



Meeting Details

Date and Time:	17 June 2020 at 10:00 am
Location:	Via Zoom Conference
Present:	Ms. Ma. Luz A. Planas (Chairwoman) Atty. Cornelio C. Gison (Vice Chairman) Mr. Rene E. Cristobal (Member) Ms. Juanita D. Amatong (Member) Ms. Alice Z. Cordero (President/CEO) Ms. Rosalinda A. Gragasin (Client Representative, North Sector) Ms. Bonifacia C. De Chavez (Client Representative, South Sector) Ms. Modesta G. Flores (Client Representative, Central Sector) Ms. Aquilina G. Onesa (Employee Representative)
Apologies:	Ms. Florencia G. Tarriela (Treasurer) Mr. Ricardo G. Lazatin (Advisory Council Member)
Management Present:	Atty. Leonarda D. Banasen (Corporate Secretary) Ms. Sherry Lou A. Salazar (Director, Operations) Ms. Lorna M. Asuncion (Deputy Director, Finance – TSPI MFI NGO)

Call to Order and Determination of Quorum

After a quorum had been duly established, the Chairwoman called the meeting of the Board of Trustees of TSPI Mutual Benefit Association, Inc. (“TMBAI”) to order.

The Director for Operations led the opening prayer.

Management Report as of May 31, 2020

The Director for Operations presented the Management Report as of May, 31, 2020 to the Board.

A. Financials

Statement of Assets, Liabilities and Fund Balance. Total assets is at P1.3B, total liabilities is at P279M and total equity is at P977M in May 2020. The total equity increased by 18% versus same period last year mainly due to the improvement on unrealized gain on the

Audited Financial Statements. Per inquiry of the Chairwoman, the decline in total liabilities was due to the decrease in retirement reserves.

The Statement of Revenue and Expenses. The net income YTD May 2020 is at P21.8M versus plan of P27M. The decrease was due to the effect of the pandemic in the members' contribution. The net operating income is at P4.6M versus plan of P8.5M. The decrease is due to reduced reserves of P14.3M.

The Board noted that premiums are still collected at this time and the organization can still maintain its operating expenses.

Revised Business Plan for the Year 2020. The revised reforecast is made due to the extension of community quarantine period which affected the premium collection. Management presented the 3 scenarios, i.e., 30%, 40% and 50% outlook on premium collection. The period from January to May are based on actual figures while period from June to December are stress-test scenarios. Net surplus is forecasted from a high of P42M to a low of P28M due to a well maintained investment portfolio.

B. Investment

Summary of Investment Portfolio. Total investment portfolio is at P1.14B book value versus market value of P1.21B with unrealized gain of P69M in May 2020. Retail Treasury Bonds, Fixed Income Treasury Notes and Corporate Bonds have unrealized gains while Equity investment posted unrealized losses of P96K. Stocks of Ayala Land, Ayala Corp and Aboitiz, PLDT & BPI Fixed Rate posted unrealized gains of P4.63M while stocks of Meralco, SM, AEV, Vista Land and GT Capital incurred unrealized losses of P3.87M.

C. Membership

Total Net Members is at 241,855. This is 6.24% below plan. Membership ratio of Members and Kapamilya is 1:1.07 which is below goal of 1:2.

D. Claims Statistics

Due to COVID19 pandemic, the organization implemented a different work set-up. Claims personnel experienced difficulty in internet connections resulting to delayed processing of claims.

E. SAMBAYANIHAN

Management implemented 5 programs under the Sambayanihan as of May 2020. These are in compliance with the IC requirement of mandatory allocation for Members' Benefits.

The Board noted

The Board noted the presentation by Management. Further, Management was also asked to study on how the organization may assist the members given the COVID19 pandemic and tap the client representatives considering that they are closer to the ground. After discussion on micro-

The Board approved

insurance policies of members, the Board approved the use of free and unassigned surplus to provide assistance to the members of the Association, subject to the approval by the Insurance Commission.

TMBAI 20-015

ON MOTION DULY SECONDED, the Board approved the use of free and unassigned surplus to provide assistance to the members of the Association during this time of COVID-19 pandemic, subject to the approval by the Insurance Commission.

SEGURO for CY 2019 (Tentative)

Management presented the tentative SEGURO rating of the Association for CY2019. This is the performance indicator adopted by the Micro-insurance industry which started in 2017. It is submitted annually to the Insurance Commission together with the Audited Financial Statements.

The Board noted the low rating of the Association. The Management explained that this is self-assessment and committed to review again the rating. The revised rating will be released by July 2020.

TSPI MBAI Marketing Campaigns

The Board approved

Management presented the results of the marketing campaign entitled: “Magandang Buhay Abangan, Part 1” launched in February 2020. The program was stopped abruptly in March due to the COVID-19 pandemic. Management also presented new marketing campaigns entitled: “Magandang Buhay... Abangan! Part 2: M Easy Q” and “Magandang Buhay... Abangan! Part 2: Doble Kita” which are TSPI Referral Programs. The first marketing campaign is open to all employees, TAAS agents, members and TSPI alumni while the second marketing campaign includes incentive for Insurance Officers. Said campaigns will run from June to December 2020. The Board approved the same.

TMBAI 20-016

ON MOTION DULY SECONDED, the Board approved the marketing campaigns “Magandang Buhay... Abangan! Part 2: M Easy Q” and “Magandang Buhay... Abangan! Part 2: Double Kita” as presented by Management.

A. Audit and Compliance Committee (ACC) Report

1. KPMG Management Letter

After discussion, the Board instructed Management to make a general review of all related party transactions including documentation review.

2. 2020 MTPP (AML Manual)

Management presented the 2020 Money Laundering and Terrorist Financing Prevention Program (MTPP) Manual and Anti-Money Laundering / Counter Terrorist Financing Questionnaire of the Organization which the Board approved.

**The Board
approved**

TMBAI 20-017

ON MOTION DULY SECONDED, the Board approved the 2020 Money Laundering and Terrorist Financing Prevention Program (MTPP) Manual of TSPI MUTUAL BENEFIT ASSOCIATION, INC. Further, the Anti-Money Laundering / Counter Terrorist Financing Questionnaire of the Organization is likewise approved.

3. Appointments

Management recommends the appointments of the following officers:

- a) Cecilia V. Cenidoza as Compliance Officer and Anti-Money Laundering / Counter Terrorist Financing (AMLF/CTF) Compliance Officer ; b) Eleazar Landero as Record Custodian Officer; and c) Atty. Viola B. Alcantara as Data Privacy Officer (DPO) or Compliance Officer for Privacy (COP). The Board approved the same.

**The Board
approved**

TMBAI 20-018

ON MOTION DULY SECONDED, the Board appointed Cecilia V. Cenidoza as the Compliance Officer of TSPI MUTUAL BENEFIT ASSOCIATION, INC. She is further designated as the Anti-Money Laundering / Counter Terrorist Financing (AMLF/CTF) Compliance Officer of the Organization.

TMBAI 20-019

ON MOTION DULY SECONDED, the Board appointed Eleazar Leandero as the Record Custodian Officer of TSPI MUTUAL BENEFIT ASSOCIATION, INC.

TMBAI 20-020

ON MOTION DULY SECONDED, the Board appointed Atty. Violah B. Alcantara as Data Privacy Officer (DPO) or Compliance Officer for Privacy (COP) of TSPI MUTUAL BENEFIT ASSOCIATION, INC.

B. 2020 General Assembly Schedule

Management proposes to hold the Annual General Membership Meeting on July 15, 2020 at 2PM via zoom conference. The Board approved the same subject to legal and notification requirements.

(11:30 pm approximately, the meeting closed)

Confirmation of Minutes

Confirmed as a correct Record.

Prepared by:

ATTY. LEONARDA D. BANASEN
Corporate Secretary

Certified & Attested by:

MA. LUZ A. PLANAS
Chairwoman