



KASAGANA-KA Mutual Benefit Association, Inc.
1st Regular Meeting of the Board of Trustees
Via Tele/Video Conferencing Zoom
KMBA Members' Center #5 Matimpiin St. Pinyahan, Quezon City
January 28, 2021 9:00 am

In Attendance:

Board of Trustees:

- | | |
|-----------------------------|---------------------------|
| 1. Enriqueta V. Navarro | -President |
| 2. Alma D. Gilbaliga | -Vice President |
| 3. Lilibeth C. Molina | -Treasurer |
| 4. Jonalyn T. Andres | -Board Secretary |
| 5. Teresita D. Padel | -Board Member |
| 6. Rita Dela T. Cruz | -Board Member |
| 7. Jenifer L. Abao | -Board Member |
| 8. Philip Arnold P. Tuaño | -Independent Board Member |
| 9. Atty. Gettie C. Sandoval | -Independent Board Member |

Also Present:

Board of Advisers:

- | | |
|-------------------------|--|
| 10. Chona B. Capayas | |
| 11. Isabel M. Iliw-iliw | |
| 12. Dexter Flores | -as representative of Maria Anna dR. Ignacio |

Board Member Emeritus

- | | |
|----------------------------|--|
| 13. Leticia T. Rodriguez | |
| 14. Wenifreda F. Rodriguez | |

Management and Staff

- | | |
|--------------------------|----------------------|
| 15. Silvida R. Antiquera | -General Manager |
| 16. Evelyn Lagmay | -Finance Manager |
| 17. Analyn Shih | -Executive Assistant |



ORDER OF BUSINESS

A. Board Agenda

- I. Call to Order
- II. Prayer
- III. Determination of Quorum
- IV. Approval of Proposed Agenda
- V. Reading and Approval of the minutes of the previous meeting
- VI. Business arising from previous meeting
- VII. Review of Vision, Mission and Goals
- VIII. Commitment to Good Governance
- IX. Review of Related Party Transaction
- X. Operation and Financial Report
 - a. Year-End Report
 - b. Financial Statement for the month of December 2020
 - c. Investment as of January 27, 2021
- XI. Upcoming Schedules
 - a. Proxy Voting
 - b. Annual Performance Assessment of the Board and Committee Members
 - c. Performance Evaluation of the General Manager
 - d. Board, Coordinators and Staff Recollection via Zoom
- XII. Other Matters
- XIII. Schedule of next regular/special board meeting, March 5, 2021
- XIV. Adjournment

DISCUSSION HIGHLIGHTS

I. The meeting started at 9:00 a.m. with a prayer.

II. Quorum and Agenda

Board Secretary Jonalyn conducted a roll call and determined the presence of a quorum. Pres. Enriqueta presented the proposed agenda for the day's meeting. It was approved by the Board upon motion by BoT Alma, duly seconded by BoT Teresita.

III. Reading and Approval of the Minutes of the Meeting

The minutes of the previous Regular Board meeting were provided ahead of the meeting. That considering, BoT Teresita moved for the deferment of reading the minutes of the previous of meeting, duly seconded by BoT Rita.



The Board, based on their advanced reading, found no clarification or comments on the minutes that needed discussions. Sir Randy moved to approve the minutes of the previous Board meeting, duly seconded by BoT Lilibeth.

IV. Business Arising

GM Salve asked the Board to shelve the discussion arising from the previous meeting about KMBA’s action to the mandatory committees recommended by the Insurance Commission. She said that the management and the Independent Trustees will diligently discuss first to come up with a sound and comprehensive recommendation to the Board. She also added that MiMAP, MBAs’ national network, helps in formulating best measures to help not only KMBA but other MBA-members as well about the matter.

The Board supported GM Salve’s statement.

V. Review of Vision, Mission & Goals and ACGS Compliance

ASEAN Corporate Governance Scorecard, which the Insurance Commission has adopted, requires the annual review of the vision, mission and corporate goal statements of organizations. Such a practice would be beneficial to the Association in order to ensure that its operational plans and targets are in harmony with its avowed vision and mission. GM Salve presented the following.

Vision	<i>KMBA envisions a self-reliant and self-sustaining mutual benefit association that actively and appropriately responds to financial risk management needs of poor Filipino families.</i>
Mission	<ul style="list-style-type: none"> ▪ <i>KMBA will offer microinsurance products and services that provide immediate financial assistance in times of dire needs.</i> ▪ <i>KMBA will provide microinsurance packages that can broaden the safety net of the poor.</i> ▪ <i>KMBA will engage in advocacy and networking activities that seek to render further support to its members.</i> ▪ <i>KMBA will continually seek to develop cost-effective mechanisms for delivering microinsurance to the poor and disadvantaged.</i>
Corporate Goals	<ul style="list-style-type: none"> ▪ <i>KMBA aspires to become a self-reliant and self-sustaining mutual benefit association that is able to efficiently and effectively provide for safety net to its members.</i> ▪ <i>KMBA intends to be competitive microinsurance provider that meets local and international standards as well as in the promotion of good corporate governance through its operations.</i>

The Board found that the current statements remain true, ethical and reflective of KMBA’s purposes, goals and plans. BoT Alma moved to accept the current vision, mission and corporate goals of KMBA duly seconded by BoT Lilibeth.

**BOARD RESOLUTION NO. 2021-01:
ACCEPTANCE OF THE VISION, MISSION AND CORPORATE GOALS REVIEW**

RESOLVED, to approve and re-adopt the current vision, mission, and corporate goals of KMBA, as stated below, until such time that the Association deems it necessary to amend the same.



GM Salve also shared to the Board its commitment to the principles of transparency and accountability in decision-making and management, ethical and responsible operations, and equitable treatment of stakeholders, and to related best practices contained in the present manual, and acknowledge that the same serves as guide in the attainment of the association goals.

BoT Rita moved to confirm the commitment of KMBA to Good Corporate Governance duly seconded by BoT Teresita.

**BOARD RESOLUTION NO. 2021-02:
COMMITMENT TO GOOD GOVERNANCE**

RESOLVED, to confirm in its commitment to good governance in promoting transparency, accountability and greater participation by its stakeholders, thus, the code of good governance shall also be shared to the association's value chain and members.

Furthermore, Sir Randy, Independent Trustee and Chairman of the Audit Committee, reported a preview on the material or significant related party-transactions (RPTs) that KMBA entered into. Sir Randy made assurance to the Board that such were in line to the provisions of the Association's Governance Manual and were conducted and resolved in the best interest of KMBA and its members. Finally, sir Randy secured confidence to the Board that the Audit Committee will continue to monitor the assigned responsibility of regular reviewing of RPTs.

BoT Alma moved to accept the review on related party transactions, duly seconded BoT Teresita.

**BOARD RESOLUTION NO. 2021-03:
REVIEW ON RELATED PARTY TRANSACTIONS**

RESOLVED, to confirm adherence to the principle of transparency with regards related party transactions as per review of the Independent Trustees and the Audit Committee, collectively.

VI. Operational and Financial Report

A. 2020 Year-End Report

GM Salve presented the 2020 year-end report, including membership, number of policy holders for each insurance product and organizational development concerns. The report was well-received by the Board.

BoT Alma moved to accept the 2020 Year-End Report, duly seconded by BoT Teresita.

**BOARD RESOLUTION NO. 2021-04:
ACCEPTANCE OF 2020 YEAR-END REPORT**

RESOLVED, to accept the 2020 Year-End Report.



B. Financial Report

FM Eve presented the Statement of Financial Position as of December 31, 2020. The summary of the report is provided below:

Particular	As of December 31, 2020	As of December 31, 2019	Variance	
			Amount	%
Total Assets	Php 238,178,897.06	Php 223,582,227.05	Php 14,596,670.01	7%
Total Liabilities	164,333,595.56	148,619,604.35	15,713,991.21	11%
Total Fund Balance	73,845,301.50	74,962,622.37	(1,117,320.87)	-1%

On the other hand, the summary of the Income Statement for the month ended December 31, 2020 is as follows:

Particular	As of December 31, 2020	As of December 31, 2019	Variance Amount
Gross Revenue	Php 41,454,096.74	Php 53,599,744.30	Php (12,145,647.56)
Total Benefit Expense	36,638,308.12	40,837,546.99	(4,199,238.87)
Total Operating Expense	10,531,135.44	11,331,709.70	(800,574.26)
Total Investment Revenue and Other Income	4,784,370.99	4,858,237.74	(73,866.75)
Net Surplus (Loss)	Php (930,975.83)	Php 6,288,725.35	Php (7,219,701.18)

C. Investments as of January 27, 2021

The portfolio mix as of January 27, 2021 is as follows:

Type of Investment	Current Placement
Cash in Bank	Php 24,735,767.45
Time Deposit	5,735,338.78
UITF	20,328,757.00
Government Securities	73,162,000.00
Corporate Bonds	6,000,000.00
Mutual Fund	5,000,000.00
Stocks	13,000,000.00
LTNCD	5,000,000.00
Investment Property	65,321,223.53
TOTAL INVESTMENTS	Php 218,283,086.76

With no further questions, BoT Teresita moved to accept the financial reports for the month of December 2020 and investment mix as of January 27, 2021, duly seconded by BoT Rita.



VII. Proxy Voting

GM Salve presented to the Board the Guidelines for its KMBA 2021 Proxy Voting. The presentation included the Schedule of Activities, Qualifications and Short List of Nominees.

The Board found the Guidelines sound and clear. BoT Alma moved to accept the Election Guidelines duly seconded by BoT Rita.

VIII. Upcoming Schedules

- A. Proxy Voting
- B. Annual Board and Committee Assessment
- C. Performance Evaluation of the General Manager
- D. Board, Coordinators and Staff Recollection via Zoom. TBA via Zoom
- E. Next Board Meeting March 5, 2021

IX.

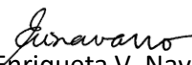
Adjournment

There being no other matters discussed, the meeting ended at 11:55 am.

Prepared by:


Jonalyn T. Andres
Board Secretary

Attested by:


Enriqueta V. Navarro
President