

COMPANY NAME:	TSPI Mutual Benefit Association, Inc. (TSPI MBAI)		COMPANY STRUCTURE:		
FINANCIAL YEAR END	2019		<input type="radio"/> Class 1 <input type="radio"/> Class 3 <input type="radio"/> Class 2 <input type="radio"/> Class 4 <input checked="" type="radio"/> Class 5		
SECTOR	<input type="checkbox"/> Insurance	<input checked="" type="checkbox"/> MBA			
A. Rights of Shareholders					
A.1	Basic Shareholder Rights		Y/ N	Remarks	Reference/Source document
A.1.1	Does the company pay (interim and final/annual) dividends in an equitable and timely manner; that is, all shareholders are treated equally and paid within 30 days after being (i) declared for interim dividends and (ii) approved by shareholders at general meetings for final dividends?	OECD Principle II: The Rights of Shareholders and Key Ownership Functions (A) Basic shareholder rights should include the right to, amongst others: (6) share in the profits of the corporation.	N/A	TSPI MBAI is a non-stock, not for profit organization. However, we follow IC Circular 2015 - 46 - Any amount in excess of the free and unassigned surplus shall be returned to the members by way of enhancing equity value or providing benefits in kind and other relevant services	Certificate of Incorporation dated Aug 2005 page 3 ; Note 19 on 2019 Audited Financial Statement (AFS), page 46
A.2	Right to participate in decisions concerning fundamental corporate changes.				
	<i>Do shareholders have the right to participate in:</i>				
A.2.1	Amendments to the company's constitution?	OECD Principle II (B) Shareholders should have the right to participate in, and to be sufficiently informed on, decisions concerning fundamental corporate changes such as: (1) amendments to the statutes, or articles of incorporation or similar governing documents of the company.	Y	Part of the member's right is to actively participate on all deliberations and meetings of TSPI MBAI and nominate and vote on matters affecting the Association like amending the Articles and By-Laws - Corporate Governance Manual	Certificate of Incorporation Section VI page 8; Amended Articles of Incorporation dated Feb 2018 Article II Section XI page 7; Minutes of the 2018 AGM page 4; Corporate Governance Manual V. F and G page 15
A.2.2	The authorization of additional shares?	OECD Principle II (B): (2) the authorization of additional shares.	N/A	TSPI MBAI is a non-stock, non-profit organization and members are recognized through the issuance of certificate of membership	Certificate of Incorporation dated Aug 2005 page 3

A.2.3	The transfer of all or substantially all assets, which in effect results in the sale of the company?	OECD Principle II.(B): (3) extraordinary transactions, including the transfer of all or substantially all assets, that in effect result in the sale of the company.	Y	Distribution of assets in case of dissolution are included in the Amended Articles of Incorporation. Further, part of the member's right is to actively participate on all deliberations and meetings of the Association and nominate and vote on matters affecting	Amended Articles of Incorporation dated Oct 2018 page 4
A.3 Right to participate effectively in and vote in general shareholder meetings and should be informed of the rules, including voting procedures, that govern general shareholder meetings.					
A.3.1	Do shareholders have the opportunity, evidenced by an agenda item, to approve remuneration (fees, allowances, benefit-in-kind and other emoluments) or any increases in remuneration for the non-executive directors/commissioners?	OECD Principle II (C): (3) Effective shareholder participation in key corporate governance decisions, such as the nomination and election of board members, should be facilitated. Shareholders should be able to make their views known on the remuneration policy for board members and key executives. The equity component of compensation schemes for board members and employees should be subject to shareholder approval.	N/A	No member of the Board of Trustees shall receive any amount of compensation or remuneration for services to the Association. All members of BOT served in a voluntary capacity and are not provided with per diem or allowances	Amended Articles of Incorporation dated Feb 2018 Article III Section IV page 8
A.3.2	Does the company provide non-controlling shareholders a right to nominate candidates for board of directors/commissioners?		N/A	TSPI MBAI is a non-stock and non-for-profit organization, hence there is no shareholders whether controlling or non-controlling. But all TSPI MBAI members have the right to nominate candidates for board of directors	Amended Articles of Incorporation dated Feb 2018 Article II Section VI page 6 and Section X page 7; Minutes of the 2019 AGM; Corporate Governance Manual V.G. Rights of a Member page 15
A.3.3	Does the company allow shareholders to elect directors/commissioners individually?		N/A	TSPI MBAI is a non-stock and non-for-profit organization, hence there is no shareholders whether controlling or non-controlling. Each member of TSPI MBAI shall be entitled to one vote and may vote either in person or by proxy which shall be in writing and filed with the Secretary of the Association before the scheduled meeting	Amended Articles of Incorporation dated Feb 2018 Article II Section X page 7; Minutes of the 2019 AGM ; Corporate Governance Manual V.G. Rights of a Member page 15

A.3.4	Does the company disclose the voting and vote tabulation procedures used, declaring both before the meeting proceeds?	OECD Principle II (C): Shareholders should have the opportunity to participate effectively and vote in general shareholder meetings and should be informed of the rules, including voting procedures, that govern general shareholder meetings.	Y	Voting forms for the holding of poll on resolutions and elections shall be distributed to the members upon their registration before the meeting starts. The BOT Chair ensure that motions and resolutions are thoroughly explained, queries from members are properly addressed and discussed prior to actual voting	Corporate Governance Manual VI- Annual General Meeting E. Voting on Motions and Election of Trustees page 18
A.3.5	Do the minutes of the most recent AGM record that there was an opportunity allowing for shareholders to ask questions or raise issues?	OECD Principle II (C): (2) Shareholders should have the opportunity to ask questions to the board, including questions relating to the annual external audit, to place items on the agenda of general meetings, and to propose resolutions, subject to reasonable limitations.	Y	TSPI MBI members are highly encourage to participate and to freely ask questions to BOTs and Management via Member's Forum. In each item in the agenda, the Chair would ask the body if there are questions before moving on to another agenda.	Minutes of the 2019 AGM page 4
A.3.6	Do the minutes of the most recent AGM record questions and answers?		Y	Based on 2019 minutes (latest) there being no questions or issues raised by the members but they are highly encourage to participate and freely ask questions to BOTs and Management via Member's Forum. In each item in the agenda, the Chair would ask the body if there are questions before moving on to another agenda.	Minutes of the 2019 AGM page 4
A.3.7	Does the disclosure of the outcome of the most recent AGM include resolution(s)?		Y	Examples are resolution ratifying Audited Financial Statement and electing members of the Board of Trustees of TSPI MBI for the year 2019 -2020	Notice of Annual General Meeting dated June 2019 and Minutes of the 2019 AGM page 2 and 3; Corporate Governance Manual VI.F. page 19
A.3.8	Does the company disclose the voting results including approving, dissenting, and abstaining votes for each agenda item for the most recent AGM?		Y		Corporate Governance Manual VI. E page 18; Minutes of the 2019 AGM page 3

A.3.9	Does the company disclose the list of board members who attended the most recent AGM?	OECD Principle II (C); and ICGN 2.4.2: All directors need to be able to allocate sufficient time to the board to perform their responsibilities effectively, including allowing some leeway for occasions when greater than usual time demands are made.	Y	During the Call to Order, the BOTs are introduced before the start of the Assembly.	Minutes of June 2019 Annual General Meeting (AGM)
A.3.10	Did the chairman of the board of directors/commissioners attend the most recent AGM?		Y	The BOT Chair attended and presided the recent AGM	Minutes of June 2019 Annual General Meeting (AGM)
A.3.11	Did the CEO/Managing Director/President attend the most recent AGM?		N/A	TSPI MBAI President and CEO position was filled –in only after the most recent AGM in July 2019. She attended the Regular Board Meeting on August 27, 2019.	
A.3.12	Did the chairman of the Audit Committee attend the most recent AGM?		Y	The BOT Vice Chair which is also the Chairman of the Audit and Compliance Committee	Minutes of the 2019 AGM; TSPI website / About TSPI / Organization
A.3.13	Did the company organize their most recent AGM in an easy to reach location?	OECD Principle II (C)	Y	The most recent AGM of TSPI MBAI was held in Metro Manila.	Certificate of Incorporation dated Aug 2005 Article IV page 9; Notice and Minutes of Annual General Meeting dated June 2019; Corporate Governance Manual VI. page 16
A.3.14	Does the company allow for voting in absentia?	OECD Principle II (C): (4) Shareholders should be able to vote in person or in absentia, and equal effect should be given to votes whether cast in person or in absentia.	Y	Each member of TSPI MBAI shall be entitled to one vote and may vote either in person or by proxy which shall be in writing and filed with the Secretary of the Association before the scheduled meeting	Amended Articles of Incorporation dated Feb 2018 Article II Section X page 7; Minutes of the 2019 AGM ;Corporate Governance Manual VI- Annual General Meeting E. Voting on Motions and Election of Trustees page 15 - 18

A.3.15	Did the company vote by poll (as opposed to by show of hands) for all resolutions at the most recent AGM?	OECD Principle II (C)	N	TSPI MBI's recent AGM in July 2019 voting process was made by show of hands and did not appoint third party to validate the votes. However, it is clearly disclosed to the members that voting could be done by show of hands or poll/secret ballot and may also engage the services of a third party as requested by the members. Corporate Governance Manual VI.E. Voting Motion and Election of Trustees	Corporate Governance Manual VI.E. Voting Motion and Election of Trustees page 18 - 19
A.3.16	Does the company disclose that it has appointed an independent party (scrutineers/inspectors) to count and/or validate the votes at the AGM?		Y	TSPI MBI's recent AGM in July 2019 voting process was made by show of hands and did not appoint third party to validate the votes. However, it is clearly disclosed to the members that voting could be done by show of hands or poll/secret ballot and may also engage the services of a third party as requested by the members. Corporate Governance Manual VI.E. Voting Motion and Election	Corporate Governance Manual VI.E. Voting Motion and Election of Trustees page 18
A.3.17	Does the company make publicly available by the next working day the result of the votes taken during the most recent AGM for all resolutions?	OECD Principle II (C): (1) Shareholders should be furnished with sufficient and timely information concerning the date, location and agenda of general meetings, as well as full and timely information regarding the issues to be decided at the meeting.	Y	All resolutions taken up in the AGM and the result of the election of trustees shall be made publicly available one day after the AGM	Corporate Governance Manual VI- Annual General Meeting F. Result of the AGM page 19
A.3.18	Do companies provide at least 21 days notice for all resolutions?		Y	Notice for all resolutions are disseminated to all members during the center meetings and made publicly available one day after AGM	Corporate Governance Manual VI- Annual General Meeting VI. F. Result of the AGM page 19

A.3.19	Does the company provide the rationale and explanation for each agenda item which require shareholders' approval in the notice of AGM/circulars and/or the accompanying statement?		Y	Rationale for each agenda is discussed is included on AGM. During Regional, Sector, Area, Branch and center meetings, the rationale are also discussed and explained well to the members	Notice of Annual General Meeting dated June 2019; Governance Manual VI.C. page 17
A.4	Markets for corporate control should be allowed to function in an efficient and transparent manner.				
A.4.1	In cases of mergers, acquisitions and/or takeovers requiring shareholders approval, does the board of directors/commissioners of the offeree company appoint an independent party to evaluate the fairness of the transaction price?	<p>OECD Principle II (E): Markets for corporate control should be allowed to function in an efficient and transparent manner.</p> <p>(1) The rules and procedures governing the acquisition of corporate control in the capital markets, and extraordinary transactions such as mergers, and sales of substantial portions of corporate assets, should be clearly articulated and disclosed so that investors understand their rights and recourse. Transactions should occur at transparent prices and under fair conditions that protect the rights of all shareholders according to their class.</p>	Y	TSPi MBI will have to secure the approval from the Insurance Commission as a regulated entity should there be cases of merges, acquisitions and/or takeover.	Amended Articles of Incorporation dated Oct 2018 page 5;
A.5	The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated.				

A.5.1	Does the Company publicly disclose policy/practice to encourage shareholders including institutional shareholders to attend the general meetings or engagement with the Company?	OECD Principle II (F): The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated.	Y	Notice of AGM shall reach all members through the conduct of center meetings and posted in all online platforms - website, fb page and fb messenger . Policies, practices and community based activities with the members are also posted to TSPI MBAI Gallery	Corporate Governance Manual. V. Find G page 15; VI. A. page 16 ; TSPI Website - TSPI MBAI Gallery
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