

**KASAGANA-KA Mutual Benefit Association, Inc.**  
**Risk Management Committee Meeting**  
**Via zoom**  
**17 June 8:00 am**

<b>Present</b> <b>Board Committee Members</b> <ol style="list-style-type: none"> <li>1. Marlin C. Perez</li> <li>2. Emelda A. Castro</li> <li>3. Luzviminda Bata</li> </ol>	<ul style="list-style-type: none"> <li>- Chairperson</li> <li>- Committee Member</li> <li>- Committee Member</li> </ul>
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Topic	Discussion											
Call to Order	The meeting started at 8:30 pm with a prayer led by Ms. Castro. 3 out of 5 members of the committee were present.											
Reading and Approval of the previous minutes	Minutes of the previous minutes were run through per page. Chairperson Marlin asked for any comments and clarification. Since there were no questions asked, the committee has accepted and approved the minutes.											
Review of Organization Risk Exposure	On the initiative of ensuring that risks level threshold assessment is accurate, the Committee conducted a review on the association’s Risk Exposure. After the presentation of KMBA’s Risk Assessment and management plan last January, it is also beneficial to assess the organizations Risk Exposure.											
	Chairperson Perez defines the Risk Exposure in any business or investment as the measurement of potential loss due to a specific event or business activity and is calculated based on the probability of the event multiplied by the expected loss due to the risk impact.											
	The calculation of probability related to a particular event resulting in loss is an integral part of risk analysis. Therefore, understanding, estimating and taking necessary actions and precautions to avoid or minimize that risk is an essential decision for the management.											
	Going back to the presentation last meeting and the identified Risk Factors, here are some highlights of the discussions.											
	<table><tr><th>Risk Factors</th><th>Probability (L-M-H)</th><th>Impact (L-M-H)</th></tr><tr><td>Impact of natural catastrophe and man-made disaster</td><td>H</td><td>H</td></tr><tr><td>Implementation of IFRS to all covered entities</td><td>M</td><td>H</td></tr><tr><td>Drastic change in the regulatory requirements for Mi-MBAs</td><td>L</td><td>M</td></tr></table>	Risk Factors	Probability (L-M-H)	Impact (L-M-H)	Impact of natural catastrophe and man-made disaster	H	H	Implementation of IFRS to all covered entities	M	H	Drastic change in the regulatory requirements for Mi-MBAs	L
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	Change in Board leadership and/or management of institutional partners	M	M
	Unable to sustain critical mass of member	M	H
	Principal partner do not patronize KMBA's product	L	M
	Current consortium partners will disengage from KMBA	L	M
	Staff Job mismatch	M	H
	Absence of sound MIS	H	H
	BIR to impose tax on KMBA	M	H
	Investment yield will not achieve more than the inflation levels	M	M
<p>During this review, the Committee members were able to assess the importance of monitoring the risk indicators and its corresponding risk exposure ensuring that its rate will not go over beyond the tolerance level. This is to ensure that the operation of the association is stable and in place.</p> <p>Committee Chairperson Marlin point out the need to regularly review and identify the key risk indicators to predict unfavorable events that can adversely impact the organization. She added that these indicators monitor changes in the level of risk exposure and contribute to the early warning signs that enable KMBA to report risks, prevent crises and mitigate them in time.</p>			
Adjournment	The meeting ended at 10:45 am		