



KASAGANA-KA  
Mutual Benefit Association, Inc.

**Board Resolution No. 15  
Series of 2019**

**AUTHORIZING GUARANTY FUND**

Upon motion by Ms. Elizabeth Fuentes, seconded by Ms. Marilyn Aldave, the KMBA Board of Trustees, in a regular meeting on April 25, 2019, where a quorum was present, approved the following resolution:

**WHEREAS**, the Insurance Commission (IC) requires MBAs to set aside a guaranty fund equivalent to 5% of its annual premium collection;

**WHEREAS**, based on the financial statements of the Association as of end of December 2018, the guaranty fund of KMBA should be around P24Million, thus requiring an additional P2,226,000 to its current level of about P22Million;

**WHEREAS**, similar to how additional guaranty fund was set aside last year, management proposed that the additional amount be sourced from KMBA's 25-year Fixed Rate Treasury Notes (FXTN) investment, which must be reclassified from tradeable to non-tradeable fund, to qualify as guaranty fund;

**NOW, THEREFORE**, the foregoing premises considered, the Board of Trustees **RESOLVED** to reclassify P2,226,000 under the FXTN investment from tradeable to non-tradeable fund, to serve as additional guaranty fund of KMBA, in compliance with the requirements of the Insurance Commission.

Adopted this 25<sup>th</sup> of April 2019 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

Anita L. Manundo  
Member

Ma. Teresa G. Bucad  
Member

Philip Arnold P. Tuaño  
Independent Member

Marissa A. Loyola  
Treasurer

Marilyn C. Aldave  
Member

Elizabeth G. Fuentes  
Member

Attested by: Brenda F. Lumbao  
Board Secretary