**RESOLVED**, as it is hereby resolved that the General Membership accepted and adopted the following results of the elections of the Committee members:



**XV. Launch of the Enhance Basic Life Insurance Plan (BLIP) & Hospital Income Insurance Plan (HIIP)**

**A. Enhanced BLIP** - KMBA has received approval from the Insurance Commission for the proposed enhancement of the BLIP. GM Salve announced and explained the following enhanced features of the Policy:

- MVAH of 12 hours, from the previous 24 hours
- Benefit of Php10,000 per couple for every year of membership, compared to the previous Php10,000 for the entire period of membership
- Return of 50% of the equity value, plus interests, upon termination of membership, regardless of the period of membership
- Review of the 2% interest rate for the Retirement Fund (RF); there will be a study of the average interest rates of three banks at the end of this year, which will be applied as interest rate on the RF next year
- Lengthening the grace period within which to update premium payment, from 31 days to 45 days
- Provision of natural death benefits to members who committed suicide, if he/she has been a member for one year; previously, the required period of membership is two years
- Ratio of operations expenses to premium collections adjusted to 15%, from the previous 20%

**B. HIIP.** GM Salve also announced to the general membership the approval of HIIP. HIIP is an insurance coverage for periods when an insured is unable to work owing to hospital confinement of at least 12 hours. For Php 250 a year, it provides Php 200 a day during hospitalization, to a maximum of 30 days a year.

A member asked updates about possible renewal of the K-Bente policy. GM Salve informed the Assembly that K-Bente will be re-launched. KMBA will enroll the member and her spouse to the policy. Beneficiaries will receive death benefit of Php5,000, regardless of cause. An added feature of the K-Bente re-launching is the contestability period of three months for new enrollees.

As to K-Kabataan, GM Salve announced the earlier decision of the Board to limit the grant of the benefit to Board members, Advisers and Coordinators with one child of school age.

**XVI. Equity Value Enhancement**

GM Salve also announced that the board has approved for AGM ratification the distribution of equity value enhancement equivalent to three weeks contribution, or Php45.00. This is an additional member's benefit and it will be added to each member's equity effective July 2,



KASAGANA-KA  
Mutual Benefit Association, Inc.

2018. The general body has unanimously approved the granting of equity value enhancement to the members.

**XVII. Update on the KMBA Building**

Arch. Eric Vincent Yusingco, as project manager, gave the Assembly a brief project background and went on to report updates on the ongoing construction of the KMBA Building.

Keys to the property were turned over to Rodsy Construction, the building contractor, last April 2, 2018. Demolition of the existing bungalow house started on April 10, and was completed on April 23. Ground-breaking ceremonies were held on May 3. The same was witnessed by members of the Construction Committee and the rest of the Board of Trustees. It was also the day of the first concrete pouring.

As of May 30, there have been 6 concrete pouring. Rodsy is ahead of the agreed construction schedule.

Arch. Yusingco shared with the Committee pictures documenting the work of the contractor. He told the Assembly that Rodsy is ensuring that the foundations are strong to support the five-story building. In fact, the columns have two-meter deep foundations.

**XVIII. Loyalty Award for Employees & Tribute to Board member/s**

Although BoT Adviser Elizabeth Yayon has resigned, the Assembly took time to recognize her years of service to KMBA, first as its President before subsequently joining the Board of

Advisers. K-Coop North Sector Manager Bennie Lafuerza accepted the award on behalf of Ms. Elizabeth Yayon.

Two KMBA employees were also given recognition for 10 years of loyalty and service to the Association. They are Analyn A. Shih and McQuen R. Abellano. Both personally received their awards.

**XIX. Oath-taking of the new members of the Board of Trustees**

Ms. Brenda F. Lumbao, the KPF Representative to the Board and Independent Trustee Atty. Gettie Cleofe Sandoval, took their oath of office as new members of the Board of Trustees. The oath was administered by BoT President Isabel Iliw-iliw and Advisers Leticia Rodriguez and Wenifreda Rodriguez.


**XX. Adjournment**

There being no other matters to discuss, the meeting was adjourned at 4:10pm.



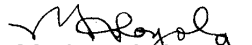
KASAGANA-KA  
Mutual Benefit Association, Inc.


Prepared by:

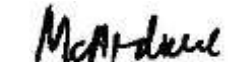
  
Brenda F. Lumbao  
Board Secretary

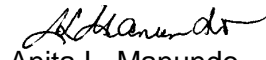
Attested by:

  
Isabel M. Iliw-iliw  
President

  
Marissa A. Loyola  
Treasurer

  
Ma. Teresa G. Bucad  
Board Member

  
Marilyn C. Aldave  
Board Member

  
Anita L. Manundo  
Board Member

  
Elizabeth G. Fuentes  
Board Member

Philip Arnold P. Tuaño  
Independent Board

Atty. Ma. Gettie Cleofe C. Sandoval  
Independent Board