

***Meeting Details***

<b>Date and Time:</b>	25 November 2020 at 10:00 am
<b>Location:</b>	Via Zoom Conference
<b>Present:</b>	Ms. Ma. Luz A. Planas (Chairwoman) Atty. Cornelio C. Gison (Vice Chairman) Mr. Rene E. Cristobal (Member) Ms. Juanita D. Amatong (Member) Ms. Florencia G. Tarriela (Treasurer) 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)
<b>Apologies:</b>	Mr. Ricardo G. Lazatin (Advisory Council Member)
<b>Management Present:</b>	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***

The Treasurer led the opening prayer.

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.

***Approval of the Minutes of Meetings***

<b>The Board Approved</b>	There being no comments, the Board approved the Minutes of the Regular Meeting dated January 22, 2020, April 29, 2020 and June 17, 2020, respectively. The Corporate Secretary confirmed that all Minutes are faithful reflection of transactions in all meetings. The Board likewise ratified the resolutions of the Executive Committee in its meeting held on August 5, 2020 and October 30, 2020.
<b>The Board Ratified</b>	
<b>TMBAI 20-021</b>	<b>ON MOTION DULY SECONDED, the Board approved the Minutes of the Regular Board Meeting dated January 22, 2020, April 29, 2020 and June 17, 2020, respectively.</b>

**TMBAI 20-022**

**ON MOTION DULY SECONDED, the Board ratified the resolutions of the Executive Committee in its meeting held on August 5, 2020 and October 30, 2020 as follows:**

**TMBA ExCom 20-01**

ON MOTION DULY SECONDED, the Executive Committee authorizes TSPI MUTUAL BENEFIT ASSOCIATION, INC. to invest in in Retail Treasury Bond 24 also known as Progreso Bond in the amount of FIVE MILLION PESOS (P5,000,000.00) in a 5 Year Fixed Rated Bond with PNB Capitol Commons.

**TMBA ExCom 20-02**

“RESOLVED, that the Executive Committee hereby authorizes the participation by the Corporation in the Tender Offer of shares of stock of PEPSI-COLA PRODUCTS PHILIPPINES, INC (PCPPI), offered by the Bidder pursuant to the Terms and Conditions of the Tender Offer and, for this purpose, the Corporation is hereby authorized to tender for acceptance and purchase by the Bidder the ONE HUNDRED FIFTEEN THOUSAND (115,000) common shares in PCPPI, at the Tender Offer Price (as defined in the Tender Offer Report dated October 13, 2020, in accordance with and subject to the terms and conditions of the Tender Offer as stated therein;

“RESOLVED, further, that, for purposes of the Corporation’s participation in said Tender Offer, any two (2) of the following officer/s of the Corporation, have been constituted to be its duly authorized agents, whose respective signatures shall bind the Corporation, to wit

NAME	POSITION	SPECIMEN SIGNATURE
a) Ma. Luz A. Planas	Chairman	_____
b) Alice Z. Cordero	President & CEO	_____
c) Sherry Lou A. Salazar	Director, Operations	_____

***Management Report (As of October 2020)***

The Director for Operations presented the Management Report as of October 2020 to the Board.

*A. Financials*

Statement of Assets, Liabilities and Fund Balance. As of October 31, 2020, the Association has total assets of P1.3B, total liabilities of P288M and total equity of P1.07B. The total equity increased by 16% versus same period last year mainly due unrealized gains on the Audited Financial Statements.

The Statement of Revenues and Expenses. The net income YTD May 2020 is at P48.4M versus plan of P58.9M. The decrease was due to the decrease in membership. The net operating income is at P11.2M versus plan of P21.1M as Association was not in operation for almost 4 months. When looked at month by month, operating income is better for the last months of 2020.

Percentage of net income is 44.48% compared to last year which was at 37.16%. Reduction in expenses came from compensation as resignations are not yet replaced and savings on utilities and transportation due to work from home arrangements.

*B. Investment*

Summary of Investment Portfolio. Book Value of total investment portfolio is at P1.19B vs Market Value at P1.23B, or unrealized gain of P79.27M as of October 2020. There are unrealized losses of P456K in Equity investment. There is also a realized loss of P508K for the shares in Pepsi-Cola Products Philippines Inc. to be reflected in November 2020. Corporate Bonds recorded P4.1M unrealized gains while shares in Ayala Land, Inc., Meralco, SMIC, AEV, Vista Land and GT Capital incurred unrealized losses of P3.49M.

*C. Membership*

Total Net Members is at 234,428, below plan and 8.03% lower versus Oct 2019. Member to Kapamilya ratio is 1:1.07 which is below goal of 1:2. The Board requested Management to present the different models and industry comparison in the future.

*D. Claims Statistics*

In the height of COVID19 pandemic, the organization was not able to follow the industry standard. At the end of Oct 2020, industry standard was followed.

*E. SAMBAYANIHAN*

Management presented the major activities in the social development programs, also called the Sambayanihan, namely: MBA Padala, Gintong Alaala and Covid Programs - Health Protection, Free BLIP Renewal and Urban Agri Farming.

For the Special Covid Program – Free BLIP Renewal, Management requests for the approval of the implementing guidelines and authorized signatories for the approval of registration list – at least any 2 of the following: President & CEO, Director for Legal and HR and Director for Operations.

**The Board approved**

The Board noted the presentation by Management and approved the Implementing Guidelines and authorized signatories as presented.

**TMBAI 20-023**

**ON MOTION DULY SECONDED, the Board approved the Implementing Guidelines on Free BLIP Renewal Program and the authorized signatories for the approval of registration list – at least any 2 of the following officers: President & CEO, Director for Legal and HR and Director for Operations.**

**The Board approved**

Management further seeks the approval of budgets for the USAPANG AGREE Urban Agri Farming and Alalay sa Kalamidad at P100K and P300K respectively. The Board approved the same.

**TMBAI 20-024**

**ON MOTION DULY SECONDED, the Board approved the amount of One Hundred Thousand Pesos (P100,000.00) as budget for the USAPANG AGREE Urban Agri Farming.**

**TMBAI 20-025**

**ON MOTION DULY SECONDED, the Board approved the amount of Three Hundred Thousand Pesos (P300,000.00) as budget for the Alalay sa Kalamidad project.**

Management also presented the SEGURO rating of the Association for CY2019 and 3 Quarters for CY2020. The Board required Management to present the specific actions and timelines.

### ***TSPI MBAI Marketing Campaigns***

Management presented the results of the marketing campaign entitled: “MBA Magandang Buhay Abangan, Part 2” for the period from July to October 2020. Total incentives released is at P289K distributed to 417 staff. Total MBA premiums and membership fees collected is P2,950,150.00

Management presented to the Board the Strategic Plan for CY2021. The following are the details:

- A. Revisit Strategic Plan CY 2020-2022
- B. Strategic Direction CY2020 – 2022  
Status of the Strategic Direction for 3 years  
2021 Top Management Initiatives
- C. Business Plan CY2021
  - 1. Outreach  
Forecast (2020-2010)  
Sambayanihan Programs (CY2021) – covers 10 Programs with a total budget of P5M, from funds allocated for members’ benefit  
Marketing Programs (CY2021) with budget of P5M  
Incentive Programs with a total budget of P8M
  - 2. Manpower with a total plantilla of 154
  - 3. 2021 Budget  
Investment Portfolio Trend
  - 4. Capex – total budget of P34M, from funds allocated for capacity building

**The Board approved**

The Board noted the presentation and gave specific approvals as requested by Management.

**TMBAI 20-026**

**ON MOTION DULY SECONDED, the Board approved the total amount of Five Million Pesos (P5,000,000.00) as budget of the Sambayahinan Programs for CY2021.**

**TMBAI 20-027**

**ON MOTION DULY SECONDED, the Board approved the total amount of Five Million Pesos (P5,000,000.00) as budget of the Marketing Programs for CY2021.**

**TMBAI 20-028**

**ON MOTION DULY SECONDED, the Board approved the total amount of Eight Million Pesos (P8,000,000.00) as budget of the Incentive Programs for CY2021.**

**TMBAI 20-029**

**ON MOTION DULY SECONDED, the Board approved the total amount of Thirty-Four Million Pesos (P34,000,000.00) as budget of CAPEX for CY2021.**

**A. Updating of MBAI Accounts**

**1. Updating of Signatories**

CA No. 6791-0069-95 SA No. 6793-1540-79	BPI Family Savings Bank
CA No. 3101-0979-69	Bank of the Philippine Islands
CA No. 143370003885	Philippine National Bank, Guadalupe Branch
CA No. 007-658-01400-1	Metrobank
CA No. 00-001-01206-7	Union Bank / Closing of Account

**2. Updating of Signatories (IMA)**

Metropolitan Bank & Trust Company – Trust Banking Group (MBTC-TBG)
Philippine National Bank – Trust Banking Group (PNB-TBG)
BPI Asset Management and Trust Corporation (BPI AMTC)

**3. NROSS Account**

BPI Capital
BPI / BTR

**4. For the BPI Bizlink**

Approver	Alice Z. Cordero Atty. Leonarda D. Banasen Sherry Lou A. Salazar
Maker	Daye Aguinaldo May Domantay Vilma Solemne

**The Board  
approved**

**TMBAI 20-030**

The Board approved the updating of signatories in the accounts of the Association as presented by Management.

**ON MOTION DULY SECONDED, the Board approved the updating of signatories in the accounts of TSPI MUTUAL BENEFIT ASSOCIATION, INC. as presented by Management.**

**B. Renewal of Contract with Asian Actuaries**

The contract with Asian Actuaries covers the following: valuation of services (P100K), review of actual mortality and expenses (P30K), repricing of existing product (P50K) and valuation of retirement fund (20K).

**TMBAI 20-031**      **ON MOTION DULY SECONDED, the Board authorized the Association to renew contract with Asian Actuaries. The President/CEO is authorized representative to execute any and all agreements to implement the same.**

C. Allocation of Operations Expense to Marketing and Sales

**The Board  
Approved**

Management proposed to that the salaries and other benefits, supplies, communication and transportation expense of all operations personnel will be allocated as Marketing and Sales expense. This further means that the Operations Department is classified/defined as the marketing arm of the Association. The Board approved the same.

**TMBAI 20-032**      **ON MOTION DULY SECONDED, the Board approved the allocation of Operations Expense to Marketing and Sales Expense.**

D. Tax Update

The Vice-Chairman gave updates on the status of the application for income tax exemption with the BIR of the Association and 2016 Tax Assessment.

**The Board  
Approved**

E. Compliance to SEC Memorandum Circular

**TMBAI 20-033**      **ON MOTION DULY SECONDED, the Board approved the designation of the following electronic (“e-mail”) addresses [tspi.mbai@tspi.org](mailto:tspi.mbai@tspi.org) and [tspi-mbai@tspi.org](mailto:tspi-mbai@tspi.org) and mobile numbers: 0917 594 4899 and 0917 595 6563, as official and alternate e-mail addresses and mobile numbers of the Corporation respectively, and authorized the Securities and Exchange Commission of the Philippines to send notices, letter-replies orders, decisions and/or other documents emanating from the Commission through the foregoing e-mail addresses and mobile numbers for the purpose of complying with the notice of requirement of administrative due process.**

The meeting closed with a prayer led by Mr. Rene E. Cristobal.

(12:30 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