

1 **PAGLAUM MUTUAL BENEFIT ASSOCIATION, INC.,**
2 **MINUTES OF THE 3rd ANNUAL GENERAL MEMBERSHIP MEETING**
3 April 11,2016 @ 8:00-4:30PM @ Paglaum Organic and Learning Site
4 Solinog, Calamba, Misamis Occidental
5

6 **PRELIMINARY ACTIVITY**

7 While waiting for some delegates and guests there were questions and answers portion for
8 the members to interact and freely raised questions related to MBA operations. Each branch
9 delegates had given the opportunity to explain to the questions that were raised for a
10 corresponding prize with a further explanation from the management. There were 20 questions
11 raised for the Questions and Answers portion activity and was conducted by Mr. Rubylee Bation,
12 emcee of the whole day activity. To mention a few questions, to wit:

13 Q1. *"Unsay buhaton kung ang member dili na makabayad sa MBA kay unahon*
14 *pagbayad"* Answered by Mrs. Luzmenda C. Tacang from Larena Branch : *"Yes mahimong*
15 *hulipan ang palta sa MBA samtang wala pay nahitabo. Kay kung molapas na ug unom ka palta*
16 *posibling ma deny kung dunay claims.*

17 Q2. *"Masumpay ba ang amount sa contributions niadtong previous years or months nga*
18 *nabayad sa MBA?"*

19 Answered by Mrs. Norma Gumahad from Sindangan Branch: *" Yes masumpay ang*
20 *contributions sa previous years or months kung mag reinstate. Pero dili ang length of membership*
21 *nga maoy basihan sa benefits."*

22 Q3. *"Kung wala nadala sa ospital within 24 hours sa pagkadisgrasya, maka claim ba sa*
23 *MVAHB?"*

24 Answered by Mrs. Jocelyn Ramos from Dipolog Branch *"Dili. Ang hospital bill maoy atong*
25 *basihan sa pag determine sa iyang MVAHB."*
26

27 **PART 1 : OPENING PROGRAM**

28 The 3rd Annual General Membership Meeting of Paglaum Mutual Benefit Association, Inc.
29 was held at Paglaum Organic and Learning Site, Solinog, Calamba, Misamis Occidental last April
30 11,2016. The AGM Meeting was formally started at 10:00 am with an opening prayer led by Director
31 Delia T. Puerte, BOT Member followed by AVP invocation song. The singing of national anthem was
32 conducted by Ms. Jeanalie A. Patagoc, MBA Coordinator of Larena Branch and followed by singing
33 of the unison song of HIMIG PAGLAUM hymn. Acknowledgement of the official delegates was
34 given by the MBA Manager Ms. Carmen C. Alegrado. The welcome remark was gorgeously
35 delivered by the BOT Vice-Chairperson Mrs. Maribeth C. Tillo. And followed by the inspirational and
36 motivational message from Sir Gadwin E. Handumon, the MBA Adviser and the General Manager
37 of Paglaum MPC. Mrs. Delia D. Dagayloan BOT Chairperson presented the brief history and
38 overview of Paglaum Mutual Benefit Association. The introduction of keynote speaker was earnestly
39 and graciously delivered by Mrs. Virginia V. Talip, MBA Coordinator of Molave Branch. It was
40 followed the inputs from the Resource Person MR. FERMIN L. GONZALES, President/CEO of CLIMBS
41 Life and General Insurance Cooperative.

42 Sir Fermin shared his personal experiences in improving the services of cooperative and
43 developing a diverse programs for the coop members especially on agriculture. From their
44 experience such investments failed due to climate change effect. The strike of natural catastrophe
45 is unpredictable. With the theme "Promoting Microenterprise Resiliency through Microinsurance" Sir
46 Fermin emphasized to innovate our products and services with the insurance offerings. One of
47 the challenge of the cooperative must be directed towards unification and complementation
48 between cooperatives so that we could be in the mainstream of our service in our country. After
49 the speech of our keynote speaker, a plaque of appreciation and tokens were given by
50 Chairperson of Paglaum MBA and MPC. Again Sir Gadwin further explained for the support on the
51 coop-natcco partylist and senatorial candidate Crez Paez since he was bringing the voice of
52 cooperative sector and called the one by one the nominees for Board of Trustees election to
53 expressed their individual platform vying for board of trustees' officers and was facilitated by Sir
54 Gadwin E. Handumon. Ms. Natividad M. Jaim, Board of Director of Paglaum MPC was requested
55 to led the prayer before meals at around 12:45 noon for the fellowship lunch. Door prizes were
56 done before the start of the second part of the program.
57

58 **Part 2 : BUSINESS MEETING**

59 **DECLARATION OF QUORUM AND CALL TO ORDER**

60 Board of Trustee Chairperson Mrs. Delia D. Dagayloan presided the 3rd Annual General
61 Membership Meeting and the business meeting was called to order at around 1:50 in the
62 afternoon. The Corporate Secretary of the Board Mrs. Milamel C. Marco manifested that there was
63 a quorum since the 148 expected official delegates were all present and in proxy or representative
64 attendance of 13,701 members represented by its MBA Coordinator per branch. The presiding
65 officer asked the body if there were proof of due notice that there was an annual membership
66 gathering. And it was confirmed unanimously that all official delegates had received notice of
67

68 annual membership meeting. Furthermore the Chairperson recognized the presence of our internal
69 auditor from Paglaum MPC Ms. Nena Fortuna and also the whole team of the PMPC Management
70 Committee.

71
72 **READING OF THE PREVIOUS MINUTES**
73 Reading of the minutes of the previous 2nd annual general membership meeting was
74 patiently read by Mrs. Milamel C. Marco, the BOT Secretary.

75 On motion by Mrs. Virginia Talip, MBA Coordinator of Molave Branch and duly seconded by
76 Mrs. Anamaricon Duhaylungsod from Calamba Branch that reading of the minutes of the previous
77 annual general membership meeting be accepted, thus;

78 **GENERAL MEMBERSHIP RESOLUTION NO. 2016-04-008:** To adopt and approved the minutes
79 of the previous general membership meeting of Paglaum Mutual Benefit Association, Inc.

80
81 **PRESENTATION AND APPROVAL OF AGENDA**

82 The presiding officer presented and discussed the agenda for the annual meeting.

- 83 1. Business Arising from the previous meeting (if any)
- 84 2. Report of Board of Trustees
- 85 3. Report of the Treasurer
- 86 4. Report of the Oversight & Audit Committee
- 87 5. Report of the Nomination Committee
- 88 6. Open Forum
- 89 7. Election of Officers
- 90 8. Other Matters

91
92 It was moved by Mrs. Viviana Retardo of Pagadian Branch and duly seconded by Mrs. Ma.
93 Elvira Adorador of Pagadian Branch that the agenda of the 3rd annual general membership
94 meeting be accepted; thus:

95 **GENERAL MEMBERSHIP RESOLUTION NO. 2016-04-009:** To adopt and approved the agenda
96 of the 3rd annual general membership meeting that were presented by the BOT Chairman Delia D.
97 Dagayloan.

98
99

100 **REPORT OF THE BOARD OF TRUSTEES**

101 The Board of Trustees Report was presented by Vice Chairman Maribeth C. Tillo the 2015
102 accomplishments and development goals for 2016, to wit:

- 103 • Has a total of 15 Board Resolutions were approved
- 104 • Has conducted 5 Board of Trustees' Meetings
- 105 • Has formulated and approved Paglaum MBA Governance Manual
- 106 • Has gone benchmarking / educational tour around Cagayan `de Oro City to have an
107 exposure training with MBA and microinsurance practitioners last June 2015.
- 108 • Has attended trainings and seminars for board of Trustees
- 109 • Started processing our amendments on the Articles of Incorporations and By-Laws of
110 Paglaum MBA with the Securities & Exchange Commission

111
112 **2016 Development Goals**

- 113 • Acquire license for credit life insurance product (clip)
- 114 • Implement the approved IRR of CLIP
- 115 • Increase membership 33,000 and improve retention program for members
- 116 • Improve data capture / MIS in terms of membership profile , collection status, and report
117 generation
- 118 • Formulate appropriate new policies for membership mobilization, collection and claims
- 119 • Mobilize and strengthen the MBA Coordinators

120
121 And also discussed the strategic development goals for 2025 that include the following;

- 122 ✓ To reach 100,000 members
- 123 ✓ To provide life, health and retirement insurance to members.
- 124 ✓ To facilitate non life insurance services
- 125 ✓ To increase capacity of the officers and management to professionally manage
126 and govern the association
- 127 ✓ To build a "name" as a credible and trustworthy Mutual Benefit Association.

128
129 The presiding asked the body if there were any questions and clarifications regarding the
130 board of trustees report that was presented by Vice-Chairman Mrs. Maribeth C. Tillo, it seems
131 nobody from the group raised a question it was moved by Ms. Norie Magsanay-Pioco of Larena
132 Branch CUMI Federated President and seconded by Tessie Fernandez of Molave Branch that the
133 Board of Trustees report be ACCEPTED, thus;

134

135 **GENERAL MEMBERSHIP RESOLUTION NO. 2016-04-010:** Resolved, as it is hereby resolved, to
136 approve the report of the Board of Trustees accomplishments for the year 2015 that was presented
137 by BOT Vice Chairperson Mrs. Maribeth C. Tillo.

138
139 **TREASURER'S REPORT**

140 The Treasurer of our association Mrs. Evelyn D. Salcepuedes presented the Unaudited
141 Financial Report and the Operation Highlights for Life Insurance Product as of December 31,2015.
142 This financial report might change when the audited financial statement shall be finalize.

143 Operations Highlights:

144	Total MBA Membership	-	28,659
145	Total Life Contribution	-	7,716,197.74
146	Total Death Claims	-	2,570,000.00
147	Total MVAHB Claims	-	199,526.10
148	Total TPD Claims	-	67,500.00

149 Financial Highlights:

150	Total Assets	-	55,511,937.43
151	Total Equity Value	-	25,475,683.81
152	Retirement Savings Fund	-	13,740,944.91
153	Free & Unassigned Fund Bal.	-	8,989,987.82
154	Funds Assigned to Guaranty Fund-		6,547,661.82
155	Total Underwriting Income	-	7,716,193.74
156	Other Income	-	803,706.90
157	Gross Revenue	-	8,519,900.64
158	Underwriting Expenses	-	7,740,178.59
159	Operating Expenses	-	1,686,270.37
160	Net Income/ <u>Loss</u>	-	(906,548.32)

161
162 It was emphasized that our incurred net loss of Ph 906,548.32 was due to the fact that our
163 credit life insurance product was still on the registration process with Insurance Commission through
164 the assistance of our consultant. Per discussion with the Examiners from the Insurance Commission
165 to transfer the existing premium collections of our credit life insurance to an accredited provider.
166 Thus the MBA Board had approved through Resolution No. 2015-12-038, approving to transfer the
167 whole year of 2015 premium collections of the credit life insurance to CoopAssurance Department.
168 In effect of such transfer, the MBA operation may encounter such losses and possibly increased
169 when the valuation reserved allocation and audited financial statements be finalize.

170
171 The Presiding Officer asked the body for any questions and clarification, and there were
172 none. There was a motion raised by Mrs. Vivian Clamo, from Jimenez Branch and duly seconded by
173 Virgie Caimor from Oroquieta Branch that the treasurer's report on unaudited financial statements
174 be ACCEPTED; thus;

175
176 **GENERAL MEMBERSHIP RESOLUTION NO. 2016-04-011:** Resolved, as it is hereby resolved, to
177 approve the Treasurers' Report comprising the unaudited financial conditions of Paglaum MBA that
178 was presented and discussed by BOT Treasurer Mrs. Evelyn D. Salcepuedes.

179
180 **OVERSIGHT AND AUDIT COMMITTEE**

181 The oversight and audit committee was reported by the Chairman of the Oversight and
182 Audit Committee and Independent Board Mr. Papias Dagaya. The committee had monitored the
183 operations and recommend measures or changes in financial policies, systems and procedures the
184 internal control system of the Paglaum Mutual Benefit Association, Inc. As such, the association has
185 been renewed its license to operate microinsurance business with the Insurance Commission
186 covering the period from January 1,2016 to December 31,2018 ; had complied the 2015 Annual
187 Statement including its attachments; and had complied with the uploading of the 2015 ACGS
188 scorecard in the website of Paglaum MBA with all the required documents. Moreover, the Examiner
189 from the Insurance Commission office conducted a field validation with our association last Oct27-
190 29,2015 for monitoring our compliance on the implementation of our microinsurance business in
191 accordance with the approved implementing rules and regulations and also recommended to
192 complete the registration process of our credit life insurance and while waiting for approval, such
193 premium collections shall be transferred to a license provider wherein our CAC qualified for it since
194 Paglaum CAC is a distribution channel of CLIMBS.

195 The association also was audited regularly by an external auditor and accredited with the
196 Insurance Commission and asked the body for the re-appointment of our existing external auditor
197 under new business. Again, Sir Paps also explained in detailed the breakdown of fund allocations
198 based on the weekly contributions on life insurance, that 50% of the life contribution will become
199 the Members Equity value equivalent to 10.00; 35% for Basic Benefit Fund that is Php 7.00; 10% for
200 General Expense Fund of Php 2.00; 5% for Guaranty Fund of Php 1.00. The said allocations
201 were all mandatory by our regulatory bodies.

202
203 The Chairman asked the body for any questions and clarifications related to the Oversight
204 and Audit Committee report, and there were questions raised. On motion raised by Mrs. Lilian
205 Rapar from Sindangan Branch and seconded by Julieta Tabotabo from Sindangan Branch that the
206 Oversight and Audit Committee Report be ACCEPTED, thus;

207
208 **GENERAL MEMBERSHIP RESOLUTION NO. 2016-04-012:** Resolved, as it is hereby resolved, to
209 approve the report of the Oversight and Audit Committee of Paglaum Mutual Benefit Association,
210 Inc., that was presented and explained by Mr. Papias P. Dagaya, the Chairman of the Oversight
211 and Audit Committee.

212 213 **NOMINATION COMMITTEE REPORT**

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215 Mr. Julius T. Yap an Independent Board and also the Chairman of the Nomination
216 Committee had presented the general assembly guidelines for election of officers of Paglaum
217 MBA, the composition of the Board of trustees, its qualifications, and tenure of office. For 2016
218 board election there were 5 vacant seats for Board of Trustees. He emphasized that the elected
219 board received no salary nor remunerations from the association. And also explained the manner
220 of voting was through proxy /representative voting represented by the MBA Coordinator of the
221 branch and individual voting for the present attendees. There were 10 individual members filed for
222 certificate of candidacy and were duly endorsed by the Branch Managers. All
223 candidates/nominees were evaluated and reviewed by the nomination committee and all were
224 qualified for the position as officers vying for 5 vacant seats. The 10 official candidates were duly
225 presented and named one by one and it was before lunch that the official candidates were given
226 time to present their personal platform campaign.

227
228 The Chairman asked the body for any questions and clarifications related to the
229 Nomination Committee report, and there were questions raised. On motion raised by Mrs. Merlyn
230 Sisi from Tudela Branch and seconded by Rodita Daga-as from Tudela Branch that the Oversight
231 and Audit Committee Report be ACCEPTED, thus;

232
233 **GENERAL MEMBERSHIP RESOLUTION NO. 2016-04-013:** Resolved, as it is hereby resolved, to
234 approve the report of the Nomination Committee including the presentation of the official
235 candidates for 2016 board of trustees election of Paglaum Mutual Benefit Association, Inc. that was
236 reported by Mr. Juluis T. Yap, Chairman of the Nomination Committee.

237 238 **NEW BUSINESS: RE-APPOINTMENT OF EXTERNAL AUDITOR**

239
240 The Chairman presented the body on the re-appointment of the QCB Auditing firm as the
241 external auditor of Pagalum MBA to examine and validate our financial operations of the
242 association. On motion by Maribeth C. Tillo and seconded by Mrs. Virginia V. Talip that the re-
243 appointment of our external auditor be ACCEPTED, thus;

244 **GENERAL MEMBERSHIP RESOLUTION NO. 2016-04-014:** Resolved, as it is hereby resolved, to -
245 approved the re-appointment of QCB Auditing Firm as the external auditor of Paglaum Mutual
246 Benefit Association, Inc.

247 248 **OPEN FORUM**

249 The Chairman called Board Member Delia T. Puerte for the conduct of the open forum and
250 to open-up members' concerns related to MBA operations. Board Member Puerte asked the body
251 if there were still questions unanswered during the preliminaries in the morning. And since during the
252 preliminary activity all queries issues and concerns were asked and discussed clearly by the MBA
253 Personnel.

254 255 **ELECTION OF OFFICERS**

256 The Chairman of Board of Trustees Mrs. Delia D. Dagayloan informed the body that the
257 two(2) members of the Nomination Committee in the person of Mrs. Milamel C. Marco and Mrs.
258 Delia T. Puerte for they had filed a certificate of candidacy and officially filed a leave as member
259 of Nomination Committee during the last board meeting. The Chairperson called the Interim
260 Nomination Committee from PMPC Personnel Ms. Lysette Asombrado and the PMPC Chairperson
261 Mrs. Luz G. Moneva to help and assist the Chairman of the Nomination Committee Sir Julius T. Yap
262 in the manifestation of the election proceedings and tabulations.

263
264 Paglaum MBA adopted the proxy voting and individual voting through secret balloting.
265 There were proxy voting forms ran per center meetings prior for the AGM meeting across 13
266 branches manifested their signatures and authorizing the Branch MBA Coordinator as the official
267 representatives. There were 91 individual member who casted their individual votes and 13

268 representatives bearing the proxy votes total of 13,701. Tabulation board was displayed through
 269 LCD projector screen and could be seen by all AGM official delegates. Ballot counting was read
 270 twice by the designated election board and reviewed by the Chairperson of the coop and
 271 validated by the Nomination Committee Chairperson.
 272 The following were the official result of the Election Officers and officially declared by the Chairman
 273 of the Nomination Committee, Mr. Julius T. Yap, to wit;

274

No.	Name of Candidates	Term	Ranking	Total Votes		
				Individual Voting	Proxy Voting	Total Votes
1	PATAGOC, Jeanalie A.	2 years	1 st	40	11,545	11,585
2	TALIP, Virginia V.	2 years	2 nd	29	9,800	9,829
3	CANOY, Josephine D.	2 years	3 rd	42	8,883	8,925
4	TILLO, Maribeth C.	1 year	4 th	53	7,175	7,228
5	DAGAYLOAN, Delia D.	1 year	5 th	59	6,232	6,291
6	MARCO, Milamel C.	-	6 th	59	5,813	5,872
7	COLALJO, Nelia D.	-	7 th	25	4,616	4,641
8	PUERTE, Delia T.	-	8 th	35	3,116	3,151
9	MOREQUIO, Nita C.	-	9 th	12	1,232	1,244
10	SALCEPUEDES, Evelyn D.	-	10 th	40	593	633

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The first THREE highest votes shall serve for TWO (2) YEARS as the board of trustees of Paglaum and the remaining TWO winners shall serve ONE (1) year. After the presentation and declaration of the winners, a commitment speech were delivered by the five (5) winners. Door prizes were rolled out base on attendance and followed by group pictorial per branch.

ADJOURNMENT

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The 3rd Annual General Membership Meeting was adjourned with a closing prayer led by Mrs. Fe Tamarong, MBA Coordinator of Calamba Branch at around 4:50 in the afternoon.

287

Certified and Correct:

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Ms. Milamel C. Marco
 BOT Corporate Secretary

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Attested /Approved by:


Ms. Delia D. Dagayloan
 Chairperson, Board of Trustees