# MINUTES OF THE REGULAR MEETING

OF THE BOARD OF TRUSTEES OF

# PAGASA NG PINOY MUTUAL BENEFIT

# ASSOCIATION, INC. (PPMBAI)

The regular meeting of the Board of Trustees of PagASA ng Pinoy Mutual Benefit Association, Inc. for the First Quarter of 2023, was held at the 7th Floor, Jenkinsen Tower, No. 80 Timog Avenue, Quezon City on May 11, 2023, at 2:30 p.m.

 Present:

 Genaro L. Kong

 Jonnette C. Almanzar

Eufrecina T. De Jesus

 Atty. Joselito D. Fernandez

 Md. Shamsul Hasan

 Sheen Ray U. Acosta

 Joan S. Alfarero

 Julieta Macaoay

 Delia B. Villalon

 Lolita Avenido

Marilyn Largo

Leslie S. Embradora

 Ricardo P. Lirio

 Reena Concepcion G. Obillo

 Absent:

 Josephine B. Cariso

Also Present:

 TIM Fakruzzaman (via videoconference)

 Md. Azizur Rahman (via videoconference)

 Richard Jeremy L. Tabudlo

 Noel D. Madriaga

**CALL TO ORDER**

The President, Mr. Genaro L. Kong, acting as Chairman called the meeting to order and thereafter presided. The Corporate Secretary, Atty. Joselito D. Fernandez, recorded the minutes thereof.

**REINTRODUCTION OF THE MEMBERS OF**

**THE BOARD OF TRUSTEES AND WELCOME**

**REMARKS**

 All the members of PPMBAI’s Board of Trustees and management team took the occasion to reintroduce themselves particularly the Nanay Trustees who attended the meeting in person.

 Trustee Md. Shamsul (“Trustee Hasan”) welcomed all the Board members and other participants present.

**OPENING PRAYER**

Corporate Secretary Atty. Joselito D. Fernandez (“Corporate Secretary Fernandez”) led the opening invocation.

**CERTIFICATION OF NOTICE AND QUORUM**

The Corporate Secretary certified that a quorum existed for the meeting to proceed.

**READING AND APPROVAL OF THE**

**MINUTES OF THE PREVIOUS MEETING**

The Chairman/President gave members of the Board time to go over the minutes of the regular meeting of the Board of Trustees last January 30, 2023, for their comments/inputs. Thereafter, the entirety of the minutes was deemed to be a faithful recording of what transpired during the said meeting.

Upon motion made and duly seconded, it was unanimously

“**RESOLVED**, as it is hereby resolved, that the minutes of the regular meeting of PPMBAI’s Board of Trustees held on January 30, 2023, be approved and ratified.”

**CLAIMS FOR BLIP AND HCA FOR CHILDREN**

**BORN AND ALIVE FOR LESS THAN ONE (1) DAY**

The Chairman/President shared with the Board the clamor from the members to include their children born and alive for less than one (1) from the coverage of BLIP and HCA. He explained that under PPMBAI’s current IRR, the requirement is that the child must survive for at least two weeks. The Chairman/President

After discussion and upon motion duly made and seconded, it was unanimously

“**RESOLVED**, as it hereby resolved, that the coverage of BLIP and HCA be extended to children born and alive for less than one (1) day be approved.

**INCREASING HCA DAILY ALLOWANCE**

**FROM ₱300 TO ₱400**

 The Chair/President proposed to the Board to increase the HCA daily allowance from ₱300 to ₱500. Trustee Hasan proposed for a lower daily rate of ₱400. Upon considering the possible impact of ₱500 daily rate on PPMBAI’s financials, the Chairman/President adopted Trustee Hasan’s proposal of ₱400 HCA daily allowance. The maximum HCA benefit of ₱5,000, however, remain unchanged, however, the total number of confinement is reduced to twelve (12) days.

 Upon motion made and duly seconded, it was unanimously

“**RESOLVED**, as it is hereby resolved, that the daily HCA allowance be increased from the present ₱300 per day to ₱400 per day for maximum confinement.”

**INCLUSION IN HCA OF GRANDCHILDREN**

**LIVING WITH AND UNDER THE MEMBER’S CARE**

 The Chairman/President informed the Board that many members have been clamoring for inclusion of their grandchildren in the Family HCA. Currently, only immediate family members (spouse and children below 18 years of age) are qualified dependents. The Chair/President proposed to include either maternal or paternal grandchildren of the members, provided that the grandchildren are legitimate and submission of certification issued by the Barangay, that the grandchild/grandchildren is/are actually living under the same roof with the with the member.

“**RESOLVED**, as it is hereby resolved, that the inclusion in the Family HCA, of grandchildren of members living with them and under their care, subject to the conditions to be prescribed by PPMBAI, is hereby approved.

**GL GATHERING BUDGET**

 The Chairman/President announced that partner MFI Pagasa Philippines Finance Corporation (“PPFC”) and Pagasa ng Masang Pinoy Microfinance, Inc. (“PMPMI”) shall be holding its Group Leader’s (“GL”) Gathering for the year 2023. The estimated expense budget for GL Gathering is ₱24 Million to be shared by the three entities (PPFC, PMPMI, and PPMBAI). The attendees to the GL gathering are the group leaders from PPFC and are likewise members of PPMBAI.

 Upon motion made and duly seconded, it was unanimously

“**RESOLVED**, as it is hereby resolved, that the PPMBAI’s contribution to the Group Leader’s Gathering budget in the amount of ₱9 Million is approved and ratified.”

**RELEASE OF 2022 PPMBAI AUDITED**

**FINANCIAL STATEMENTS**

The Chairman/President informed the Board that PPMBAI had already released its 2022 Audited Financial Statement (“AFS”). Going further, he stated that the external auditor had issued its unqualified opinion on the financial statements of PPMBAI. The AFS had already been filed with the Bureau of Internal Revenue, the Chairman/President added.

 Upon motion made and duly seconded, it was unanimously

“**RESOLVED**, as it is hereby resolved, that the release PPMBAI’s financial statements as of and for the year ended December 31, 2022, is approved and ratified”

**2023 ANNUAL GENERAL MEMBERSHIP (AGM)**

**MEETING**

The Chairman/President announced that PPMBAI shall be holding its 2023 Annual General Membership (“AGM”) meeting on the following dates and divisions:

|  |  |
| --- | --- |
| **Date of AGM** | **Division** |
| June 13, 2023 | Cainta, Batangas, Naga |
| June 16, 2023 | Malolos, Tarlac, Agoo |
| June 21, 2023 | Cebu, Iloilo |
| July 3, 2023 | Davao, Gensan |
| July 7, 2023 | Pagadian, Butuan |

The Chairman/President explained that the proposed budget for said AGM meetings would be approximately 2.5 million, considering the multiple locations where such meetings will be held and the number of members expected to attend said AGM meetings.

Upon motion duly made and seconded, it was unanimously

“**RESOLVED**, as it is hereby resolved, that the Board approves the proposal for the PPMBAI to hold its 5th AGM meeting on the aforesaid dates and venues.

**RESOLVED FURTHER**, that the Board hereby approves the proposed budget for the above-mentioned AGM meetings.”

**PURCHASE OF TWO (2) CONDOMINIUM UNITS**

**FOR PPMBAI’S OFFICE AND SALE OF ITS**

**EXISTING CONDOMINIUM UNIT**

The Chairman/President informed the Board that the PPMBAI has purchased two (2) Units at the 5th floor of Jenkinsen Tower to serve as its new office. The currently-occupied Unit at the 8th floor is no longer suitable enough to accommodate the growing staff, office furniture, and document files, hence, the need to transfer to a larger space. The currently occupied Unit is proposed to be sold or leased to PPFC.

 Upon motion made and duly seconded, it was unanimously

“**RESOLVED**, as it is hereby resolved, that the PPMBAI’s purchase two (2) condominium units located at the 5th Floor of Jenkinsen Tower, 80 Timog Avenue, Brgy. Sacred Heart, Quezon City under such terms and conditions as was deemed beneficial to the PPMBAI by Mr. Genaro L. Kong, President, and whose prior acts of negotiating and finalizing the terms of the purchase of the aforementioned property, and signing, execution and delivery the Deed of Purchase/Sale and other documents related thereto, and caused to be done all other acts and things necessary, proper or convenient to give effect to the foregoing authorizations, is hereby approved and ratified.

**RESOLVED**, as it is hereby resolved, that PPMBAI be, as it is hereby, authorized to sell, transfer and convey, or to lease its existing condominium unit located at the 8th Floor of Jenkinsen Tower, 80 Timog Avenue, Brgy. Sacred Heart, Quezon City, to Pagasa Philippines Finance Corporation, at such other terms and conditions as may be deemed beneficial to the PPMBAI by Mr. Genaro L. Kong, President, and who is hereby authorized to negotiate and finalize the terms of the sale or lease of the aforementioned property, to sign, execute and deliver the Deed of Purchase/Sale and other documents related thereto, and to do or cause to be done all other acts and things necessary, proper or convenient to give effect to the foregoing authorizations.

**COMMISSION TO PPFC ON**

**HCA COLLECTIONS**

The Chairman/President explained that PPFC does most of the work of the PPMBAI in terms of collecting premiums from the members and PPMBAI’s staff are housed in PPFC’s own branches. To properly compensate PPFC for providing the manpower and logistical support to PPMBAI, the Chairman/President proposed for the Boad to approve a commission fee of five percent based on gross premium collections on HCA. The PPMBAI has an existing contract with PPFC where it is likewise paying commission to PPFC for BLIP, CLIP, and RSF premium collections. Apprehensions were raised by on possible impact of the proposed five percent commission on PPMBAI’s revenues. The Chairman/President allayed the concerns by the members that this would have major impact on PPMBAI’s revenues as he pointed out that HCA collections in 2022 have substantially increased. At any rate, if the five percent commission would cause negative impact on PPMBAI’s profitability, then it could be withdrawn upon proper representations with PPFC, the Chairman/President assured.

 Upon motion made and duly seconded, it was unanimously

“**RESOLVED**, as it is hereby resolved, that a commission fee to PPPFC of five percent (5%) based on gross HCA premium collections from the members is approved and ratified.

**LIVELIHOOLD INSURANCE COVERAGE FROM**

**CALAMITIES**

The Chairman/President apprised the Board that many members have been clamoring for coverage for their businesses from fire, earthquake, typhoons, and other calamities. He further explained that PPMBAI is only licensed as life insurer and cannot provide such property insurance, however, exploratory talks with RIMANSI which offers the services, is ongoing. The Chairman/President will present to the Board more details on the RIMANSI insurance product during its next meeting.

**REDUCTION IN NUMBER OF REGULAR**

**MEETING FROM FOUR (4) TO THREE (3)**

**TIMES IN A YEAR**

Currently, the Board holds four (4) regular meetings in a year. The Chairman/President proposed to reduce the number of meetings to three (3) times in a year, or one meeting every four months.

 Upon motion made and duly seconded, it was unanimously

“**RESOLVED**, as it is hereby resolved, that reduction of the number of regular meetings of PPMBAI’s Board of Trustees from four (4) to three (3) times in a year is approved and ratified.

**HMO COVERAGE FOR MEMBERS**

 Many members have been asking for HMO coverage. The Chairman/President apprised the Board that he currently in talks with Medicard, a Health Maintenance Organization (“HMO”) provider to provide medical insurance coverage to members. Details on the HMO insurance coverage will be presented to the Board by General Manager Noel Madriaga (“GM Madriaga”) during the next Board meeting.

**RELEASE OF DEATH CLAIMS AND ITS**

**SERVICE PARTNERS FOR RELEASE**

**OF DEATH CLAIMS**

 The Chairman/President advised the Board that a new scheme for releasing of death benefit claims amounting to ₱12,500 and below through RCBC and its services partners such as LBC, Cebuana Lhuillier, Bayad Center, etc. Under the new disbursement scheme, a notification with reference number will be received by the member/beneficiary once the claim is ready and the member/beneficiary can claim the death benefit from any RCBC branch or service partners.

**PRESS RELEASE OF INSURANCE COMMISSION**

The Chairman/President informed the Board of regarding the Insurance Commission’s press release that microinsurance industry premium production/contribution went up by 15.5% in Q3 2022. PPMBAI still maintained its ranking of 2nd place among 33 microinsurance firms.

**THE PRESIDENT’S REPORT ON PPMBAI’S**

**OPERATIONAL PERFORMANCE**

 Moving on to the next item on the agenda, the Chairman/President presented to the board the operations data for Q1 2023 compared to Q1 2022, to wit:

*Operational Performance - Collection*

| **PRODUCTS** |  | **1ST QUARTER 2023** | **1STQUARTER 2022** | **INCREASE/DECREASE** | **YEAR 2022** | **YEAR 2021** | **INCREASE/DECREASE** |
| --- | --- | --- | --- | --- | --- | --- | --- |
| ADMISSISION FEE | MEMBERS COLLECTED | 43,523 | 38,078 | 14.30% | 154,936 | 139,138 | 11.35% |
| COLLECTION | ₱4,352,274 | ₱3,807,815 | 14.30% | ₱15,448,764 | ₱13,913,805 | 11.03% |

| **PRODUCTS** |  | **1ST QUARTER 2023** | **1STQUARTER 2022** | **INCREASE/DECREASE** | **YEAR 2022** | **YEAR 2021** | **INCREASE/DECREASE** |
| --- | --- | --- | --- | --- | --- | --- | --- |
| BLIP | MEMBERS COLLECTED | 133,287 | 115,960 | 14.9% | 488,186 | 408,575 | 19.49% |
| COLLECTION | ₱51,981,930 | ₱45,224,543 | 14.9% | ₱190,398,148 | ₱159,344,366 | 19.49% |
| ACTIVE MEMBERS | 250,083 | 223,825 | 11.7% | 253,926 | 221,777 | 14.50% |

| **PRODUCTS** |  | **1ST QUARTER 2023** | **1STQUARTER 2022** | **INCREASE/DECREASE** | **YEAR 2022** | **YEAR 2021** | **INCREASE/DECREASE** |
| --- | --- | --- | --- | --- | --- | --- | --- |
| CLIP | MEMBERS COLLECTED | 133,287 | 115,960 | 14.9% | 488,186 | 408,575 | 19.49% |
| COLLECTION | ₱11,261,457 | ₱9,333,235 | 20.6% | ₱39,937,539 | ₱33,325,668 | 19.48% |
| ACTIVE MEMBERS | 250,083 | 223,825 | 11.7% | 253,926 | 221,777 | 14.50% |

| **PRODUCTS** |  | **1ST QUARTER 2023** | **1STQUARTER 2022** | **INCREASE/DECREASE** | **YEAR 2022** | **YEAR 2021** | **INCREASE/DECREASE** |
| --- | --- | --- | --- | --- | --- | --- | --- |
| RSF | MEMBERS COLLECTED | 132,635 | 113,757 | 16.6% | 483,983 | 396,942 | 21.93% |
| COLLECTION | ₱17,242,566 | ₱14,788,378 | 16.6% | ₱62,937,267 | ₱51,602,461 | 21.97% |
| ACTIVE MEMBERS | 946,022 | 876,333 | 7.95% | 947,113 | 671,499 | 41.04% |

| **PRODUCTS** |  | **1ST QUARTER 2023** | **1STQUARTER 2022** | **INCREASE/DECREASE** | **YEAR 2022** | **YEAR 2021** | **INCREASE/DECREASE** |
| --- | --- | --- | --- | --- | --- | --- | --- |
| HCA | MEMBERS COLLECTED | 176,495 | 122,099 | 44.5% | 570,786 | 409,688 | 39.32% |
| COLLECTION | ₱17,649,450 | ₱12,209,930 | 44.5% | ₱58,265,300 | ₱40,968,822 | 42.22% |
| ACTIVE MEMBERS | 250,083 | 223,825 | 11.7% | 253,926 | 221,777 | 14.50% |

The Chair/President noted an across-the-board increase during 2022 for all insurance products in terms of premiums and active members, as compared to 2021 figures, taking note of the notable increases in RSF and HCA collections.

|  |
| --- |
| **TOTAL COLLECTION FOR THE YEAR 2022** |
|  | **Premium Collection** | **Members Collected** |
| Admission Fee | ₱15,448,764 | 154,396 |
| BASIC LIFE INSURANCE (BLIP) | ₱190,398,148 | 488,186 |
| CREDIT LIFE INSURANCE (CLIP) | ₱39,937,539 | 488,186 |
| RETIREMENT SAVINGS FUND (RSF) | ₱62,937,267 | 483,983 |
| Hospitalization Care Assistance (HCA) | ₱58,265,300 | 570,786 |

*Operational Performance - Claims*

|  | **1ST QUARTER 2023** | **1STQUARTER 2022** | **INCREASE/DECREASE** | **YEAR 2022** | **YEAR 2021** | **INCREASE/DECREASE** |
| --- | --- | --- | --- | --- | --- | --- |
| EQUITY RETURN | ₱18,093,587 | ₱11,938,143 | 51.56% | ₱97,423,406 | ₱57,236,015 | 70.21% |
| DEATH BENEFIT | ₱16,425,702 | ₱13,509,000 | 21.59% | ₱47,842,574 | ₱45,580,792 | 4.96% |
| BLIP CLAIMS | ₱34,519,289 | ₱25,447,143 | 35.65% | ₱145,265,980 | ₱102,816,807 | 41.29% |

|  |
| --- |
| **1ST QUARTER 2023** |
|  | **MEMBER** | **DEPENDENT** | **TOTAL** | **YEAR 2022** |
|  | **NUMBER OF CLAIMS** | **NUMBER OF CLAIMS** |  |  |
| EQUITY RETURN | 26,634 | - | 26,634 | 89,495 |
| DEATH BENEFIT | 240 | 476 | 716 | 2,078 |
| TOTAL | 26,874 | 476 | 27,350 | 91,573 |

| **PRODUCTS** |  | **1ST QUARTER 2023** | **1STQUARTER 2022** | **INCREASE/DECREASE** | **YEAR 2022** | **YEAR 2021** | **INCREASE/DECREASE** |
| --- | --- | --- | --- | --- | --- | --- | --- |
| CLIP | NUMBER OF CLAIMS | 240 | 235 | 2.13% | 726 | 772 | -5.96% |
| CLAIMS PAYMENT | ₱6,979,084 | ₱2,210,183 | 215.77% | ₱13,445,176 | ₱15,548,346 | -13.53% |

| **PRODUCTS** |  | **1ST QUARTER 2023** | **1STQUARTER 2022** | **INCREASE/DECREASE** | **YEAR 2022** | **YEAR 2021** | **INCREASE/DECREASE** |
| --- | --- | --- | --- | --- | --- | --- | --- |
| RSF | NUMBER OF CLAIMS | 26,383 | 18,991 | 38.9% | 85,797 | 81,138 | 5.74% |
| CLAIMS PAYMENT | ₱11,329,694 | ₱7,146,599 | 58.53% | ₱35,149,532 | ₱32,887,256 | 6.88% |

| **PRODUCTS** |  | **1ST QUARTER 2023** | **1STQUARTER 2022** | **INCREASE/DECREASE** | **YEAR 2022** | **YEAR 2021** | **INCREASE/DECREASE** |
| --- | --- | --- | --- | --- | --- | --- | --- |
| HCA | NUMBER OF CLAIMS | 1,689 | 738 | 128.86% | 4,339 | 2,610 | 66.25% |
| CLAIMS PAYMENT | ₱2,741,800 | ₱1,288,300 | 112.82% | ₱6,795,674 | ₱4,647,600 | 46.22% |

|  |
| --- |
| **TOTAL CLAIMS FOR THE YEAR 2022** |
|  | **No. of Claims** | **Claims Payment** |
| Basic Life Insurance (BLIP) | 90,847 | ₱145,265,980 |
| Credit Life Insurance (CLIP) | 726 | ₱13,445,176 |
| Retirement Savings Fund (RSF) | 85,797 | ₱35,149,532 |
| Hospitalization Care Assistance (HCA) | 4,339 | ₱6,795,674 |

 Payment of claims likewise increased in 2022 compared to 2021, the Chairman/President noted.

**THE PRESIDENT’S REPORT ON PPMBAI’S**

**FINANCIAL PERFORMANCE**

The Chairman/President gave an overview of the PPMBAI’s financial standing, to wit:

*Financial Highlights – Financial Position*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **As of December 31, 2022 (Audited)** | **As of December 31, 2021 (Audited)** | **Difference** | **%** |
| **Assets** |  |  |  |  |
| Cash and Cash in Banks | ₱408,599,128 | ₱277,340,297 | ₱131,258,831 | 47.33% |
| Time Deposits | 240,434,102 | 218,498,861 | 21,935,241 | 10.04% |
| FVPL Investments | 12,251,036 | 5,614,161 | 6,636,875 | 118.22% |
| HTM Investments | 12,234,667 | 81,910,870 | -69,676,203 | -85.06% |
| Loans and Receivables | 4,257,702 | 10,615,180 | -6,357,478 | -59.89% |
| Property and Equipment | 3,468,437 | 4,158,906 | -690,469 | -16.60% |
| Intangible Assets | 472,875 | - | 472,875 | 100% |
| Other Assets | 67,689 | 709,410 | -641,721 | -90.46% |
| **Total Assets** | **₱681,785,636** | **₱598,847,865** | **₱82,937,951** | **13.85%** |
|  |  |  |  |  |
| **Liabilities** |  |  |  |  |
| Due to Members (Equity and RSF) | ₱516,541,957 | ₱485,385,056 | ₱31,156,901 | 6.42% |
| Reserve for Insurance Liability | 37,438,358 | 32,480,766 | 4,957,592 | 15.26% |
| Hospitalization Care Assistance | 12,538,836 | 9,317,245 | 3,221,591 | 34.58% |
| Other Liabilities | 25,150,244 | 8,407,385 | 16,742,859 | 199.14% |
| **Total Liabilities** | **₱591,669,395** | **₱535,590,452** | **₱56,078,943** | **10.47%** |
|  |  |  |  |  |
| **Fund Balance** | **₱90,116,241** | **₱63,257,233** | **₱26,859,008** | **42.46%** |

As of December 31, 2022, audited assets, liabilities, and fund balance were higher than the audited figures as of December 31, 2021. The Chairman/President remarked that the total assets experienced a substantial increase from 598 million as of December 31, 2021, to ₱681 million as of December 31, 2022. He explained that cash and cash equivalents represented a significant portion of total assets. On the liabilities side, which increased from ₱535 million as of December 31, 2021, to ₱591 million as of December 31, 2022.

*Financial Highlights – Financial Performance*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **For the year ending December 31, 2022** | **For the year ending December 31, 2021** | **Difference** | **%** |
| **Revenue** | **₱304,361,199** | **₱250,826,649** | **₱53,534,550** | **21.34%** |
| **Benefits and Expenses** |  |  |  |  |
| Insurance Benefit Expenses | 175,050,064 | 164,152,862 | 10,897,202 | 6.64% |
| Reimbursement of Expenses | 33,191,719 | 28,400,216 | 4,791,503 | 16.87% |
| General and Administrative Expenses | 68,608,676 | 48,670,246 | 19,938,430 | 40.97% |
| **Total** | ₱276,850,459 | ₱241,223,324 | ₱35,627,495 | **14.77%** |
| **Income before final tax** | **27,510,740** | **9,078,966** | **17,780,042** | **203.02%** |
| **Final Tax** | **651,732** | **524,357** | **127,375** | **24.29%** |
| **Excess of Revenue over Expenses** | **₱26,859,008** | **₱8,554,609** | **₱17,907,417** | **213.97%** |

The Chair/President also highlighted the significant increase in audited net revenues for the year ended December 31, 2022, at ₱26.8 million as compared with the year ended December 31, 2021’s ₱8.5 million.

*Insurance Liabilities and Reserves*

|  | **As of December 31, 2022** | **As of December 31, 2021** | **As of December 31, 2020** | **Difference 2022 vs. 2021** | **%** |
| --- | --- | --- | --- | --- | --- |
| Reserves for Member’s Equity Value | ₱333,703,101 | ₱332,410,811 | ₱306,809,632 | ₱1,292,290 | 0.39% |
| Retirement Savings Fund | 182,838,856 | 152,974,245 | 132,849,335 | 29,864,611 | 19.52% |
| **Total Liabilities – To Members** | **₱516,541,957** | **₱485,385,056** | **₱439,658,697** | **₱31,156,901** | **6.42%** |
|  |  |  |  |  |  |
| Reserves for Basic Life Insurance | ₱17,590,782 | ₱15,866,083 | ₱11,381,875 | ₱1,724,699 | 10.87% |
| Reserves for Credit Life Insurance | 5,733,841 | 5,065,063 | 3,680,655 | 668,778 | 13.20% |
| Policy and Contract Claims Payable | 14,113,732 | 11,549,620 | 8,486,791 | 2,564,112 | 22.20% |
| **Total Reserve Liabilities** | **37,438,355** | **32,480,766** | **23,549,322** | **4,957,589** | **15.26%** |
|  |  |  |  |  |  |
| **GRAND TOTAL** | **₱553,980,311** | **₱517,865,822** | **₱463,208,019** | **₱36,114,489** |  |

*Guaranty Fund and Risk-Based*

*Capital Requirement*

| **GUARANTY FUND AND RISK BASED CAPITAL REQUIREMENT** | **As of March 31, 2023** |
| --- | --- |
| TOTAL GUARANTY FUND AS REQUIRED UNDER IMC NO. 2-2006 (IC REQUIREMENT) | ₱72,876,708 |
| TOTAL GUARANTY FUND DEPOSITED WITH IC – GOV’T. BONDS AND DEPOSIT CERTIFICATES | 80,000,000 |
| **EXCESS (DEFICIENCY) IN GUARANTY FUND** | **₱7,132,292** |
| Risk Based Capital (RBC) Ratio Requirement per IC | Should not be lower than 125% |
| **PPMBAI RBC – As calculated** |  |
| PPMBAI RBC – As previously verified by IC for the Year 2021 | **224%** |
|  |  |
| **PER 2021 AS Verification** |  |
| ADMITTED ASSETS | **₱588,954,826** |
| TOTAL LIABILITIES | **₱535,610,000** |
| TOTAL GUARANTY FUND DEPOSITED w/ IC – GOV’T BONDS AND DEPOSIT CERTIFICATES | **₱53,344,826** |

 The Chairman/President explained to the Board that PPMBAI’s Risk-Based Capital (“RBC”) as of 2021 as verified by the Insurance Commission at 224% which is higher than the RBC ratio required by the IC.

**OPEN FORUM**

The Chairman/President provided time to each of the other board members to present their reports or updates. Treasurer De Jesus moderated the open forum.

Nanay Trustee Marilyn Largo provided feedback concerning PPFC’s Development Officers’ (“DOs”) lack of familiarity with some of the insurance products of the PPMBAI as the insurance benefits are not properly disseminated to members. She volunteered to help the DOs in explaining the insurance products during group meetings.

 Nanay Trustee Julieta Macaoay raised concern regarding higher weekly LCBU collection as the loan gets higher which could have been used for the members’ own business.

 For her part, Nanay Trustee Lolita Avenido highlighted the benefits of having contributing higher weekly LCBU for the borrowers which results to bigger savings.

 Nanay Delia Villalon proposed for HCA benefit for emergency cases.

 Nanay Trustee Leslie Embradora shared her experience of witnessing a DO of PPFC still collecting amortization from borrower even during the occasion of a funeral of the member’s family.

 Trustee Hasan announced that for purposes of succession planning, Atty. Khris will be succeeding the current Corporate Secretary, Atty. Joselito Fernandez, to provide continuity to the functions of the PPMBAI’s Board.

 Finally, Treasurer De Jesus announced that in the upcoming GL Gathering, the following three important issues will be discussed: 1.) members’ benefits, 2.) digitalization, and 3.) tree-planting project.

**CLOSING REMARKS**

Trustee Hasan and Consultant TIM Fakruzzaman, President & CEO of PPFC (“Consultant Fakruzzaman”), delivered the closing remarks.

**ADJOURNMENT**

There being no further business to transact, on motion duly made and seconded, the meeting was adjourned.

CERTIFIED CORRECT:

 **(SGD.) JOSELITO D. FERNANDEZ**

 Secretary of the Meeting

ATTEST:

|  |  |
| --- | --- |
| **(SGD.) GENARO L. KONG**Trustee / President Chairman of the Meeting | **(SGD.) JONNETTE C. ALMANZAR**Trustee / Vice President |
| **(SGD.) EUFRECINA T. DE JESUS**Trustee / Treasurer | **(SGD.) JOSELITO D. FERNANDEZ**Trustee / Secretary |
| **(SGD.) MD. SHAMSUL HASAN**Trustee | **(SGD.) JOAN S. ALFARERO**Trustee |
| **(SGD.) SHEEN RAY U. ACOSTA**Trustee | **(SGD.) JULIETA MACAOAY**Trustee |
| **(SGD.) DELIA B. VILLALON**Trustee | **(SGD.) JOSEPHINE B. CARISO**Trustee |
| **(SGD.) LOLITA AVENIDO**Trustee | **(SGD.) LESLIE S. EMBRADORA**Trustee |
| **(SGD.) MARILYN LARGO**Trustee  | **(SGD.) RICARDO P. LIRIO**Independent Trustee |
| **(SGD.) REENA CONCEPCION G. OBILLO**Independent Trustee |