



KASAGANA-KA
Mutual Benefit Association, Inc.

**Board Resolution No. 25
Series of 2018**

INTEREST RATE TO BE APPLIED TO RF AND EQUITY VALUE

Upon motion by Mr. Marissa Loyola and duly seconded by Ms. Marlyn Aldave, the KMBA Board of Trustees, in its regular meeting held on May 31, 2018, where a quorum was present, approved the following resolution:

WHEREAS, under prevailing policy, upon the return of the RF of members, KMBA applies a 2% interest rate;

WHEREAS, the Insurance Commission adopted a policy requiring MBAs to return to resigning members, regardless of the period of their membership, 50% of her/his equity value, plus interest;

WHEREAS, the Commission advised KMBA to review the interest rate it will apply to the RF and equity value;

WHEREAS, market interest rate, as offered by most banks, provide a reliable benchmark in determining appropriate interest rate;

WHEREAS, the interest rate that will be determined as a result of the review will be applied in the following year;

WHEREAS, the new policies should be properly communicated to members;

NOW, THEREFORE, the foregoing premises considered, the Board **RESOLVED**, as it is hereby **RESOLVED**, to require the conduct of a study of the annual average interest rates given by the three largest Philippine banks, which will be applied to the RF and to the equity value being returned to resigning members;

RESOLVED FURTHER, to direct the production and dissemination of information and education campaign materials to explain to members the new policy on the return of equity value, with interest, to resigning members, regardless of the period of membership.

Adopted this 31st of May 2018 in Quezon City, Philippines by the affirmative vote of the undersigned members representing a majority of the trustees of KMBA, Inc.

Isabel M. Iliw-iliw
President

Marissa A. Loyola
Treasurer



KASAGANA-KA
Mutual Benefit Association, Inc.

Marilyn C. Aldave
Member

Elizabeth G. Fuentes
Member

Philip Arnold P. Tuaño
Independent Member

Ma. Teresa G. Bucad
Member

Anita L. Manundo
Member

Jerlene B. Perez
Board Secretary

Attested by: