

ANNUAL
2021
REPORT

1CISP
@ 48:

Responding to Challenges and
Reaffirming our Commitments
to an Inclusive and Resilient
Cooperative Philippines

1974

9 April 2022
Novotel Manila, Araneta City
General Aguinaldo Avenue, Quezon City

ABOUT THE COVER



Cover design by: Michael Navarette

“Love is the driver; prosperity is the goal.”

In the cover, the hexagon symbolizes the foundation on which 1CISP operates. The six angles represent the six pillars of our cooperative: Protecting You Like Family, Financial Resilience, Favoring the Insured, Globally Competitive, Nation- and Community-Building, and Champions on Social Good.

The pink-colored half of the foundation signifies love, while the green half represents prosperity. At the center is 1CISP’s logo, which indicates that the foundation on which we operate is driven by love and the goal of achieving prosperity. Our love for our members and the cooperative community drives us to respond to the challenges posed by the ever-changing economic environment and reaffirm our commitment to a resilient and cooperative country, all for the aim of attaining a prosperous Philippines.

OUR DIRECTION

MISSION

A viable and socialized cooperative insurance service that protects and empowers Filipinos, especially those who have less in life.

VISION

To insure three million Filipinos by 2025.

CORE VALUES

COMMITMENT TO RELIABILITY

Empowering cooperatives and their members by going the extra mile to produce outstanding results that favor the insured and deliver beyond expectations.

UNDER-PROMISE, OVER-DELIVER

Creating a cooperative insurance system that perpetuates mutual prosperity and financial fairness and responsibility to all parties.

MUTUAL PROSPERITY

Delivering excellent and uncompromised service to its host communities and member cooperatives.

EXCELLENT SERVICE

Delivering excellent and uncompromised service to its host communities and member cooperatives.



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PROGRAMME

48TH ANNUAL GENERAL ASSEMBLY 9 APRIL 2022

1. Call to Order
2. Proof of Due Notice
3. Determination of Quorum
4. Approval of the Agenda for the 48th General Assembly Meeting
5. Approval of the Minutes of the 47th General Assembly Meeting
6. Presentation of Election Guidelines and Candidates
7. Election Proper
8. Confirmation of the Board Resolutions for the Year 2021
9. Approval of Annual Reports
 - Joint Report of the Board of Directors and Management for the Year 2021;
 - Approval of the 2021 Audited Financial Statements;
 - Proposed Budget for the Year 2022;
 - Audit Committee Report for the Year 2021.
10. Approval of Distribution of Net Surplus for the Year 2021
11. Appointment of External Auditor for the Year 2022
12. Presentation and Approval of Proposed Amendments to the Articles of Cooperation and Bylaws:
13. Approval of Five-Year Strategic Plan
14. Acknowledgment of Top Contributors
15. Proclamation of Winners in the Election
16. New Business
17. Adjournment

MESSAGE



OFFICE OF THE PRESIDENT
OF THE PHILIPPINES

RODRIGO R. DUTERTE

The President of the Philippines

My warmest greetings to the **1 Cooperative Insurance System of the Philippines Life and General Insurance** on the occasion of its **48th Annual General Assembly**.

I commend your organization for consistently offering life and general insurance products and services to our people, especially to the underprivileged and vulnerable sectors of our society. Your commitment to uplift the lives of many Filipinos, especially during these challenging times, is truly inspiring.

As you gather your members for this event, may it also be an occasion to pursue more innovative and inclusive approaches to growing your fund and operations. I trust that you will continue to thrive as we recover from the COVID-19 pandemic and adapt to the new normal. Together, let us work with renewed vigor to achieve a stronger and more progressive future for all.

May you have a productive gathering and I wish you more success in the years ahead.

RODRIGO ROA DUTERTE



MESSAGE

MARIA LEONOR G. ROBREDO

THE VICE PRESIDENT OF THE PHILIPPINES



OFFICE OF THE VICE-PRESIDENT
OF THE PHILIPPINES

My warmest greetings to all the members of 1 Cooperative Insurance System of the Philippines Life and General Insurance (1CISP) as you come together for your 48th Annual General Assembly!

We hold this gathering at a time of great disruption due to COVID-19. But despite the challenges, here you are, strengthening your bonds of fellowship, reaffirming the values that bring you together in your work to strengthen the insurance and cooperative sector in our country.

The pandemic reminds us of this stark truth: The only way through this crisis is together. The bigger the challenge, the greater the imperative for us to put our heads together and contribute towards a collective goal: Surviving, adapting, and building a better normal for all.

Organizations like yours are built on these same principles – solidarity, bayanihan, and empowerment. The task now is to pull together with the rest of the country, to find more of us who will create vast networks of sectors and groups committed to empowering each other.

My hope is that you continue to draw strength from one another so that you can uplift more lives beyond your members and partners in the industry.

May you have a productive assembly. Mabuhay kayong lahat!


LENI ROBREDO

MESSAGE



DENNIS B. FUNA
Insurance Commissioner



INSURANCE COMMISSION

My earnest greetings and congratulations to the officers and members of 1 Cooperative Insurance System of the Philippines Life and General Insurance (1CISP) for the successful conduct of its 48th Annual General Assembly. May this occasion serve as an opportune event to rekindle your passion and reaffirm your commitment in promoting an inclusive and resilient cooperative industry in the country. This year, I look forward for 1CISP to continue its commendable work in serving the good and welfare of its people.

The current pandemic had drastically changed our world and brought unprecedented challenges we must face and resolve. The continuous proliferation of FinTech and InsurTech innovations also serve as a major trend that contributes to the significant transformation of the industry. In this era of technological revolution and digitalization, may 1CISP continue to pioneer innovations that will help address the social and financial needs of its members and stakeholders.

With years of experience and service, I am confident that 1CISP will remain resilient and responsive to the emerging issues brought about by the new normal. The Insurance Commission is looking forward for more years of partnership and good working relations with your company.

Congratulations and more power to 1CISP!


DENNIS B. FUNA
Insurance Commissioner



MESSAGE



USEC. JOSEPH B. ENCABO

Chairperson



**COOPERATIVE DEVELOPMENT
AUTHORITY**

I would like to express my heartfelt gratitude to the Board of Directors, officials, and members of the 1 Cooperative Insurance System of the Philippines Life and General Insurance (1CISP) for giving me this opportunity to join you in celebrating your 48th General Assembly. I am filled with utmost joy to congratulate you all on this yet another milestone!

The year 2021 has been a year of both struggle and hope. The present health situation has affected every aspect of operations in the entire cooperative movement; thus, compelling us to change our traditional activities to digital setup. I would like to commend all of you for pursuing extraordinary efforts to adapt in our ever-changing times. You have continuously provided above-standard service to your members despite the difficulties brought by the pandemic.

This 2022, I hope you will continue your plans to transform your cooperative into a more sustainable organization as a catalyst of socio-economic development. Trust that the Cooperative Development Authority will work harmoniously with you to reach this worthy endeavor, and above all, achieve the pinnacle of success for your members.

Again, my sincerest wishes to the men and women behind the 1CISP! May you continue to light the torch of wisdom that will guide and lead your cooperative towards growth and greatness. In the spirit of Cooperativism; aim high. Through unity and mutual support, you will break the barriers and go beyond the limits.

Daghang salamat at Mabuhay po kayong lahat!


USEC. JOSEPH B. ENCABO
Chairman

MESSAGE



**PHILIPPINE COOPERATIVE
CENTER**



**GARIBALDI O.
LEONARDO, DBA**
Chairperson

In behalf of the Philippine Cooperative Center (PCC), I wish to congratulate the Board, other officers, Management & staff and members of 1 Cooperative Insurance System of the Philippines (1CISP) on the occasion of your 48th Annual General Assembly, which carries with it the theme "Responding to Challenges and Reaffirming our Commitments to an Inclusive and Resilient Cooperative Philippines".

Practically all the elements that make up the theme of your 48th AGA are worthy of note and inextricably linked:

- Being resilient is being able to bounce back from any adversity. And Filipinos in general - with our cooperatives being no less any exception - have always been known to be such.
- Resilience is not necessarily inherent though. It can also be learned, developed, and built up. Either way, resilience - in the face, and in the midst, of any adversity - has worked for us, Filipinos.
- How can our inherent resilience be further built up? By being able to respond - appropriately and effectively - to the challenges that we continually face and by reaffirming commitments such as what 1CISP not only purports to do, but already does.
- Key to responding to said challenges is organizational agility combined with a clearer sense of: purpose, humanness, mutual trust and inclusivity. 1CISP has evidently shown these.
- aid organizational agility translates into more specific interventions such as pursuing operating efficiencies, adopting a technology-driven mindset (e.g. digitalizing) and intensifying collaborations within while enhancing relationships with the different stakeholders and partners in the industry/sector. 1CISP's active participation in the development and promotion of a digital ecosystem that seeks to bring together the different clusters/stakeholders of the sector may be particularly worthwhile citing in this regard.
- Moreover, 1CISP has constantly been one of those at the forefront of lending a helping hand since the onset of the persistent crisis; ably providing the much-needed assistance in various forms to our needy cooperatives and coop communities. For instance, calls for support that we - at PCC - bounced off to the 1CISP Board and Management, have been heeded without fail.

In sum, its organizational agility together with its passion to rise up to the challenges that presently obtain - and continue to obtain - add up to make 1CISP well-poised to reaffirm its commitments toward an inclusive resilient cooperative Philippines.

Again, congratulations to 1CISP!

MESSAGE



EDGARDO D. ROSARIO
Chairperson



**PHILIPPINE INSURERS AND
REINSURERS ASSOCIATION**

On behalf of the Board of Trustees and your fellow members of the Philippine Insurers and Reinsurers Association (PIRA) let me congratulate the 1 Cooperative Insurance System of the Philippines (1CISP) family for 48 years of service to the cooperatives of our country.

The theme for your 48th Annual General Assembly -- "1CISP at 48: Responding To Challenges And Reaffirming Our Commitments To An Inclusive and Resilient Cooperative Philippines" -- speaks volumes on how you are confronting and weathering the ongoing Covid-19 storm. By remaining steadfast and unfazed by the fluctuating economy and the prolonged pandemic, you are proving that no matter the odds, 1CISP can soar to new heights.

Being one of the largest organization in the country, 1CISP plays a major role in keeping cooperatives afloat especially in this pandemic. Its impact on the lives of millions of Filipinos, especially the Micro, Small, and Medium Enterprises as well as the farmers, fisherfolk, and daily wage earners, is felt now more than ever. Indeed, 1CISP is a star that provides these sectors a life-saving ray of hope during these dark times.

Kudos to all of you, especially President Roy Miclat. We in PIRA are excited to greet you. It is our prayer that God would continue to bless 1CISP and make your cooperative an even bigger blessing to those at the grassroots level, providing security and stability to those who need it the most.

Happy 48th anniversary and congratulations!

MESSAGE



**PHILIPPINE LIFE INSURANCE
ASSOCIATION, INC. (PLIA)**

RICO T. BAUTISTA
President

The Philippine Life Insurance Association, Inc. (PLIA) congratulates the 1Cooperative Insurance System of the Philippines Life and General Insurance (1CISP) on the occasion of its 48th Annual General Assembly on April 9, 2022 with the theme *“Responding to Challenges and Reaffirming our Commitments to an Inclusive and Resilient Cooperative Philippines.”*

1CISP being one of only two cooperative insurance companies in the country, its efforts in advancing the financial wellness of its members through the benefits of insurance is key to growing the contribution of the insurance cooperative sector to the development of the overall cooperative system in the Philippines. This is evidenced by the continuing expansion of 1CISP’s premium and new business generation capacity over the years. At the same time, 1CISP has shown to its members that the promised benefits of insurance are for real, as its members had come to experience for themselves how insurance had helped them recover or go through past challenges as a reliable disaster risk mitigation instrument.

PLIA is fortunate to have 1CISP as one of its active members which selflessly supports and shares resources with the Association in charting the industry path to growth and development.

On behalf of the PLIA Board of Directors, I wish 1CISP continued success in its mission to help build increased inclusivity and resilience within the cooperative movement in the country!

A handwritten signature in black ink, appearing to be 'Rico T. Bautista'.

RICO T. BAUTISTA
President



MESSAGE



BALASUBRAMANIAN IYER

Regional Director

On behalf of the International Cooperative Alliance Asia and Pacific (ICA-AP), let me congratulate you and the 1CISP community on its 48th Virtual General Assembly! The theme for the Assembly, "Responding to challenges and Reaffirming our Commitments to an Inclusive and Resilient Cooperatives Philippines, is both current and forward looking!

We are living in challenging times – the global pandemic with its many variants, climate change revealed through extreme manifestations, exacerbating inequalities despite economic growth, political polarizations which threaten stability, financial systems which ignore real economy, and accelerating technology which destabilizes future of work. The need for inclusive growth has never been greater and the push for resilient societies never been so urgent.

Cooperatives as people-centered enterprises based on values and principles have an important part to play in contributing to inclusive, resilient and sustainable development. They are more resilient than conventional enterprises in times of crisis as they ensure member centrality, are embedded in their local environment and part of a global movement that enhances mission centrality, trust and solidarity among their members, local communities, and other cooperatives.

1CISP has been playing its part, with its target to empower 3 million Filipinos to enjoy financial soundness and stability by providing them with the knowledge, the understanding, the tools, and the platforms to become financially resilient members of communities! ICA attaches high regard to 1CISP for its support to cooperatives, ready participation in ICA activities, and support whenever we have required!

I wish the 48th General Assembly all success!

Balasubramanian Iyer
Regional Director

MESSAGE

icmif

International Cooperative and Mutual Insurance Federation



SHAUN TARBUCK

CEO

On behalf of everyone in the Secretariat of the International Cooperative and Mutual Insurance Federation (ICMIF) I am once again delighted to send our very best wishes to our member organisation 1Cooperative Insurance System of the Philippines Life and General Insurance (1CISP) and its many member cooperatives in the Philippines on the occasion of your 2022 Annual General Meeting.

My team and I would like to congratulate everyone at 1CISP for your 48th year as a cooperative and for continuing to offer such wonderful service to your members for almost 50 years.

We would like to extend our warmest wishes to all your members who join you at the 2022 1CISP Annual General Assembly. We note with interest that your theme this year will be “Responding to Challenges and Reaffirming our Commitments to an Inclusive and Resilient Cooperative Philippines” which reflects that these are still challenging times for 1CISP and its members but you are still firmly committed to supporting communities through the cooperative model in the Philippines.

I am pleased to note that 2021 was another year of great engagement between our two organisations and we were delighted to welcome delegates from 1CISP to our virtual events including the Mutual Leadership Course and its alumni forum “MC2”; the Strategic Leaders Roundtables; ICMIF Young Leaders - Virtual Roundtables with CEOs; and our many webinars. We are delighted that Jackelyn Ballena, Vice President for Operations - Life Division, is a member of the ICMIF Young Leaders Forum.

This year, ICMIF will return to in-person events with the Meeting of Reinsurance Officials (MORO) taking place in May 2022 and the ICMIF Centenary Conference in Rome in October and we hope to give a warm welcome to delegates from 1CISP at these events. In addition to this, many of our events for 2021 will remain virtual and therefore continue to be a great opportunity for our friends from 1CISP to network and share best practices with other cooperatives from around the world.

We have enjoyed learning more about your great organisation through our many interactions over the course of the last year and we hope to continue this as 2022 progresses.

We wish you a very successful and enjoyable General Assembly.

Best wishes,
Shaun Tarbuck

MESSAGE



BEN TELFER

Co-ordinator of ICMIF Young Leaders and Vice-President

icmif

International Cooperative and Mutual Insurance Federation

On behalf of the ICMIF Young Leaders Forum, I am once again pleased to commend 1CISP for its efforts to engage young professionals and develop the next generation of leaders within the cooperative sector in the Philippines.

Young people around the world continue to be dramatically impacted by the ongoing Covid-19 pandemic, facing employment-related challenges and issues around mental health. Despite the challenges that the pandemic brought, 1CISP's leadership has enabled it to innovate to the changing situation during the pandemic and emerging issues in the "new normal".

In 2021, ICMIF was delighted that 1CISP were able to share some of their own experiences to other members through various ICMIF webinars and virtual events: in particular, how a "people-first" approach has helped to navigate the business through the pandemic; and how through the new DigiCoop FinTech platform, 1CISP is revolutionising the way Filipino cooperatives serve their members through digitalisation.

ICMIF is honoured that your colleague, Jackelyn P. Ballena, has continue to serve as the chairperson of the ICMIF Young Leaders Forum, our global network of young professionals. The Forum focuses on the professional and personal development of those that have been identified as future leaders within their organisations, and allows young leaders to network, learn from and collaborate with peers from other cooperative organisations around the world, in order to help them develop their professional and leadership skills.

We were also delighted that President Roy Miclat participated in a virtual ICMIF event for Young Leaders in 2021, as one of the invited CEOs to join a number of online roundtables for small group discussions. These roundtables provided a unique opportunity for Young Leaders from around the globe to spend an hour with a leading CEO of a fellow mutual/cooperative insurance company: offering the chance to ask these respected leaders anything about their organisation, current issues or challenges they face, their approach to leadership or even to ask for advice for career development. We thank Mr Miclat for his generosity to share his knowledge and wisdom with our cohort of emerging leaders.

I am delighted to extend my best wishes to all 1CISP employees and member cooperatives for your 2021 Annual General Assembly.

Ben Telfer
Co-ordinator of ICMIF Young Leaders and Vice-President, Business Intelligence,
International Cooperative and Mutual Insurance Federations (ICMIF)

MESSAGE



Asia and Oceania Association
of the ICMIF



FUMIO YANAI
Chairperson

As the Chair of the Asia and Oceania Association (AOA) of the International Cooperative and Mutual Insurance Federation (ICMIF), it is my great pleasure and honor to congratulate ICISP on the occasion of its 48th Virtual Annual General Assembly.

In the midst of the Covid-19 pandemic over the last two years, I understand ICISP has implemented innovative and unique initiatives in the different manner from the past, which include the digitalization for providing insurance and learning opportunities, the launch of new program for nurturing young leaders and Filipino women, and the effort such as the Go Green Campaign for tackling environmental issue and climate change. I believe these initiatives embodied our unchanging cooperative philosophy that, under any circumstances we as our cooperative and mutual insurance organizations keep in assuming our role of protecting people's lives and their communities through various services, and our role has become increasingly important in recent years.

Under these circumstances, in the theme of ICISP this year, "Responding to Challenges and Reaffirming our Commitments to an Inclusive and Resilient Cooperative Philippines", I felt ICISP's firm intention that ICISP would proceed to strengthen cooperative movement together with member organizations, protect the lives of the people of the Philippines, and build a sustainable society that resonates with the SDGs as advocated by the United Nations.

In addition, ICISP actively involves in the activities not only in the Philippines but also of the ICMIF and its regional association in Asia and Oceania (AOA) and shares its knowledge with others and leads discussions at various events. As a result, the presence of ICISP is indispensable in the global cooperative sector.

As a leader in the cooperative insurance sector in the Philippines, we sincerely hope that ICISP will grow sustainably in the future and we will have many opportunities to celebrate ICISP's contribution to the growth of the cooperative sector and its members' happiness.

Fumio Yanai

Chair

Asia and Oceania Association of the ICMIF



MESSAGE FROM THE CHAIRMAN

To our dear member-shareholders,

Greetings of peace, healing and good health to all!

On behalf of 1 Cooperative Insurance System of the Philippines Life and General Insurance (1CISP), a blessed day to all as we move forward and celebrate our 48th Annual General Assembly and Election of Officers.

Our 1CISP theme this year 2022 is RESPONDING TO THE CHALLENGES AND REAFFIRMING OUR COMMITMENT TO AN INCLUSIVE AND RESILIENT COOPERATIVE PHILIPPINES.

Year 2021 has been another extra challenging year for all of us. We continue to fight and battle with the COVID-19 pandemic up until now and faced the severe damages of Typhoon Odette to our communities especially in the Visayas and Mindanao Region.

With the impact of COVID-19 and Typhoon Odette especially on the claims settlement, 1CISP continues to survive and thrive servicing its insured members - providing insurance benefits of our insured members.

While paying the insurance coverages of our members, 1CISP is blessed as we produced an insurance gross premium of P1.31 billion for 2021 vs. P1.16 billion in 2020. Our total asset for 2021 is P3.82 billion vs. P3.60 billion in 2020. Our total paid-up capital also reached the amount of P2.21 billion for 2021 vs. P1.84 billion in 2020. However, because 1CISP is very committed in paying the insurance benefits of our members and following the reserving requirements of our regulatory body, we are still able to have a net surplus of P20.98 million for the year 2021.

With the current financial condition and through the guidance of our Board of Directors, 1CISP is in good faith to be transparent and has been confident to respond to its members' needs through insurance protection. The 1CISP Board and Management is firm to its commitment and will continue to look for opportunities in order to deliver our mission and vision.


Let us work and fight our battles together with the spirit of cooperativism towards a strong movement. Year 2022 will be our recovery year. A year to shift and continue to secure the future of our cooperative toward the NEW NORMAL.

As we move forward with great hope for a much better 2022, let us once more renew our commitment to the cooperative ideals as a proven and tested social enterprise that thrives proactively in crisis for the betterment of its cooperators and the common good.

Let us be inspired by the words of Pope Francis on his social vision of cooperatives. He said that, "Your cooperative model, precisely because it is inspired by the social doctrine of the Church, corrects certain tendencies typical of collectivism and statism, which are sometimes lethal to private initiatives; and at the same time, it curbs the temptations of individualism and selfishness typical of liberalism. In fact, while the capitalist enterprise aims primarily at profit, the COOPERATIVE ENTERPRISE has as its primary purpose the balanced and proportionate satisfaction of social needs. Certainly the cooperative must also aim to produce profits, to be effective and efficient in its economic activity, but all this without losing sight of mutual solidarity."

Let's continue to pray for God's healing, protection and deliverance. God bless and protect you and your family. God bless 1CISP!!!

In opus ministerii,


Rev. Fr. Antonio Cecilio T. Pascual
1CISP Chairperson



MINUTES OF THE MEETING
1CISP 47TH ANNUAL GENERAL ASSEMBLY
Held on April 24, 2021

Via videoconference, per par. 1 of Memorandum Circular No. 2020-13

Attendees:

1. 1CISP Member-Shareholders
2. Board of Directors
3. Cooperative Officers
4. Committee Members
5. Management and Staff
6. Sales and Marketing Team
7. External Auditor and guests

PART I - REGISTRATION

- A. Registration of participants started at 8:00 a.m.

PART II – OPENING CEREMONIES

- A. Opening Prayer led by Ms. Leonila R. Medina, 1CISP Treasurer
- B. National Anthem (AVP and music-guided)
- C. Cooperative Pledge led by Ms. Madeline A. Lagazo, 1CISP Ethics Committee representing Claveria Grassroots MPC.
- D. Singing of 1CISP Hymn (AVP and music-guided)
- E. Acknowledgement of 1CISP member-shareholders, board of directors, cooperative officers, committee members, management and staff, sales and marketing team and guests.
- F. Presentation of House Rules (AVP and music-guided)
- G. Opening Remarks by Fr. Antonio Cecilio T. Pascual, 1CISP Chairperson.

PART III – BUSINESS PROPER

I. CALL TO ORDER

1CISP Chair Fr. Antonio Cecilio T. Pascual, called the meeting to order at 09:00a.m.

II. PROOF OF DUE NOTICE

As proof of due notice, Co-operative Secretary, Atty. Lyman A. Manzanares informed the general assembly that in compliance with the 1CISP By-Laws, the notice for the annual general assembly

48 together with the agenda, minutes of the meeting of the last GA and other meeting materials were
49 sent electronically to member-shareholders on March 15, 2021. Notice was also published in
50 Philippine Star on **March 11, 2021** (GA Original Date) & **April 13, 2021** (Rescheduled Date), 11 days
51 prior to this virtual general assembly.
52

53 **III. DETERMINATION OF QUORUM**

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55 Atty. Manzanares certified that 1CISP is compliant with Article VI Section VI of the By-Laws wherein
56 out of 2,958 member-shareholders representing **18,313,176** shares, there are 83 member-
57 shareholders present representing **14,135,647** shares which is equivalent to 77.19% of the total
58 capital shares of 1CISP. Accordingly, a quorum was present to hold the 47th Annual General
59 Assembly.
60

61 **IV. APPROVAL OF THE AGENDA FOR THE 47TH ANNUAL GENERAL ASSEMBLY**

62
63 BGen. Lorenzo R. Sumicad AFP (Ret) of ACDI MPC, moved for the approval of the agenda, duly
64 seconded by Mr. Nestor D. Ortigoza of King MPC. Thus, the following Resolution was adopted, to
65 wit:
66

67 **G.A. RESOLUTION NO. 01 S. 2021**

68
69 **BE IT RESOLVED, AS IT IS HEREBY RESOLVED** that the agenda of today's 47th
70 Annual General Assembly/ Shareholders Meeting of 1Cooperative Insurance
71 System of the Philippines Life and General Insurance (1CISP) dated April 24, 2021,
72 as presented,
73

74 **BE, AS IT IS HEREBY, APPROVED.**
75

76 **V. PRESENTATION OF ELECTION GUIDELINES**

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78 Mr. Danilo M. Capili, ELECOM Chairperson, informed the general assembly that a copy of the
79 election guidelines was sent electronically prior to the meeting. He mentioned that the election for
80 Independent Directors for this year was deferred. He explained that the Legal Counsel of 1CISP has
81 noted inconsistency in the By-Laws of 1CISP based on the circulars of the Insurance Commission
82 No. 2019-36 and 2018-36. Therefore, the election for Independent Directors was deferred for the
83 time being as 1CISP will submit amendments to be tackled in a special general assembly.
84

85 **VI. ELECTION PROPER**

86
87 Mr. Capili announced the election for the following vacant positions and the candidates:
88

- 89 ▪ 3 Regular Members of the Board of Directors
 - 90 ▪ 1 Member of the Audit and Inventory Committee
 - 91 ▪ 2 Members of the Election Committee
- 92
93
94

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For Regular Members of the Board of Directors:

Name of Candidates	Coop Represented
1. Normandy G. Jose	San Dionisio Credit Cooperative
2. Nestor D. Ortigoza	King Multipurpose Cooperative
3. BGen William P. Turalde AFP (Ret)	Koop King MPC
4. Fr. Antonio Cecilio T. Pascual	Simbayanan ni Maria MPC
5. Carlos G. Samontina	Memorial Services Cooperative Federation

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For Audit & Inventory Committee:

Name of Candidate	Coop Represented
1. Marites M. Bartolome	Mariveles Public Market Development Coop

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For Election Committee:

Name of Candidates	Coop Represented
1. Frederico A. Blanco	San Francisco Growth Enhancement MPC
2. Nick M. Abarientos	Egaña Parish Credit Cooperative

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Notes:

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1. With the aid of video presentation, all candidates were given chance to introduce themselves to the general assembly.

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2. A video presentation of the voting system was presented to the general assembly.

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3. Voting link was shared and sent via zoom chat box.

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4. Mr. Capili mentioned that for the members of the Election Committee, the person with the highest number of votes will serve for two (2) years while the other will serve for one (1) year.

107

5. Proclamation of winners was announced after the acknowledgement of top premium contributors.

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Before proceeding to the next agenda, Fr. Chair Pascual mentioned to the general assembly to reserve all items that the cooperators would like to raise during the duration of the general assembly in the new business.

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VII. APPROVAL OF MINUTES OF THE MEETING OF THE 46TH ANNUAL GENERAL ASSEMBLY MEETING

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Considering that the minutes of the meeting of the 46th Annual General Assembly was sent in advance to member-shareholders, Mr. Nestor D. Ortigoza of King MPC moved for the dispensation of the reading of the minutes, duly seconded by Atty. Jose Vicente C. Ventosa of Silangan MPC. Thus, the following Resolution was approved, to wit:

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G.A. RESOLUTION NO. 02 S. 2021

123

BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the member-shareholders approve the dispensation of the reading of the minutes of the meeting of the 46th Annual General Assembly, as presented,

124

125

126

127

BE, AS IT IS HEREBY, APPROVED.

128

129
130 No further corrections were raised therein. Consequently, BGen. Lorenzo R. Sumicad AFP (Ret) of
131 ACDI MPC, moved for the approval of minutes of the meeting of the 46th Annual General Assembly,
132 duly seconded by Ms. Madeline A. Lagazo of Claveria Grassroots MPC. Thus, the following
133 Resolution was adopted, to wit:

134
135 **G.A. RESOLUTION NO. 03 S. 2021**

136
137 **BE IT RESOLVED, AS IT IS HEREBY RESOLVED**, that the member-shareholders
138 approve the minutes of the meeting of the 46th Annual General Assembly, as
139 presented,

140
141 **BE, AS IT IS HEREBY, APPROVED.**

142
143 **VIII. CONFIRMATION OF THE BOARD RESOLUTIONS FOR YEAR 2020**

144
145 Atty. Manzanares informed the General Assembly that the acts of the Board of Directors are
146 expressed in Board Resolutions that they promulgated, starting with resolution number 001 dated
147 January 22, 2020 and ended with BOD resolution number 183 dated December 29, 2020, for a total
148 of 183 board resolutions in reference to page 35-46 of the annual report. These covers insurance
149 operations, administration, appointments, memberships, financial supports, sponsorships,
150 partnerships and committee reports.

151
152 Accordingly, Mr. Rogelio G. Decal of Safer Credit Cooperative, moved for the approval of the Board
153 Resolutions for year 2020 sent to the cooperative via email, duly seconded by Mr. Isagani B. Daba
154 of First Community Cooperative. Thus, the following Resolution was approved, to wit:

155
156 **G.A. RESOLUTION NO. 04 S. 2021**

157
158 **BE IT RESOLVED, AS IT IS HEREBY RESOLVED**, that all Resolutions adopted and/or
159 approved by the Board of Directors for Calendar Year 2020, as presented,

160
161 **BE, AS THEY ARE HEREBY, APPROVED.**

162
163 **IX. APPROVAL OF ANNUAL REPORTS**

164
165 **A. Joint Report of the Board of Directors and Management for 2020**

166
167 With the aid of audio-visual presentation, the Joint Report of the Board of Directors and
168 Management for 2020 was presented to the general assembly.

169
170 **1CISP: Thriving in the New Normal**

171
172 About the Theme: Reaching Out to the Grassroots Through Digitalization

173
174 At the core of 1CISP's undisputable ability to flourish through economic volatilities and catastrophic
175 circumstances is the unceasing support of its member-owners. It has been made apparent through

176 the years that their trust and confidence have strengthened the cooperative and has built the
177 foundation of its success.

178
179 The previous year's theme, "Risk Protection and Mitigation: Keys to Growth and Resiliency of
180 Cooperative Communities" highlights 1CISP's intense desire to return the support that it has
181 relished from its members in the best way the cooperative knows how – by providing insurance
182 services that would enable cooperatives to thrive during one of the most challenging times the
183 world has ever encountered.

184
185 However, perpetual growth and true resilience are best achieved by continuously adapting to the
186 dynamic environment and its needs through innovation. By focusing on 1CISP's mission, which is to
187 provide "a viable and socialized cooperative insurance service that protects and empowers
188 Filipinos, especially those who have less in life", this year's theme, "Reaching out to the Grassroots
189 through Digitalization" emphasizes 1CISP's resolve to further enhance and empower the
190 cooperative community through advancements in technology.

191
192 In its 47th year in the movement under the new normal, 1 Cooperative Insurance System of the
193 Philippines Life and General Insurance is more than ready to take on the challenges of the ever-
194 changing world.

195
196 Currently, economic, political, technological, and health risks continue to threaten the stability and
197 sustainability of businesses and operations in the Philippines. However, despite uncertainties,
198 cooperatives continue to adapt and thrive through their initiative and resourcefulness.

199
200 For 1CISP, 2020 was a definitely a challenging yet humbling year. Guided by its vision, mission, and
201 values, it has surpassed the many unforeseen difficulties brought about by the pandemic.

202
203 **January 2020 – 1CISP: Behind the Ashes**

204
205 The year 2020 was first shaken by the untimely eruption of the Taal Volcano after 42 years of being
206 inactive. This scenario felt familiar to us but in a positive manner: Do you remember how a small
207 cooperative federation has shaken things up from a negative financial to a profitable and stable
208 cooperative after 40 years? Yes, that is our own 1CISP.

209
210 To help the communities greatly affected by the Taal Volcano eruption, the 1CISP Board of Directors
211 approved the recommendation of the Management to allocate the amount of P1Million worth of
212 relief or rehabilitation during their regular meeting in January 2020.

213
214 'New Year, New Learnings'

215
216 As Taal Volcano continued to spew ash, the 1 Koop Leaders Academy Scholars have proved that
217 learning never stops as they kick-off simultaneous face-to-face and online learning sessions. The
218 scholars continued brainstorming ideas after a series of online (Zoom) meetings in the previous
219 year.

220
221 At the end of the session, one of the scholars quoted this: "Very much blessed with learnings today
222 and so happy with the opportunity. I even made a promise to myself to create more effective

223 programs for our cooperative and ensure that HR will really leave a legacy to our organization.”
224 #PanaloAngProyektongPlanado

225

226 **February 2020 – 1CISP: The Calm Before the Storm**

227

228 As of February 2020, a total of 23 new cooperatives joined 1CISP and patronized its products and
229 services. This is a 77% increase in number of new member-cooperatives in February 2019.

230

231 At the end of 2020, the 1CISP recorded a total of 296 new and patronizing members; a 31% year-
232 on-year increase from 2019’s 226 new members. The 296 new members brought additional P194
233 Million share capital to 1CISP in 2020.[h1]

234

235 This is a true testament of coops' trust and confidence in 1CISP.

236

237 **March 2020 – 1CISP: The Start of the Unknown**

238

239 March 16 marked the start of the community quarantine due to the COVID-19 pandemic. However,
240 the situation changed rapidly declaring a national Enhanced Community Quarantine (ECQ) or
241 effectively called as ‘total lockdown’. With this, 1CISP was forced to transition from office-based
242 work to Work-From-Home set-up.

243

244 This is a challenging time for all of us – both personally and professionally. The well- being of our
245 staff, their families, and our members has been our top priority. Since we, at 1 CISP, always believe
246 in taking care of its most important asset: the people, we assured that employees continued to
247 receive their full salary and benefits. Likewise, the Regional Area Managers, Financial Advisors and
248 Marketing Coordinators also received financial support from 1CISP.

249

250 Despite the adjustments and challenges of working from home, we at 1CISP were still able to give
251 priority to our insured clients’ needs. Acknowledging that this is also a difficult time for all our
252 members, 1CISP has extended the following accommodations:

253

254 Continuous support was also given to community, health workers and frontliners. Through our
255 Community Development Fund, we have-donated Php3 Million worth of medical supplies such as
256 PPEs, face shields, surgical face masks, alcohols and kits through our trusted partners to help our
257 frontliners with their fight against COVID-19.

258

- 259 1. Last 27 March, we donated 150 boxes of surgical face masks to Medical Mission Group Hospital
260 and Health Services Cooperatives in Luzon.
- 261 2. We donated Php300,000.00 cash to Caritas Manila – a lead NGO in the Archdiocese of Manila,
262 as support to their LIGTAS COVID-19 kit to support 20,000 families, inmates, and elderly who are
263 directly affected by this pandemic.
- 264 3. The amount of Php500,000.00 was channeled to the Philippine Cooperative Center and
265 Cooperative Health Management Federation to procure N95 masks and face shields for the
266 benefit of other Cooperative Hospitals in the country.
- 267 4. Additional P2Million was approved to continuously support our health workers and frontliners
268 in other COVID-19 identified hospitals in the Philippines.

269 5. We also provided MyPhone educational gadgets to our chosen beneficiary - Division of City
270 Schools of Navotas. We hope that in this simple way, 1CISP helped motivate the learners to be
271 active, participative and good performing students.

272
273 **April 2020 – 1CISP in the New Normal**

274
275 As of April 2020, there are more than 2 million confirmed COVID-19 cases worldwide. With this, the
276 demand for immediate healthcare and medication in the Philippines is rapidly increasing-

277
278 In line with our promise to protect every Filipino like a Family, even in these uncertain times,-we
279 offered an additional death claim benefit for COVID-19 related death-for FREE effective April 2020.
280 On top of that, 1CISP covers all HIB claims due to COVID-19.

281
282 Inspired by this pandemic, we have also developed a product specifically designed to protect the
283 members of the cooperatives and provides medical reimbursement, financial assistance and death
284 benefit due to COVID-19.

285
286 The COVID-19 pandemic is a nightmare for many but it is also an eye-opener for people to
287 appreciate the value of insurance.

288
289 Despite the loss of opportunity in terms of new business, 1CISP was still able to pay life and non-
290 life insurance claims during the first month of nationwide quarantine from March 16 to April 16 of
291 P4.58million and P338k, respectively. We also paid claims due to COVID19 with a total of
292 P1.06million.

293
294 **May 2020 – 1CISP: Adopt, Adapt and Use**

295
296 During the heat of the pandemic, 1CISP has proven that we are lockdown-proof:

297
298 We, at 1CISP, continued to make a difference and fill the gaps for our members under this very
299 difficult situation. We have provided initiatives for cooperatives to stay relevant despite the
300 pandemic.

301
302 We listed some of the challenges and opportunities we had experienced during the ECQ with the
303 work-from-home set-up:

- 304
305 1. Employees were safe at the comfort of their own homes while they work and do their best to
306 provide outputs expected from them.
307 2. It also increased productivity to employees as the time allotted for travel was dedicated to focus
308 on work.
309 3. In terms of financial benefits, we generated savings on some utilities while employees saved
310 their money from their usual transportation expenses.
311 4. We continued to appreciate and recognize our member-coops-that continuously helped and
312 shared their resources not only to their own members but also to our frontliners fighting COVID-
313 19, through our social media account-
314 5. The Board of Directors and Management continuously met online to actively review our business
315 practices.

- 316 6. 1CISP also provided other services like live webinars for the quarantine to become more
317 productive and engaging to our members.
318 7. Since we were transitioning from manual processing to digitalizing by developing a new system,
319 there was a difficulty in accessing our data system which later forced us to temporarily stop our
320 claims support.
321 8. With the use of online meeting facilities, we continuously keep our members engaged by
322 introducing live webinars, programs that help them become more successful with the new
323 normal, as well as presentations about our new products and services.
324 9. We developed-a Cooperative Rehabilitation Plan that contains specific activities and initiatives
325 that cooperatives, the sector, and the government can do to protect the sustainability of
326 cooperatives.

327
328 We strengthened our network and linkages through the following:

- 329
330 1. We provided trainings to our marketing personnel and interested coops in partnership with
331 Water.org to promote safe water and sanitation practices.
332 2. We also started meeting with the TransUnion team for the potential partnership for credit
333 scoring
334 3. We have an on-going enhancement of the NegoSeguro product through the assistance of GIZ
335 4. We continued to provide capacity and capability training program to our members through our
336 partner federations like MCN and VICTO
337 5. The partnership between 1CISP and Malayan Insurance Corporation target exponential growth
338 for both businesses. The two organizations shared the same vision which is to reach more low
339 income groups.
340

341 **June 2020 – 1CISP: Faces Behind The Mask**

342
343 We, at 1CISP, continue to nurture the employee’s knowledge, skills and attitude through continuous
344 learning opportunities. Utilizing online channels and platforms made learning and enhancement
345 possible.
346

347 **July 2020 – 1CISP: The Virtual Assembly Meeting**

348
349 The 46TH Annual General Assembly Meeting was initially scheduled on April 3 and 4, 2020. However,
350 due to the increasing number of COVID-19 cases, we decided to hold it virtually. The said meeting
351 was participated by 96 cooperatives and 300 virtual attendees around the Philippines.
352

353 **‘1CISP GOES GREEN’**

354
355 1CISP was with the cooperatives around the world to celebrate the 2020 International Cooperative
356 Month. In relation to this year’s theme: COOPERATIVES FOR CLIMATE ACTION, the ICA introduced
357 the Go Green Campaign 3.0. Started in 2018, this campaign is an initiative of International
358 Cooperative Alliance Asia and Pacific Committee on Youth Cooperation (ICYC), to link youth and
359 SDGs on a single platform and create an identity for cooperatives as a sustainable model for
360 environment and society.
361

362 To support the campaign, 1CISP created a local project titled Greeneration YZ which aims to
363 encourage more youth to plant trees and do different things to protect Mother Earth. Under this
364 project, there were different activities: -(1) DIY Pot Making Contest (2) 30 ways in 30 days and
365 #Coops4ClimateAction. Each winner received ayuda packages up to P3,000 and insurance coverage
366 up to P300,000.00

367
368 Free – 2 Months Extension of Loan Insurance Coverage

369
370 With the implementation of Section 4 (aa) of Republic Act No. 11469, otherwise known as the
371 Bayanihan to Heal as One Act (Bayanihan Act), we likewise extended the insurance coverage for
372 Cooperatives patronizing the Loan Payment Protection Insurance (LPPI) for sixty (60) days free of
373 charge.

374
375 The extension of two (2) months loan insurance coverage was effective July 1, 2020 and applicable
376 to those Cooperatives that have written a letter of intent and deferred the collection of loan
377 amortization for two (2) months during the Enhanced Community Quarantine.

378
379 **August 2020 – 1CISP Value Added Services**

380
381 During this difficult time, we found key opportunities in promoting our programs, products, and
382 services, to wit:

- 383
- 384 ▪ 1 Koop Insurance Network or 1KIN is a partnership between a cooperative and 1CISP that
385 complement the coop's existing financial services. With the entry of the insurance as a product
386 line, it will complete the coops' financial loop, making them all-inclusive service provider for the
387 members.
 - 388 ▪ Young Leadership Program (YLP) is a platform for young leaders to hone their leadership skills,
389 ensuring future-ready cooperatives. It will provide support that aims to progress and advance
390 cooperatives in the Philippines given all possible disruptions.

391
392 After the successful launch of the first advocacy campaign, #KwentoKo, in February 2020, wherein
393 winners showcased their individual success stories of being part in the cooperative movement, the
394 YLP followed the campaign with #KwentongKoop, which aims to showcase the success stories of
395 various individuals as members of a cooperative.

- 396
- 397 ▪ digiCOOP, a fintech platform partly-owned by 1CISP, allows online transactions such as lending,
398 money transfers, and police issuance, payment of premiums and claims. This is a pioneering
399 initiative in the Philippines wherein we initiated a partnership with Blockchain Company,
400 TraXion, Inc. to digitalize the processes of Philippine cooperatives. Moreover, digitalization
401 should be a priority for cooperatives, therefore, we are hoping to strengthen the availment of
402 digiCOOP.
 - 403 ▪ 1 Koop Mart serves as another profit center for the coop while responding to the consumer
404 needs of the individual members. The availability of 1KoopMart provides solution to the lack of
405 access to basic necessities. 1CISP continues to provide value-added programs to its members.

406
407
408

409 **September 2020 – 1CISP: Being Present in a Virtual World**

410
411 1CISP believes that the best ways to achieve a strong and harmonious relationship with its members
412 are through the exercise of transparency and good governance principles, the practice of efficient
413 and high-quality service, and active participation and interaction with our member-owners.

414
415 The Owners’ forum-was annually conducted to update our members with the current operations
416 and services especially during the COVID-19 quarantine period and to get to know more about
417 1CISP's latest projects. With the presence of the COVID-19 pandemic, we conducted it virtually:

418
419 **October 2020 – 1CISP Said Y.E.S.**

420
421 1CISP ensures that it is community-focused by ensuring that we listen to the customers and
422 understand their needs.

423
424 We, at 1CISP, together with CLIMBS and CHMF, answered the call of the Cooperative Development
425 Authority and launched a new product that will cater the insurance needs of our elderly group.

426
427 Did you know? The average age of the members in a cooperative is between 40-50. For years, this
428 elderly market segment of the cooperative has been neglected because of the common view on
429 insurance. This was the inspiration on the development of the new insurance product that will cater
430 the insurance needs of members aged 18 to 99 years old. This also serves as recognition to the
431 contribution of the elderly who trust and support their respective cooperative for years.

432
433 Free – 2 Months Extension of Loan

434
435 With the implementation of Section 4 (uu) of R.A. No. 11494 otherwise known as the Bayanihan to
436 Recover As One Act, we further extended the insurance coverage for cooperatives patronizing the
437 Loan Payment Protection Insurance (LPPI) until July 31, 2021.

438
439 The 1CISP did not charge additional premium for the 60-day insurance coverage extension to all
440 policies of the member-cooperatives that have submitted a written letter of request.

441
442 **November 2020 – 1CISP: A Friend Through a Tough Time**

443
444 The onslaught of tropical typhoons has extremely affected individual members who are small-scale
445 entrepreneurs and freelancers. To extend help, we donated to communities most affected by
446 Typhoon Ulysses amounting to P1,150,000.00.

447
448 We have identified that the insurance product needed this time is Business Interruption Insurance.
449 The onslaught of tropical typhoons has extremely affected individual members who are small-scale
450 entrepreneurs and freelancers. In partnership with GIZ, we enhanced our NegoSeguro business
451 insurance product to NegoSeguro PLUS with the inclusion of flood coverage.

452
453
454
455

456
457
458

December 2020 – 1CISP: Finding Gratitude Amidst A Pandemic

Financial Highlights

Accounts	2019	2020	%Inc
Cash And Investments	P2.46billion	P2.59billion	5.48%
Total Assets	P3.28billion	P3.60billion	3.53%
Benefits And Claims Paid	P371.41million	P420.51million	13.21%
Member's Equity	P1.65billion	P1.84billion	10.5%
Total Liabilities	P1.44billion	P1.42billion	-1.48%
Net Insurance Premium	P1.05billion	P961million	-8.18%
Gross Premium Written For:			
Life Policies	P1.14billion	P1.02billion	-11.03%
Non-Life Policies	P92.74million	P139.71million	50.65%
Net Surplus	P286million	P294million	2.51%

459
460
461
462

It is noteworthy to highlight the increase in benefits and claims paid which also covers P2.60Million claims due to COVID-19. A total of 10,080 claims were paid despite the challenges brought by the COVID-19 pandemic.

463
464
465
466

The decrease in the gross premium in life operations is a result of late remittances which is due to the COVID-19 restrictions in mobility. However, amidst the pandemic, we were still able to surpass our target and generate a total net surplus of P294Million.

467
468
469

In a resolution passed and approved by the Board of Directors subject to the confirmation by the General Assembly, 1CISP declares the following:

470
471
472

- Dividend - 8%
- Patronage Refund and Experience Refund - 6.89%

473
474
475

"We are not only surviving but we are THRIVING IN THE NEW NORMAL" – Fr. Antonio Cecilio T. Pascual, 1CISP Chairperson

476
477
478

"We want to integrate all cooperatives, large or small, millionaires and billionaires...Integration can happen NOW, we can do it, TOGETHER. Let us move from 'Talk-Say-Promise' to 'Show-Act-Prove'. Together we can do more!" – Roy S. Miclat, 1CISP President

479
480
481
482
483

Consequently, Mr. Jerson S. Remo of Silangan MPC, moved for the approval of the Joint Report of the Board of Directors and Management detailing the results of 1CISP's operation for year 2020, duly seconded by Ms. Helen R. Baetiong of Sacred Heart Parish Development Cooperative and Ms.

484 Vannie Gabriel of Philippine Air Traffic Controllers MPC. Thus, the following Resolution was
 485 approved, to wit:

486
 487 **G.A. RESOLUTION NO. 05 S. 2021**

488
 489 **BE IT RESOLVED, AS IT IS HEREBY RESOLVED**, that the Joint Report of the Board
 490 of Directors and Management detailing the results of 1CISP’s operation for the
 491 Year 2020, as presented and discussed,

492
 493 **BE, AS IT IS HEREBY, APPROVED.**

494
 495 **B. Audited Financial Statement for 2020**

496
 497 With the aid of powerpoint presentation, the Audited Financial Statement (AFS) as of December 31,
 498 2020 was presented to the general assembly by EVP/COO Cecilia M. Laguna. Its full text was
 499 included in the Annual Report and was sent electronically to member-shareholders, highlights of
 500 which are as follows:

501
 502 **Statement of Financial Condition**

ACCOUNTS	2020	VA	2019	VA	Inc. (Dec.)
ASSETS					
Current Assets					
Cash and Cash Equivalents	P 1,473,980,236	40.90%	P 1,598,897,904	48.74%	-7.81%
Short-term Investments	490,166,618	13.60%	273,054,311	8.32%	79.51%
Insurance Receivables	135,072,566	3.75%	73,990,079	2.26%	82.55%
Reinsurance Assets	98,473,653	2.73%	98,589,831	3.01%	-0.12%
Loans and Receivables	79,300,395	2.20%	89,849,762	2.74%	-11.74%
Financial Assets	133,155,352	3.69%	206,653,936	6.30%	-35.57%
Deferred acquisition costs	19,263,494	0.53%	9,068,064	0.28%	112.43%
Other Current Assets	<u>8,282,021</u>	<u>0.23%</u>	<u>4,401,871</u>	<u>0.13%</u>	<u>88.15%</u>
Total Current Assets	P 2,437,694,335	67.64%	P 2,354,505,758	71.78%	3.53%
Noncurrent Assets:					
Loans receivables-net of current	P 269,331,234	7.47%	P 294,959,936	8.99%	-8.69%
Financial Assets-net of current	492,728,959	13.67%	376,911,216	11.49%	30.73%
Investment in Associate	55,000,000	1.53%	-	0.00%	0.00%
Property and Equipment	303,130,031	8.41%	226,113,184	6.89%	34.06%
Other noncurrent assets	<u>45,860,274</u>	<u>1.27%</u>	<u>27,703,174</u>	<u>0.84%</u>	<u>65.54%</u>

ACCOUNTS	2020	VA	2019	VA	Inc. (Dec.)
Total Noncurrent Assets	<u>1,166,050,498</u>	<u>32.36%</u>	<u>925,687,510</u>	<u>28.22%</u>	<u>25.97%</u>
TOTAL ASSETS	P 3,603,744,833	100%	P 3,280,193,268	100%	9.86%
LIABILITIES AND MEMBERS' EQUITY					
Current Liabilities:					
Insurance Contract Liab.	565,404,402	15.69%	620,179,859	18.91%	-8.83%
Deferred commission income	2,975,282	0.08%	4,654,275	0.14%	-36.07%
Due to reinsurers	41,429,485	1.15%	83,716,586	2.55%	-50.51%
Trade and other payables	254,148,885	7.05%	221,570,325	6.75%	14.70%
Accrued Expenses	38,588,392	1.07%	50,295,779	1.53%	-23.28%
Other Current Liabilities	<u>488,257,832</u>	<u>13.55%</u>	<u>448,903,434</u>	<u>13.69%</u>	<u>8.77%</u>
Total Current Liabilities	1,390,804,278	38.59%	1,429,320,258	43.57%	-2.69%
Noncurrent Liability:					
Retirement Liability	<u>32,682,175</u>	<u>0.91%</u>	<u>15,624,906</u>	<u>0.48%</u>	<u>109.17%</u>
TOTAL LIABILITIES	1,423,486,453	39.50%	1,444,945,164	44.05%	-1.49%
Members' Equity:					
Share Capital	P 1,839,833,000	51.05%	P 1,646,168,400	50.19%	11.76%
Contributed Surplus	85,298	0.00%	85,298	0.00%	0.00%
Revaluation Surplus	12,081,337	0.34%	12,081,337	0.37%	0.00%
Remeasurement of Aggregate reserve	(1,494,999)	-0.04%	-	0.00%	0.00%
Statutory Funds:					
General Reserve Fund	190,193,254	5.28%	110,553,058	3.37%	72.04%
Optional Fund	92,609,000	2.57%	32,567,166	0.99%	184.36%
Cooperative Education and Training Fund	29,268,235	0.81%	20,094,485	0.61%	45.65%
Community Development Fund	<u>17,683,255</u>	<u>0.49%</u>	<u>13,698,360</u>	<u>0.42%</u>	<u>29.09%</u>
Total Equity	<u>2,180,258,380</u>	<u>60.50%</u>	<u>1,835,248,104</u>	<u>55.95%</u>	<u>18.80%</u>
TOTAL LIABILITIES AND EQUITY	P 3,603,744,833	100%	P 3,280,193,268	100%	9.86%
REVENUE:					
Net Insurance Premiums Earned	P 960,752,215	100.00%	P 1,046,374,497	100.00%	-8.18%
Other Income	<u>61,976,461</u>	<u>6.45%</u>	<u>67,865,915</u>	<u>6.49%</u>	<u>-8.68%</u>
NET REVENUE	1,022,728,676	106.45%	1,114,240,412	106.49%	-8.21%

ACCOUNTS	2020	VA	2019	VA	Inc. (Dec.)
BENEFITS, CLAIMS AND EXPENSES:					
Benefits and Claims Expenses	P 420,508,878	43.77%	P 371,408,979	35.49%	13.22%
Change in aggregate & misc reserve	<u>(61,078,592)</u>	<u>-6.36%</u>	<u>85,100,000</u>	<u>8.13%</u>	<u>-171.77%</u>
Net Insurance benefit & claims	359,430,286	37.41%	456,508,979	43.63%	-21.27%
Underwriting Expenses	158,457,251	16.49%	189,187,284	18.08%	-16.24%
Administrative cost	206,616,020	21.51%	174,984,454	16.72%	18.08%
Finance costs	<u>4,103,379</u>	<u>0.43%</u>	<u>6,649,482</u>	<u>0.64%</u>	<u>-38.29%</u>
	<u>728,606,936</u>	<u>75.84%</u>	<u>827,330,199</u>	<u>79.07%</u>	<u>-11.93%</u>
NET SURPLUS	P 294,121,740	30.61%	P 286,910,213	27.42%	2.51%

Consequently, Ms. Madeline A. Lagazo of Claveria Grassroots MPC, moved for the approval of the 2020 Audited Financial Statements, duly seconded by Mr. Crisanto R. Sabino of CARE Savings and Credit Cooperative. Thus, the following Resolution was approved, to wit:

G.A. RESOLUTION NO. 06 S. 2021

BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the Audited Financial Statements of 1 Cooperative Insurance System of the Philippines Life and General Insurance (1CISP) for Calendar Year ended December 31, 2020, as presented to, and discussed by, the General Assembly, be approved;

RESOLVED FURTHER, that the excess reserves in the amount of P171.20 million classified under Miscellaneous Reserves be re-classed, as recommended by the External Auditor, to the following accounts:

1. Reclassify P76,329,479 as Cooperative's income; and
2. Reclassify P94,860,666.06 to Statutory Funds distributed as:

Optional Fund	39,453,311.90
CDF	5,000,000.00
General Reserve Fund	<u>50,407,354.16</u>
Total	<u>94,860.666.06</u>

BE, AS THEY ARE HEREBY, APPROVED.

Questions/Discussions:

1. Cash is about 41% of total current asset. Kindly explain why is this so. Is that good or bad for the business? – Romy Mandalupe of Philippine Cooperative Central Fund Federation (PCF)
 - President Miclat mentioned that during the pandemic, there is uncertainty in terms of doing business. The investment climate was very volatile and unstable. So the Management decided to maintain cash position and invested to short-term investments which is below one year. This will provide 1CISP more agile and responsive to opportunities – having a good amount of cash within 1CISP's grasp. This is also when the

536 Insurance Commission decided that requirements in different investments should be
537 managed and should not be on a long-term basis to protect the stability of the
538 organization. This is a Management strategy and compliance to the Insurance
539 Commission. Revenues of insurance companies come only from premium and
540 investments.

541 ➤ Fr. Chair Pascual also stated that in financial intelligence, cash flow is King especially
542 during crisis.

543 2. Current liabilities of 39% of the total asset may help present a high net worth but reflects low
544 penetration or low coverage. Mr. Romy Mandalupe of Philippine Cooperative Central Fund
545 Federation (PCF) requested for comments.

546 ➤ President Miclat said that 1CISP's current liabilities are very well managed and there will
547 be some adjustments to be made within the year. The two (2) cooperative insurers have
548 lower penetration compared to other private insurers. Some cooperatives also do not
549 patronize neither of the two (2) cooperative insurers (1CISP & CLIMBS). This is one of
550 the challenges that being faced by cooperative insurers – to make the presence felt not
551 only in the public but most especially to the cooperatives. The current liabilities of
552 insurance companies does not reflect low penetration rate rather efficiency in terms of
553 settling liabilities and providing effective services to the members. 1CISP aims to be a
554 responsive insurance provider to its members.

555 ➤ Vice Chair Daba also explained that one major reason for the drop in current liabilities
556 is the adjustments recommended by the External Auditor to 1CISP. Since 2014 up to
557 2019, 1CISP have been building up its insurance contract liability reserves which serves
558 as protection for the coop. However, 1CISP is beyond the required reserves and it was
559 transferred lately to statutory reserves.

560 3. What is remeasurement of aggregate reserve? – Mr. Rogelio G. Decal of Safer Credit Cooperative

561 ➤ President Miclat answered that the remeasurement of aggregate reserve was based on
562 actual valuation of the Independent Actuarial accredited by the Insurance Commission.
563 These are recognition of reserves which recommended by the Independent Actuarial –
564 to adjust certain reserves requirement by the Insurance Commission. Last year, the
565 Independent Actuarial commented that 1CISP has excess reserves and there should be
566 a reclassification so that reserves will be recognized. This should be followed as part of
567 regulatory requirement in the Insurance Commission.

568 4. May we be clarified on the more than 109% increase in retirement liability? – Ms. Cielito L.
569 Garrido of San Dionisio Credit Cooperative

570 ➤ President Miclat responded that this is one of the technical component of the insurance
571 organization. The Management requested to increase the actuarial valuation for
572 retirement due to the increase of manpower and increase of compensation relatively
573 from the previous years. This contributed to the increase in the retirement liability to
574 cover 100% potential retirements in the coming years. President Miclat emphasized that
575 1CISP can provide good retirement packages when employee retires.

576 5. What is the current status or standing of 1CISP as an insurance compared to all insurance
577 companies in terms of assets and net premiums income? – Ms. Oma Guhiting of JFC Employees
578 MPC

579 ➤ President Miclat stated that seven (7) years ago, 1CISP was at the bottom and now
580 reached the middle rank out of 31 insurance companies in the Philippines. He was very
581 optimistic that 1CISP will be part of the top 10 in the next five years. And if the members
582 of both insurance cooperatives decide to consolidate, then the insurance cooperative

583 can break the top 5 in terms of assets and income. Thus, making the insurance
 584 cooperative in the country stand toe to toe with other private insurance companies.
 585 President Miclat hoped that 1CISP and CLIMBS will consolidate to further serve the
 586 cooperative movement through risk protection and mitigation.

- Fr. Chair Pascual highlighted the challenge of merger and consolidation between 1CISP & CLIMBS – to become stronger, more stable, more services, more benefits and will be placed at the top 10 of the insurance companies in the Philippines.

590 6. Further inputs from Vice Chair Daba.

- The net insurance premium decreased from P1.046 billion in 2019 to P960 million in 2020; while the benefits and claims expense increased to P420 million for 2020 from P371 million in 2019.
- Despite the decrease in premium and increase in claims, 1CISP still earned a good income considering the trend of many coops. The adjustment required by the External Auditor on the insurance contract liabilities reserve contributed much to our increased Net Surplus of 1CISP for 2020. Despite the current pandemic, 1CISP was still able to come up with a good bottom line luckily because of the reserves built over the last 7 years.

600 **C. Approval of the Proposed Budget for 2021**

602 With the aid of audio visual presentation, figures under the proposed budget 2021 column were
 603 presented to the general assembly.

605 **1CISP Life And General Insurance**
 606 **Composite Proposed Budget For 2021**

	Actual 2020	VA	Budget 2020	VA	Variance	Proposed Budget 2021	VA
REVENUES						25%	
Gross premiums	1,155,368,812	116.23%	1,117,700,000	114.74%	37,668,812	1,444,800,000	117.13%
Reinsurer's share of gross premium	(161,364,080)	13.97%	(143,600,000)	12.85%	(17,764,080)	(211,300,000)	14.62%
Net Insurance Prem	994,004,732.13	100.00%	974,100,000	100.00%	19,904,732	1,233,500,000	100.00%
Investment Income	48,955,835	4.93%	39,900,000	4.10%	9,055,835	53,800,000	4.36%
Other Income	13,020,626	1.31%	14,400,000	1.48%	(1,379,374)	6,600,000	0.54%
	1,055,981,193	106.24%	1,028,400,000	105.57%	27,581,193	1,293,900,000	104.90%
BENEFITS & EXPENSES							
Increase (decrease) in LPR	(27,826,075)	-2.80%	85,200,000	8.75%	(113,026,075)	132,000,000	10.70%
Gross benefits and claims paid	420,508,877	42.30%	340,600,000	34.97%	79,908,877	497,800,000	40.36%
Net Insurance benefits and claims	392,682,802	39.51%	425,800,000	43.71%	(33,117,198)	629,800,000	51.06%
Commission	158,357,250	15.93%	180,700,000	18.55%	(22,342,750)	197,400,000	16.00%
Compensation and Benefits	117,495,090	11.82%	123,300,000	12.40%	(5,804,910)	122,100,000	9.90%
Utilities	5,848,163	0.59%	6,500,000	0.65%	(651,837)	7,400,000	0.60%
Depreciation	5,628,508	0.57%	8,900,000	0.90%	(3,271,492)	13,100,000	1.06%

Postage, Telephone & Telegram	2,410,381	0.24%	3,800,000	0.38%	(1,389,619)	3,200,000	0.26%
Travelling Expenses	2,343,611	0.24%	5,200,000	0.52%	(2,856,389)	3,100,000	0.25%
Professional, Legal & Audit Fee	7,594,242	0.76%	8,400,000	0.85%	(805,758)	8,700,000	0.71%
Printing, Stationery & Supplies	2,233,662	0.22%	3,600,000	0.36%	(1,366,338)	3,000,000	0.24%
Officers Honorarium and Allowance	4,611,660	0.46%	5,300,000	0.53%	(688,340)	4,700,000	0.38%
Conference and Sales Meeting	1,769,913	0.18%	3,700,000	0.37%	(1,930,087)	2,300,000	0.19%
Representation and Entertainment	1,764,386	0.18%	2,800,000	0.28%	(1,035,614)	2,600,000	0.21%
Membership and Association Dues	2,152,890	0.22%	1,500,000	0.15%	652,890	2,000,000	0.16%
Board Meeting Expenses	649,796	0.07%	3,500,000	0.35%	(2,850,204)	1,300,000	0.11%
General Assembly Expenses	2,409,784	0.24%	2,800,000	0.28%	(390,216)	3,000,000	0.24%
Provisions	47,019,599	4.73%	15,500,000	1.56%	31,519,599	5,000,000	0.41%
Advertising/ Donation Expenses	1,948,722	0.20%	3,600,000	0.36%	(1,651,278)	2,700,000	0.22%
Business Dev't Exp	-	0.00%	1,000,000	0.10%	(1,000,000)	1,000,000	0.08%
Gen. & Admin Exp	<u>4,938,994</u>	<u>0.50%</u>	<u>2,500,000</u>	<u>0.25%</u>	<u>2,438,994</u>	<u>1,500,000</u>	<u>0.12%</u>
	761,859,453	76.65%	808,400,000	82.99%	(46,540,547)	1,013,900,000	82.20%
Excess (Deficiency) of Revenue Over Expenses	294,121,740	29.59%	220,000,000	22.58%	74,121,740	280,000,000	22.70%
Other Compre Income			-		-	-	
Total Comprehensive Income (Loss) For The Year	294,121,740		220,000,000		74,121,740	280,000,000	

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2021 Capital Outlay

	Amount	Qty	Amount
Computer/IT Equipment			
Desktop/Laptop	40,000.00		
Head Office (Vacant Position)		10	400,000
Branch Office		15	600,000
Printer	10,000.00		
Head Office		5	50,000
Branch Office		2	20,000
Regions		5	50,000
Router	10,000.00	3	30,000

Software for ICARD			250,000
Integrated System			24,600,000
Projector	50,000.00	2	100,000
Sophos Cloud Endpoint Protection Advance (Anti-virus)			200,000
Integrated Software (Branch Office & Non-Life)			5,000,000
Server	300,000.00		
Head Office		2	600,000
Branch Office		3	900,000
Sub-Total			<u>32,800,000</u>
Office Equipment			
Aircon (inverter)			
Head Office	70,000.00	2	140,000
Branch Office	70,000.00	3	210,000
Regional Office	70,000.00	3	210,000
Emergency Light	5,000.00	11	55,000
Generator Set			
Branch Office			800,000
Photocopying machine			
Branch Office	50,000.00	1	50,000
Sub-Total			<u>1,465,000</u>
Office Furniture & Fixtures			
Head Office (for the new building)			15,000,000.00
Branch Office (for the newly renovated building)		3	3,000,000.00
Sub-Total			<u>18,000,000.00</u>
Regional Office			
Clerical Office Chair w/ arm	3,000	14	42,000.00
Executive Chair w/ arm	4,000	14	56,000.00
Pedestal Cabinet Model	6,000	14	84,000.00
Cubicle Table	9,000	14	126,000.00
Steel Cabinet Brown	13,000	14	182,000.00
Visitor Chair Black Lobby	2,000	14	28,000.00
Folding Table	3,000	4	12,000.00
Records Cabinet OD:96 Hx42 Wx16D	21,000	14	294,000.00
Sub-Total			<u>824,000.00</u>
Building/Improvements			
Head Office (newly acquired land)			
Construction of Building (Balance)			60,000,000.00
Branch Office (CDO)			
Renovation of Building			1,000,000.00
Branch Office (Davao)			
Land			5,000,000.00
Building Construction			15,000,000.00
Branch Office (Visayas)			
Land			5,000,000.00
Building Construction			15,000,000.00
Sub-Total			<u>101,000,000.00</u>

TOTAL			<u>154,089,000.00</u>
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Consequently, Ms. Elizabeth G. Gabutin of Guadalupe Community MPC, moved for the approval of the proposed Budget for Calendar Year 2021, duly seconded by Ms. Marites M. Bartolome of Mariveles Public Market Development Cooperative. Thus, the following Resolution was adopted, to wit:

G.A. RESOLUTION NO. 07 S. 2021

BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the proposed Budget for Calendar Year 2021 as presented to, and deliberated on, by the General Assembly of 1 Cooperative Insurance System of the Philippines Life and General Insurance (1CISP),

BE, AS IT IS HEREBY, APPROVED.

Questions/Discussions:

1. Will there be slide that will show actual last year, the budget for last year and the budget for next year? – Mr. Isagani B. Daba of First Community Cooperative
 - President Miclat answered that the Management will present the comparative budget to the new Board on their first regular Board meeting.
2. Ms. Margie Somera of Ilocos Consolidated Cooperative Bank congratulated the 1CISP led by 1CISP Chair Rev. Fr. Antonio Cecilio T. Pascual and President Roy S. Miclat for a very good budget for year 2021.
3. Fr. Chair Pascual mentioned to the general assembly that despite the pandemic, 1CISP is committing to the member-shareholders an 8% to 10% return on investment or interest on share capital. For 2020, it's 8% and 8% to 10% for 2021 – with the help and support of everyone especially when members patronize the services of 1CISP.

D. Audit Committee Report for 2020

With the aid of powerpoint presentation, Ms. Wilma L. Gidaya, Chairperson of the Audit Committee, presented the report of the committee, stated as follows:

1. The Audit and Inventory Committee:
 - Wilma L. Gidaya, CPA (Chairperson)
 - Marites M. Bartolome, CPA (Secretary)
 - Jaysan Ray N. Chee, MBA, REA, REB, EnP (Member)
2. The Committee have examined the compliance to the industry standards of the 1 Cooperative Insurance System of the Philippines Life and General Insurance for the year ending December 31, 2020.
3. The responsibility of the committee is to render a report on the company's compliance to said standards based on our examination.
4. Committee opinion, based on the report rendered by the KPMG R.G. Manabat & Co. and in accordance with the Performance and Social Audit of cooperatives, the 1CISP obtained the following ratings for the year ending December 31, 2020:

Basis of Opinion	Rating
2020 Audited Financial Statements	Unqualified
CDA Social Audit	Very Satisfactory
CDA Performance Audit	Satisfactory

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5. The Committee conducted our examination in accordance with:
 - CDA Guidelines on Performance and Social Audit of Cooperatives,
 - ASEAN Corporate Governance Scorecard
 - Audit Report rendered by KPMG R.G. Manabat & Co.
 6. These standards require that the Committee plan and perform the examination to ensure reasonable assurance about whether the 1CISP complies with the standards set by the governing/regulating agencies.
 7. The examination included validating the Cooperative Performance Audit Report (PAR), accomplishing the Social Audit Questionnaires and calculating the points earned by the 1CISP based on parameters/criteria set forth under the CDA and IC guidelines.
 8. The Committee believe that their examination provided a reasonable basis to render a rating on the Insurance Company's Performance.

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Consequently, Mr. Gil C. Gilot of PERA MPC, moved for the approval of the report of Audit and Inventory Committee, duly seconded by Ms. Elizabeth G. Gabutin of Guadalupe Community MPC and Mr. Nonato Alfredo T. Peralta Jr. of Asiapro MPC. Thus, the following Resolution was approved, to wit:

G.A. RESOLUTION NO. 08 S. 2021

BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the report of the Audit and Inventory Committee on the financial and operations performances of 1CISP for Calendar Year 2020, as presented and discussed,

BE, AS IT IS HEREBY ACCEPTED AND APPROVED.

X. APPROVAL OF THE DISTRIBUTION OF NET SURPLUS FOR 2020

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With the aid of powerpoint presentation, President & CEO, Roy S. Miclat, presented the following allocation of net surplus for Calendar Year 2020, as follows:

NET SURPLUS		294,121,740	
General Reserve Fund	29,412,174.01		10.00%
Reserve for Educ. & Training	14,706,087.00		5.00%
Community Development Fund	8,823,652.20		3.00%
Optional Fund	<u>20,588,521.81</u>		7.00%
		73,530,435.02	
DISTRIBUTABLE SURPLUS		220,591,305.07	75.00%
APPROPRIATIONS FOR DISTRIBUTABLE SURPLUS			
Patronage Refund		11,029,565.25	5.00%
Experience Refund		<u>55,147,826.27</u>	25.00%

698	Amount Available For Dividend	154,413,913.55	70.00%
699			
700	Dividend Rate:		
701	For Preferred Shares	1,177,329.71	4.00%
702	For Common Shares	<u>153,236,583.84</u>	8.00%
703	Total Dividend For Distribution	154,413,913.55	
704	Patronage & Experience Refund Rate		6.89%
705			

706 Consequently, Mr. Ricardo SD. Justol of SPMC Employees Credit Cooperative, moved for the
707 approval of the aforesaid appropriations to be distributed to all qualified members of 1CISP as
708 presented and discussed, duly seconded by Mr. Carlos G. Samontina of Memorial Services
709 Cooperative Federation. Thus, the following Resolution was adopted, to wit:

710 **G.A. RESOLUTION NO. 09 S. 2021**

711 **WHEREAS**, as a result of the remarkable performance of 1 Cooperative Insurance
712 System of the Philippines Life and General Insurance (1CISP) on its operation for
713 Calendar Year 2020, its Audited Financial Statements recorded a net surplus of
714 **Php 294,121,740.00;**

715 **WHEREAS**, the Board of Directors in its financial report to the General Assembly
716 recommended for the approval of the Member-Shareholders, the allocation of
717 net surplus which include statutory/mandatory reserves, land acquisition and
718 building improvement and/or construction, patronage refund, experience refund
719 and dividend for preferred and common shares,

720 **WHEREFORE, FOREGOING PREMISES CONSIDERED, BE IT RESOLVED, AS IT IS**
721 **HEREBY RESOLVED**, that 1CISP General Assembly approve the abovementioned
722 distribution of net surplus as presented and discussed and the following
723 appropriations for dividend, patronage refund, and experience refund for the
724 year ended December 31, 2020, to wit:

725	Dividend Rate:		
726	For Preferred Shares	1,177,329.71	4.00%
727	For Common Shares	<u>153,236,583.84</u>	8.00%
728	Total Dividend For Distribution	154,413,913.55	
729	Patronage & Experience Refund Rate		6.89%

730 **BE, AS THEY ARE HEREBY, APPROVED.**

731 **Questions/Discussions:**

- 732 1. Do we need to send a board resolution informing 1CISP of the shareholders depository bank?
733 Other coops may wish to have their dividend added back to their capital – Mr. Rogelio G. Decal
734 of Safer Credit Cooperative
735 ➤ President Miclat mentioned that members will receive a notice of distribution of net
736 surplus, earned dividend, patronage refund and experience refund of their cooperative.
737 Below the notice is a checklist of what the member would like to do with their dividend,
738

745 patronage and experience refund for 2020 either cash/can be deposited to the members
 746 account or add it to their capital. Notice will be signed by the general manager and
 747 chairperson of the coop. The conforme will be sufficient enough and no need for a board
 748 resolution.

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 750 **XI. APPOINTMENT OF THE NEW EXTERNAL AUDITOR FOR YEAR 2021**

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 752 On the recommendation of the Audit & Inventory Committee, Mr. Carlos G. Samontina of Memorial
 753 Services Cooperative Federation, moved for the approval to appoint Diaz Murillo Dalupan and
 754 Company as 1CISP’s new external auditor for Calendar Year 2021, duly seconded by Ms. Normelita
 755 Alabado of ANSTEC. Thus, the following Resolution was adopted, to wit:

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 757 **G.A. RESOLUTION NO. 10 S. 2021**

758
 759 **BE IT RESOLVED, AS IT IS HEREBY RESOLVED,** that the appointment of Diaz
 760 Murillo Dalupan and Company as 1CISP’s new External Auditor for Calendar Year
 761 2021, as presented to the general assembly,

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 763 **BE, AS IT IS HEREBY, APPROVED.**

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 765 **XII. APPROVAL OF THE FIVE YEAR STRATEGIC PLAN**

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 767 With the aid of audio-visual presentation, the Five Year Strategic Plan was presented to the general
 768 assembly. Its full text was included in the Annual Report, highlights of which is the 2021 Strategic
 769 Plan:

770
 771 1. Financial Perspective

2021 Projections	Life	Non-Life	Composite
Gross Premium	1.265 billion	180 million	1.445 billion
Net Surplus	257 million	13 million	269 million
Net Profitability	25%	8%	23%

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 773 Strategies:

- 774 ➤ Provide viable and actuarially sound premium in the creation of new insurance products
- 775 ➤ Reduce reinsurance expenses by 12% from gross premium
- 776 ➤ Decrease/control operating expenses of 1CISP
- 777 ➤ Establish a strong team of Investment Managers/Analysts to enrich 1CISP’s investment
- 778 portfolio with the addition of an investment analyst

779
 780 2. Internal Business Perspective

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 782 1CISP gears towards digitalization and decentralization through the following activities:

- 783 ➤ Develop an innovative & market responsive insurance solution.
- 784 ➤ Develop, test and implement 1CISP’s Core Insurance System (CIS) to streamline front-end
- 785 and back-end operations.
- 786 ➤ Decentralize operations by opening 3 additional branches (each in 2021, 2023 and 2025) and
- 787 5 area offices.

788 ➤ Upgrade and install business continuity program and disaster recovery program.

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3. Customer Perspective

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1CISP believes that happy, satisfied member consumers are the best brand ambassadors. In line with 1CISP's vision: To insure three million Filipinos by 2025, it has formulated initiatives that center an increasing market reach and on improving customer experience.

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➤ Increase market reach by utilizing various distribution channels specifically the 1KIN for 1CISP products.

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➤ Increase positive customer experience in dealing with Life Operations Division Transactions through digitalization.

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4. Learning & Growth Perspective

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To further develop the knowledge, skills and attitude of its Sales Team and Employees, 1CISP gives importance on the following:

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➤ Invest on the capability development of employees/sales and marketing personnel to further expand their knowledge based on their training needs analysis.

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➤ Establish a good company culture by conducting annual HR orientation and activities that will help the employees/sales marketing personnel to remain motivated and focused.

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➤ Establish an excellent Succession Planning by ensuring that employees are developed to fill each key role within the cooperative.

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Total 2021 Budget for the Strategies: P77,989,021.46

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Accordingly, Atty. Eleonor T. Hernandez of Mapag-ampon Parish MPC moved for the approval of the Five Year Strategic Plan, duly seconded by Mr. Frederico A. Blanco of San Francisco Growth and Enhancement MPC. Thus, the following Resolution was adopted, to wit:

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G.A. RESOLUTION NO. 11 S. 2021

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BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the general assembly approves the 1CISP's Five Year Strategic Plan, as presented,

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BE, AS IT IS HEREBY, APPROVED.

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G.A. RESOLUTION NO. 12 S. 2021

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BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that 1CISP will establish a branch office in Davao City as part of the strategies under the Internal Business Perspective, as discussed,

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BE, AS IT IS HEREBY, APPROVED.

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835 **G.A. RESOLUTION NO. 13 S. 2021**

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837 **BE IT RESOLVED, AS IT IS HEREBY RESOLVED**, that 1CISP will establish a branch
838 office in Iloilo City as part of the strategies under the Internal Business
839 Perspective, as discussed,

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841 **BE, AS IT IS HEREBY, APPROVED.**

842
843 **Questions/Discussions:**

- 844
845 1. With regard to the establishment of 3 additional branches (each in 2021, 2023 and 2025) and 5
846 area offices, may we know what part of the country that has to be establish? – Mr. Carlos G.
847 Samontina of Memorial Services Cooperative Federation
- 848 ➤ President Miclat mentioned that the first branch is in Cagayan de Oro City, 2nd branch
849 will be established in Davao City and the 3rd branch will be in Iloilo City.

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851 **XIII. ACKNOWLEDGEMENT OF TOP PREMIUM CONTRIBUTORS**

852
853 Ms. Honey Cielo Daba, 1CISP 1KIN Program Development Specialist, presented the guidelines for
854 the top premium contributors. After which, she presented the 1CISP Top Premium Contributors for
855 year 2020, as follows:

856
857 **Prizes for Top Premium Contributors**

Rank	Small	Medium	Large
Top 1	Toyota Avanza	Toyota Innova	Toyota HI-ACE
Top 2 – 4	P 50,000.00	P 75,000.00	P 100,000.00
Top 5 – 7	P 25,000.00	P 60,000.00	P 85,000.00
Top 8 – 10	P 15,000.00	P 50,000.00	P 75,000.00

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859 **Small Category – Top Premium Contributors**

Rank	Name of Cooperative	Net Premium	Capital 2020	Interest on Capital	Patronage Refund	Experience Refund
1	Capiz Provincial MPC	577,658.46	274,896.77	21,991.74	117,951.75	23,590.35
2	Agriculturist MPC	441,228.16	1,271,643.59	101,731.49	85,094.13	13,018.83
3	Laua-an Municipal / Barangay Officials & EMPC	360,874.45	145,848.59	11,667.89	73,686.75	14,737.35
4	Immaculate Conception Parish Dev't Cooperative - Cubao	350,322.19	555,596.84	44,447.75	71,532.09	14,306.42
5	Balakilong Credit Cooperative	336,421.35	440,988.72	32,334.31	68,693.68	13,738.74
6	Dao MPC	331,884.61	445,256.49	32,747.92	67,767.33	13,553.47
7	Baleno Christian Masagana MPC	331,733.49	110,009.67	6,446.37	67,736.47	13,547.29
8	IMCO MPC	318,898.55	1,326,022.35	106,081.79	63,115.71	11,023.14

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Rank	Name of Cooperative	Net Premium	Capital 2020	Interest on Capital	Patronage Refund	Experience Refund
9	Tao Management Service & MPC	318,303.00	276,860.34	18,597.58	64,994.11	12,998.82
10	Philippine Air Traffic Controllers' MPC	316,776.08	500,000.00	40,000.00	64,682.33	12,936.47

Medium Category – Top Premium Contributors

Rank	Name of Cooperative	Net Premium	Capital 2020	Interest on Capital	Patronage Refund	Experience Refund
1	Iwahori MPC	2,126,414.27	838,402.43	44,973.44	378,263.72	75,652.74
2	Bohol Public School Teachers and EMPC	2,035,762.82	327,872.91	26,229.83	415,681.25	83,136.25
3	United Sugarcane Planters of Davao (USPD) MPC	1,184,444.97	642,721.30	51,417.70	241,851.14	48,370.23
4	City Hall Employees MPC	1,161,951.23	1,090,874.31	79,570.18	237,258.16	47,451.63
5	Xavier University Community Credit Cooperative	957,571.41	5,523,571.22	334,974.26	192,525.96	36,105.19
6	Ecosystem Research & Dev't Bureau MPC	827,989.91	890,521.82	71,241.75	169,066.79	33,813.36
7	Maco Development Cooperative	770,716.89	206,961.98	16,556.96	157,372.24	31,474.45
8	Bukidnon Community Cooperative	682,688.16	1,415,208.68	113,216.69	139,397.71	27,879.54
9	Masisit-Dacal Livelihood Cooperative	664,762.79	1,143,974.69	84,328.78	135,737.54	27,147.51
10	Calamba Parish Dev't Cooperative	664,033.48	1,208,689.86	96,695.19	135,588.62	27,117.72

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Large Category – Top Premium Contributors

Rank	Name of Cooperative	Net Premium	Capital 2020	Interest on Capital	Patronage Refund	Experience Refund
1	First Community Cooperative	126,551,900.69	616,832,266.85	49,026,581.35	25,840,560.69	5,168,112.14
2	KOOPKing MPC	8,659,745.71	12,486,097.26	998,887.78	1,768,228.56	353,645.71
3	San Francisco Growth Enhancement MPC	6,239,710.09	6,133,424.72	461,621.00	1,274,082.86	254,816.57
4	King MPC	3,854,006.19	1,911,926.90	152,954.15	783,947.33	154,389.47
5	San Dionisio Credit Cooperative	2,916,025.51	26,093,227.54	2,087,458.20	595,421.59	119,084.32

Rank	Name of Cooperative	Net Premium	Capital 2020	Interest on Capital	Patronage Refund	Experience Refund
6	Agdao MPC	2,871,882.34	29,027,095.60	2,322,167.65	578,408.02	109,281.60
7	Abra Diocesan Teachers and Employees MPC	2,264,827.99	996,595.17	79,727.61	462,453.94	92,490.79
8	Diffun Saranay & Dev't Cooperative	1,822,412.29	2,157,621.01	162,726.63	372,117.33	74,423.47
9	Silangan MPC	1,759,912.65	10,336,900.97	573,618.74	359,355.56	71,871.11
10	Avon Independent Managers MPC	1,482,137.27	1,080,992.03	86,479.36	297,636.77	55,527.35

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After the acknowledgement of the top premium contributors for year 2020, the following were also presented:

1. Special Recognition was also given to the 3 member-cooperatives for being top premium contributors in the previous general assembly and for their selfless contribution to 1CISP's growth, to wit:
 - Fastrack Multi-Purpose Cooperative (Small Scale Category)
 - Cooperative Health Management Federation (Medium Scale Category)
 - ACDI Multipurpose Cooperative (Large Scale Category)
2. A video presentation of the Inauguration and Blessing of the New 1CISP Building was also presented to the general assembly. Fr. Chair Pascual invited the members to visit the new building and witness the simply elegant building as a sign of 1CISP's stability and success – working together the cooperative way. He emphasized that members should be proud of what have been accomplished. In spite of the pandemic, 1CISP was able to construct a beautiful edifice of unity as a cooperative business federation. The blessing was graced by His Excellency Bishop Teodoro Bacani Jr. as presiding celebrant. It was also a privilege to have the presence of the Cooperative Development Authority (CDA) New Chairperson, Joseph Encabo together with Asec. Myrla Paradillo and Asec. Vidal Villanueva. Dir. Lorenzo Sumicad also joined in the blessing and inauguration of the building.
3. The Outgoing Board of Directors were also recognized and will be given a plaque of appreciation for imparting their invaluable insights and knowledge during meetings and deliberations of the Board and Committees, and in other 1CISP key activities that they participated in during their term as Board of Director, to wit:
 - **2021 Outgoing Board**
 1. Raymond Joseph L. Salvador
 2. Armen A. Cuenca
 3. Marilou R. Almario
 - **2020 Outgoing Board**
 1. BGen. Teodoro P. Evangelista AFP (Ret)
 2. Imelda S. Magabilen

- 898 3. Benjamin T. Que
899 4. Senen C. Bacani

900

901 **Note: Raffle Winners of P1,000 via digiCOOP:**

- 902 1. Magdalena Pamplona Pelayo
903 2. Shirlene Balihon Asoy
904 3. Kaynette Macalalad Cuevas
905 4. Jenelyn Perilla Villanueva
906 5. Charlita B. Pangan
907 6. Carlos Milan Echano
908 7. Genalin Santos Santos
909 8. Rene Dagiagnao Ariola
910 9. Eduardo Ho Angcay
911 10. Normandy Germino Jose
912 11. Mary Abigail Tubog Borromeo
913 12. William Palmeda Turalde
914 13. Benigno Arciaga Barretto
915 14. Vivian Quintos Benamir
916 15. Maria Veronica Mendoza San Pedro
917 16. Emelinda Revestir Dela Cruz
918 17. Fe Ablaza Bagalawis
919 18. Teodoro Jara Racsag
920 19. Ma. Amabel Acosta Recilla
921 20. Zyryl Khan Sadji Pust

922

923 **XIV. NEW BUSINESS**

924

925 Fr. Chair Pascual asked Atty. Manzanares if there are unfinished or new business. Atty. Manzanares
926 stated that he received a request from Mr. Isagani B. Daba of First Community Cooperative.

927

928 Mr. Daba presented to the general assembly the proposed GA resolution. Upon due deliberation,
929 Mr. Isagani B. Daba of First Community Cooperative moved for the approval of the proposed GA
930 resolution, duly seconded by Mr. Jaysan Ray N. Chee of Xavier University Community Cooperative
931 and Ms. Marites M. Bartolome of Mariveles Public Market Development Cooperative. Thus, the
932 following Resolution was adopted, to wit:

933

934 **G.A. RESOLUTION NO. 14 S. 2021**

935

936 **WHEREAS**, Cooperatives relies on the patronage of its members to cover its
937 operating cost and provide respectable returns to members in the form of
938 interest on capital (dividend) and patronage refund.

939

940 **WHEREAS**, there are 1CISP members, more than 2,000 of them, that partake of
941 the Coop's very attractive dividend rates over the last seven years but have not
942 contributed to its business;

943

944 **WHEREAS**, this resulted in a situation where only about one-third of the
945 membership religiously patronize the services of the Cooperative, while two-
946 thirds are not, yet all the members enjoy the same dividend rate;

947
948 **NOW THEREFORE**, foregoing considered, **IT IS RESOLVED** that members that do
949 not patronize the insurance products of 1CISP shall be entitled to a return in their
950 capital 200 basis points lower than the dividend rates of members patronizing
951 five or more insurance products;

952
953 **PROVIDED** also that members that patronize one to four products of 1CISP, one
954 of which is non-life product, shall be entitled to dividend rate that is 100 basis
955 points lower than those members that patronize five or more insurance
956 products;

957
958 **BE, AS IT IS HEREBY, APPROVED.**

959
960 **Other items discussed:**

961
962 **1. Vaccine**

963
964 Fr. Chair Pascual encouraged the cooperators to extend prayers and support to all medical
965 frontliners. He also encouraged the members to get vaccinated. Fr. Chair Pascual also mentioned
966 that 1CISP will provide and procure vaccine to all its employees including their dependents.

967
968 **2. digiCOOP Federation**

969
970 Fr. Chair Pascual also reminded the general assembly that as Chair for future engagements and
971 as 1CISP participates in the cooperative integration in the Philippines led by the Philippine
972 Cooperative Center (PCC) with the membership of federations and unions all over the country,
973 1CISP is a committed member of PCC. Fr. Chair Pascual mentioned that he represents 1CISP to
974 the PCC – the evolving apex cooperative. There have been bold attempts to establish new
975 federations and hoped that all of the cooperators will be part of these new federations. One of
976 which is the digiCOOP.

977
978 President Miclat encouraged the members of 1CISP to join and participate actively to the newly
979 organized digiCOOP Federation. This federation is spearheaded by Simbayanan ni Maria MPC,
980 ACDI MPC, First Community Cooperative, San Dionisio Credit Cooperative, Manatal MPC, PERA
981 MPC, Silangan MPC, Tagum MPC and other cooperatives in the country. These cooperatives have
982 embarked on a new journey for cooperative and the pandemic has brought a lot of challenges
983 especially in terms of serving the members.

984
985 President Miclat said that the only way to continue servicing the members and the community
986 where 1CISP operates is to digitize the operation. It would be a challenging journey. However,
987 all journeys have good rewards in the end. This will be of service to the millions of individual
988 members in the cooperative – to serve the members at the comfort of their home in terms of
989 providing loans, deposits, paying bills, buying basic necessities, etc. Everything can be done

990 through technology and this is what 1CISP wants to do. It was a project of 1CISP but eventually
991 it was given to cooperatives.

992
993 digiCOOP is now organized and it will be powered by digiCOOP ecosystem which was developed
994 by TraXion Tech Cooperative. President Miclat said that hopefully the cooperatives can
995 appreciate, use and maximize the digiCOOP platform to serve the members, cement coop's
996 legacy, grow the business, grow the organization, provide new services and compete with the
997 private sector.

998
999 **3. 1KoopMart Federation**

1000
1001 Fr. Chair Pascual explained that another project of 1CISP that spin-off and shared to cooperative
1002 sector to become a powerful federation, a consumer federation is the 1KoopMart Federation.
1003 He encouraged the members to support and invest on this project to make it nationwide – a
1004 powerful consumer retailing federation.

1005
1006 President Miclat added that the pandemic has challenged the cooperative in terms of accessing
1007 basic necessities and had adverse effect in the agriculture – the difficulty of transporting food
1008 from the farms to the consumers.

1009
1010 With this, 1CISP embarked on another project establishing the 1KoopMart. The project was
1011 started in Davao and currently there is 5 1KoopMarts operating powered by digiCOOP and in
1012 partnership with New City Commercial Center (NCCC) – one of the biggest retail group in
1013 Mindanao. Members now have access to basic consumer goods right on their doorstep and
1014 delivered by their cooperatives. Members can go to nearest 1KoopMart because of its
1015 accessibility. It generated good revenues for member-cooperatives.

1016
1017 **4. CDA New Charter**

1018
1019 Fr. Chair Pascual mentioned that CDA is pushing their new charter and they are going to organize
1020 in different regions in order to consult the cooperative sector. 1CISP supports the initiative of
1021 CDA in the regional development consultation. Fr. Chair Pascual encouraged the members to
1022 support also the initiative of CDA to strengthen the cooperative sector.

1023
1024 **XV. PROCLAMATION OF WINNERS IN THE ELECTION**

1025
1026 Mr. Capili, ELECOM Chairperson, announced the result of the election, as follows:

1027
1028 **For Regular Members of the Board of Directors:**

	Name of Candidate	Coop	Votes
1	Rev. Fr. Antonio Cecilio Pascual	Simbayanan ni Maria MPC	6,827,052
2	Mr. Nestor Ortigoza	King MPC	5,486,134
3	Ret. BGen. William Turalde	Koop King MPC	1,646,679
4	Mr. Normandy Jose	San Dionisio Credit Cooperative	507,979
5	PhD. Carlos Samontina	Memorial Services Coop Federation	409,919

1029

1030

For Audit & Inventory Committee:

	Name of Candidate	Coop	Votes
1	Marites M. Bartolome	Mariveles Public Market Development Coop	14,877,763

1031

1032

For Election Committee:

	Name of Candidate	Coop	Votes
1	Frederico A. Blanco	San Francisco Growth Enhancement MPC	9,013,343
2	Nick M. Abarientos	Egaña Parish Credit Cooperative	5,864, 420

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Therefore, based on the foregoing, the candidate stated below is hereby declared winners and will assume her post as **Member of the Audit & Inventory Committee for a period of two (2) years**, to wit:

1038

1. Marites M. Bartolome of Mariveles Public Market Development Coop

1039

1040

Therefore, based on the foregoing, the candidates stated below are hereby declared as winners and will assume their post as **Member of the Election Committee**, to wit:

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1043

1. Frederico A. Blanco of San Francisco Growth Enhancement MPC
2. Nick M. Abarientos of Egaña Parish Credit Cooperative

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1045

1046

Mr. Blanco will serve for two (2) years while Mr. Abarientos will serve for one (1) year.

1047

1048

Therefore, based on the foregoing, the following are hereby declared winners and will assume their post as **Regular Members of the Board of Directors for a period of two (2) years**, to wit:

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1050

1. Rev. Fr. Antonio Cecilio Pascual of Simbayanan ni Maria MPC
2. Mr. Nestor Ortigoza of King Multipurpose Cooperative
3. Ret. BGen. William Turalde of Koop King Mutlipurpose Cooperative

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1054

After the proclamation of winners, Mr. Capili turned over the floor to Fr. Chair Pascual.

1055

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XVI. CLOSING REMARKS, CLOSING PRAYER AND ADJOURNMENT

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Vice Chair Daba made a closing remarks. He thanked the members for the support to 1CISP. He highlighted that the cooperatives can overcome whatever challenges they will encounter as long as there is cooperation among cooperatives. He emphasized to always uphold the values and principles of cooperativism such as good governance, sacrifice, commitment, volunteerism and many others – to make the cooperatives real agent of change. 1CISP is back to become a real model in terms of practicing the values and principles of cooperativism. The pandemic has highlighted the need to make the coops stronger and resilient. For those who were able to respond to the needs of the members in whatever normal that may come about, practicing the coop values and principles and making this part of their respective cooperative culture – will readily able the coop to respond in the situation. He also said that the need for cooperatives to digitally transform as COVID-19 highlighted the importance of digital or online services to members. This move will provide

1070 protection to the members and will no longer transact with their coops in person. The members
1071 can also benefit in terms of time and transportation cost by transacting online.

1072
1073 Vice Chair Daba challenged all the officers of the cooperatives in the general assembly to make the
1074 first step to digitalize their cooperatives and can do wonders to its individual members – even
1075 expand the line of business of the coops. He ended and quoted that “A Progressive Philippines is a
1076 digital Philippines.”

1077
1078 The general assembly meeting was concluded with an uplifting and inspiring words as 1CISP
1079 Chairperson, Fr. Antonio Cecilio T. Pascual led the closing prayer.

1080
1081 Meeting adjourned at 12:30pm.

1082
1083 Certified True and Correct:

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1085 
1086 **ATTY. LYMAN A. MANZANARES**
1087 Co-operative Secretary

1088
1089 Attested:

1090 
1091 **FR. ANTONIO CECILIO T. PASCUAL**
1092 1CISP Chairperson
1093

2021 SUMMARY OF BOARD RESOLUTIONS

Date Approved	BR Number	1CISP Board Resolutions
January 28, 2021	001 S. 2021	Approval of the agenda.
January 28, 2021	002 S. 2021	Approval of the minutes of the Board meeting held on December 29, 2020.
January 28, 2021	003 S. 2021	Approval of the Privacy Management Program.
January 28, 2021	004 S. 2021	Approval of the Privacy Notice to be posted on the 1CISP website.
January 28, 2021	005 S. 2021	Approval of the Security Incident Management Policy.
January 28, 2021	006 S. 2021	Approval of the renewal of Directors and Officers Liability Insurance covering 2021 to 2022 under Malayan Insurance Company with a total premium of P237,026.90.
January 28, 2021	007 S. 2021	Approval of the increase of retention limit effective January 1, 2021 from P350,000 to P550,000 which applies to all plans for Life.
January 28, 2021	008 S. 2021	Approval of the following schedules: <ol style="list-style-type: none"> 1. April 8, 2021 9:00am Blessing of the New 1CISP Building 2. April 8, 2021 Regular Board Meeting (after the blessing) 3. April 10, 2021 9:00am 47th Annual General Assembly
January 28, 2021	009 S. 2021	Approval of the setup of the 47 th Annual General Assembly which is 100% virtual meeting.
January 28, 2021	010 S. 2021	Approval of the P10 million investment to digiCOOP Technology Service Federation (DTSF).
January 28, 2021	011 S. 2021	Approval of the P5 million investment to 1KoopMart.
January 28, 2021	012 S. 2021	Approval of the hiring of Underwriting Head/Manager for Visayas and Mindanao.
January 28, 2021	013 S. 2021	Approval of the Management Report.
January 28, 2021	014 S. 2021	Approval of the Amortization of AMCOOP.
January 28, 2021	015 S. 2021	Approval to adapt the policies in maintaining savings accounts in coops and coop banks.
January 28, 2021	016 S. 2021	Approval of the time deposits minimum rates per annum.
January 28, 2021	017 S. 2021	Approval to allow commercial banks to accept the following different style/set of names of 1CISP: <ul style="list-style-type: none"> ▪ 1 CISP ▪ 1CISP ▪ 1 CISP Life and General Insurance ▪ 1CISP Life and General Insurance ▪ 1 Cooperative Insurance System of the Philippines ▪ 1 Cooperative Insurance System of the Philippines Life and General Insurance

2021 SUMMARY OF BOARD RESOLUTIONS

January 28, 2021	018 S. 2021	Approval to claim the gift certificates granted by the Chinabank Palanca.
January 28, 2021	019 S. 2021	Approval to raffle the gift certificate from Chinabank Palanca to 1CISP Employees.
March 2, 2021	020 S. 2021	Approval of the agenda.
March 2, 2021	021 S. 2021	Approval of the minutes of the Board meeting held on January 28, 2021.
March 2, 2021	022 S. 2021	Approval of the authorization of VP Sylvia R. Quinesio as official delegate of 1CISP to participate in the 27 th Annual General Assembly of CB Palawan on March 27, 2021 via modified videoconference.
March 2, 2021	023 S. 2021	Approval of the 1CISP's renewal of Judicial Bond for civil and criminal cases and submit the documentary requirements to the Supreme Court for accreditation.
March 2, 2021	024 S. 2021	Approval of the withdrawal of membership of Risen Lord Multipurpose Cooperative with Share Capital amounting to Php10,583.33.
March 2, 2021	025 S. 2021	Approval of the withdrawal of membership of Philippine Cooperative Center with Share Capital amounting to Php161,933.62.
March 2, 2021	026 S. 2021	Approval of the opening of account to CCB Digos and Bislig for the remittance of premium.
March 2, 2021	027 S. 2021	Approval of the financial report for the period ending December 31, 2020.
March 2, 2021	028 S. 2021	Approval of the financial report for the period ending January 31, 2021.
March 2, 2021	029 S. 2021	Approval to charge from the excess legal policy reserves, the deficiency on Claims Liability amounting P16,379,469.
March 2, 2021	030 S. 2021	Approval of the Management Report.
March 2, 2021	031 S. 2021	Approval of the opening of PNB Savings Account for Non-Life wherein interest earnings from PNB Non-Life Time Deposit will be automatically credited to PNB savings Non-Life account.
March 2, 2021	032 S. 2021	Approval to request for 2015 to 2018 Audited Financial Statement of MSCF and assign 1CISP's CDO personnel to make due diligence on MSCF records.
March 2, 2021	033 S. 2021	Approval to request quarterly financial reports from all coops/partners where 1CISP invested.
March 2, 2021	034 S. 2021	Approval of the Audit Committee Report.
March 2, 2021	035 S. 2021	Approval to retain the vehicle as prize for top premium contributors.

2021 SUMMARY OF BOARD RESOLUTIONS

March 2, 2021	036 S. 2021	Approval to confirm the approved online board resolution no. 001 s. 2021 dated February 24, 2021 appointing Vice Chair Isagani B. Daba as 1CISP's official representative to the Memorial Services Cooperative Federation Annual General Assembly on February 27, 2021.
March 2, 2021	037 S. 2021	Approval to refer the issue to Governance and Ethics Committees and review all the policies with regard to representation.
March 2, 2021	038 S. 2021	Approval to refer the questions raised by Vice Chair Daba and the suggestions of Dir. Salvador to Governance and Ethics Committees.
April 8, 2021	039 S. 2021	Approval of the agenda.
April 8, 2021	040 S. 2021	Approval of the minutes of the Board meeting held on March 2, 2021.
April 8, 2021	041 S. 2021	Approval to request confirmation from CDA on the reclassification of a portion of the miscellaneous reserve funds of 1CISP to statutory funds.
April 8, 2021	042 S. 2021	Confirmation of Approved Online Board Resolution Nos. 002 and 003 S. 2021; <ol style="list-style-type: none"> 1. OBR 002 S. 2021 dated 16 Mar 2021 re Appointment of Dir. Lorenzo R. Sumicad as 1CISP's official representative and to run as Board of Director to the Banco Cooperativo de Zamboanga (BCDZA) GA on March 27, 2021; 2. OBR 003 S. 2021 dated 06 Apr 2021 re Approval of re-scheduling of 1CISP's 47th General Assembly to April 24, 2021.
April 8, 2021	043 S. 2021	Approval of Revised Amount for the Distribution of Dividend for 2019.
April 8, 2021	044 S. 2021	Approval of Filing of Criminal/Civil Cases pertaining to Non-Remitted Premiums and Subrogation.
April 8, 2021	045 S. 2021	Approval of Withdrawal of Interest on Capital and Patronage Refund of 1CISP from BCDZA and be deposited to 1CISP bank account.
April 8, 2021	046 S. 2021	Approval to reduce appropriation for Legal Policy Reserves (LPR) for the month of February at P2 million and the difference will be added to income.
April 8, 2021	047 S. 2021	Approval of the financial report for the period ending February 28, 2021.
April 8, 2021	048 S. 2021	Approval of the Management Report.
April 8, 2021	049 S. 2021	Approval of the Twelve (12) New Member-Coops: <ol style="list-style-type: none"> 1. Tekton Entre-Workers Cooperative - P100,000

2021 SUMMARY OF BOARD RESOLUTIONS

		<ol style="list-style-type: none"> 2. San Juan City EMPC - P100,000 3. Paheco Employees Agrarian Reform Beneficiaries MPC - P10,000 4. Epiphany Multipurpose Cooperative - P100,000 5. Capitol Employees of Bataan MPC - P5,128.25 6. Cooperative Union of Baguio City and Luzon (CUBCC) - 100,000 7. Iloilo Provincial Employees and Community MPC - P200,000 8. Taculen Farmers Multipurpose Cooperative - P10,000 9. DHVTSU MPC - P90,000 10. Olongapo City Government EMPC - P100,000 11. Batingan System of Savings And Credit Cooperative - P200,000 12. Sto. Niño MPC - P100,000
April 8, 2021	050 S. 2021	Approval of the Investment & Credit Committee Report.
April 8, 2021	051 S. 2021	Approval of the Audit Committee Report.
April 8, 2021	052 S. 2021	Approval of the GAD Committee Report on 1Koop4HER.
April 8, 2021	053 S. 2021	Approval to write MSCF to reiterate the request for Audited Financial Statement and conduct of due diligence.
April 29, 2021	054 S. 2021	Approval of the agenda.
April 29, 2021	055 S. 2021	Appointment of 1CISP Chairperson and Vice Chairperson: <ol style="list-style-type: none"> 1. Fr. Antonio Cecilio T. Pascual as 1CISP Chairperson 2. Mr. Isagani B. Daba as 1CISP Vice Chairperson
April 29, 2021	056 S. 2021	Re-appointment of the following officers: <ol style="list-style-type: none"> 1. Atty. Lyman A. Manzanares as 1CISP Co-operative Secretary 2. Ms. Leonila R. Medina as 1CISP Treasurer
April 29, 2021	057 S. 2021	Re-appointment of the following officers: <ol style="list-style-type: none"> 1. Mr. Roy S. Miclat as 1CISP President & CEO 2. Ms. Cecilia M. Laguna as 1CISP EVP & COO
April 29, 2021	058 S. 2021	Approval of the conduct of regular board meeting every fourth (4 th) Thursday of the month.
April 29, 2021	059 S. 2021	Composition of Executive Committee: <ol style="list-style-type: none"> 1. Fr. Antonio Cecilio T. Pascual 2. Isagani B. Daba 3. Lorenzo R. Sumicad 4. Roberto C. Mascariña 5. Isagani P. Silva 6. Leonila R. Medina

2021 SUMMARY OF BOARD RESOLUTIONS

		<ul style="list-style-type: none"> 7. Atty. Lyman A. Manzanares 8. Secretariat: Anna Marin B. Crisolo – MIS Head/Board Secretariat
April 29, 2021	060 S. 2021	<p>Composition of Governance Committee:</p> <ul style="list-style-type: none"> 1. Fr. Antonio Cecilio T. Pascual 2. Nestor D. Ortigoza 3. William P. Turalde 4. Isagani P. Silva 5. Jerson S. Remo 6. Atty. Lyman A. Manzanares 7. Secretariat: Anna Marin B. Crisolo – MIS Head/Board Secretariat
April 29, 2021	061 S. 2021	<p>Composition of Risk Management Committee:</p> <ul style="list-style-type: none"> 1. Isagani B. Daba 2. Isagani P. Silva 3. Jerson S. Remo 4. Secretariat: Aiza G. Malonzo – VP for Admin & Finance
April 29, 2021	062 S. 2021	<p>Composition of Investment and Credit Committee:</p> <ul style="list-style-type: none"> 1. Isagani B. Daba 2. George J. Pupa 3. Lorenzo R. Sumicad 4. Nestor D. Ortigoza 5. Jerson S. Remo 6. Leonila R. Medina 7. Senen C. Bacani, Ex-Officio 8. Secretariat: Jeric C. Pangan – Investment Supervisor
April 29, 2021	063 S. 2021	<p>Composition of Education and Membership Committee:</p> <ul style="list-style-type: none"> 1. Isagani B. Daba 2. Nestor D. Ortigoza 3. William P. Turalde 4. Secretariat: Marjorie L. Ely – HR Business Partner
April 29, 2021	064 S. 2021	<p>Composition of Personnel and Remuneration Committee:</p> <ul style="list-style-type: none"> 1. Nestor D. Ortigoza 2. Roberto C. Mascariña 3. Jerson S. Remo 4. Leonila R. Medina 5. Secretariat: Michael R. Navarette – HR/OD Head
April 29, 2021	065 S. 2021	<p>Composition of Related Party Transactions Committee:</p> <ul style="list-style-type: none"> 1. George J. Pupa 2. Isagani P. Silva 3. Jerson S. Remo

2021 SUMMARY OF BOARD RESOLUTIONS

		4. Secretariat: Sar C. Buksh – Legal & Compliance Supervisor
April 29, 2021	066 S. 2021	Composition of Merger and Consolidation Committee: <ol style="list-style-type: none"> 1. Fr. Antonio Cecilio T. Pascual 2. Isagani B. Daba 3. Lorenzo R. Sumicad 4. Roy S. Miclat 5. Senen C. Bacani, Ex-Officio 6. Secretariat: Gelizabeth DT. Cabuhat – Marketing Development Specialist
April 29, 2021	067 S. 2021	Appointment of Fr. Antonio Cecilio T. Pascual as 1CISP’s official representative and run as Board of Director to the Cooperative Health Management Federation (CHMF) General Assembly.
April 29, 2021	068 S. 2021	Approval to retain the following official representatives to various cooperative and institutions: <ol style="list-style-type: none"> 1. Philippine Cooperative Center (PCC) - Fr. Antonio Cecilio T. Pascual 2. Philippine Cooperative Central Fund Federation (PCF) - Isagani B. Daba 3. Banco Cooperativa de Zamboanga (BCDZA) - Lorenzo R. Sumicad 4. TraXion Tech Inc. - Nestor D. Ortigoza and Atty. Lyman A. Manzanares 5. Memorial Services Cooperative Federation (MSCF) - Isagani B. Daba
April 29, 2021	069 S. 2021	Approval of the appointment of Dir. George J. Pupa as 1CISP’s alternate representative to Memorial Services Cooperative Federation (MSCF).
April 29, 2021	070 S. 2021	Approval to allow and retain the following official representatives to various cooperative and institutions: <ol style="list-style-type: none"> 1. Network Consolidated Cooperative Bank (NCCB) - Roy S. Miclat as NCCB Board Treasurer 2. Cooperative Bank of Palawan - Sylvia R. Quinesio 3. digiCOOP Federation - Fr. Antonio Cecilio T. Pascual as Chairperson representing Simbayanan ni Maria MPC, Isagani B. Daba as Director, Roy S. Miclat as Treasurer and Sar C. Buksh as Cooperative Secretary 4. 1KoopMart Federation - 1CISP as Consultant 5. Cooperative Health Management Federation (CHMF) - Cecilia M. Laguna (representing FICCO)

2021 SUMMARY OF BOARD RESOLUTIONS

		<p>6. Bataan Cooperative Bank - Cecilia M. Laguna representing FICCO</p> <p>7. NCM Mutual Fund - Roy S. Miclat and Cecilia M. Laguna representing FICCO</p>
April 29, 2021	071 S. 2021	Approval of the appointment of Vice Chair Isagani B. Daba as 1CISP's Official Representative and run as Board of Director to the 7 th General Assembly of NCCB on June 19, 2021 via video conference.
April 29, 2021	072 S. 2021	Approval of the appointment of Ms. Ruby Shayne Balanay, 1CISP Region 2 Area Manager as 1CISP's official representative in the CDA Region 2 Organization & Election of Officers on May 7, 2021.
April 29, 2021	073 S. 2021	Approval of cash donation amounting P1 million to support the Caritas Manila Damayan Gift Certificate Ayuda 2021.
April 29, 2021	074 S. 2021	Approval of P5,000 financial assistance to the Board of Directors and Officers who tested positive with COVID-19.
April 29, 2021	075 S. 2021	<p>Appointment of two (2) Interim Independent Directors, to wit:</p> <ol style="list-style-type: none"> 1. MGen. Isagani P. Silva, AFP (Ret) representing Air Cavaliers Credit Cooperative; and 2. Mr. Jerson S. Remo representing Model Cooperative Network;
April 29, 2021	076 S. 2021	Approval of the 2020 Productivity Incentive for the Board, Committees and Employees; and P5,000 productivity incentive for security guards and utility personnel.
April 29, 2021	077 S. 2021	Approval of the 3.5% inflationary increase for 113 employees and P300 communication allowance on a monthly basis for the Board of Directors, Officers and Committees which will be added to their honorarium.
May 27, 2021	078 S. 2021	Approval of the agenda.
May 27, 2021	079 S. 2021	Approval of the minutes of the Board meeting held on April 8 and April 29, 2021.
May 27, 2021	080 S. 2021	<p>Confirmation of the approved online board resolutions nos. 004 to 014 series 2021:</p> <ol style="list-style-type: none"> 1. OBR 004 S. 2021 dated 13 April 2021 re Approval of Distribution of Net Surplus for the Year 2020; 2. OBR 005 S. 2021 dated 14 April 2021 re Approval of authorization of All Just Forms, Inc. (AJF) to be the 1CISP's authorized official receipt printer and to authorize AJF's employee, Mr. Dabao and Mr.

2021 SUMMARY OF BOARD RESOLUTIONS

		<p>Quilaquil, to process the Authority to Print before the BIR RDO 34 in 1CISP's behalf;</p> <ol style="list-style-type: none"> 3. OBR 006 S. 2021 dated 21 April 2021 re Appointment of Diaz Murillo Dalupan & Co. with Professional Fee of P550,000 to be the External Auditor for the Year 2021; 4. OBR 007 S. 2021 dated 23 April 2021 re Approval of 1CISP's Audited Financial Statements for 2020; 5. OBR 008 S. 2021 dated 04 May 2021 re Approval of the closure of Antique Office; 6. OBR 009 S. 2021 dated 04 May 2021 re Approval of the change of address of 1CISP Head Office; 7. OBR 010 S. 2021 dated 04 May 2021 re Approval of the change of address of CDO Branch Office; 8. OBR 011 S. 2021 dated 04 May 2021 re Authorization of Employees and Marketing Agents to register Satellite Offices before the Cooperative Development Authority (CDA) and Bureau of Internal Revenue (BIR); 9. OBR 012 S. 2021 dated 07 May 2021 re Approval of the designation of Mr. Isagani B. Daba as 1CISP's official representative to 1 Cooperative Health Service Mindanao Federation (1CHSMF) and attend the organizational meeting of the federation on May 11, 2021; 10. OBR 013 S. 2021 dated 11 May 2021 re Approval to allow 1CISP to pay in advance the payment of digiCOOP Technical Services Federation to TraXion Technology Services Cooperative the amount of P12 million as fees for the Managed Services of TraXion Coop for the month of March and April 2021; 11. OBR 014 S. 2021 dated 19 May 2021 re Appointment of Mr. Roy S. Micalat as 1CISP's principal representative and Ms. Nerissa B. Brucal as alternate representative to Bataan Cooperative Bank Annual General Assembly on May 31, 2021.
May 27, 2021	081 S. 2021	Approval of the renewal of Judicial Bond for civil and criminal cases and submit the documentary requirements to the Supreme Court for accreditation covering the second season from August 1, 2021 to January 31, 2022.
May 27, 2021	082 S. 2021	Appointment of the following cooperatives as members of the Ethics Committee:

2021 SUMMARY OF BOARD RESOLUTIONS

		<ol style="list-style-type: none"> 1. Mr. G. Antonio T. Arbis of Capiz Provincial Multipurpose Cooperative 2. Rev. Fr. Cirilo O. Ortega, SVD of Abra Diocesan Teachers & Employees Multi-Purpose Cooperative
May 27, 2021	083 S. 2021	Appointment of MGen. Isagani P Silva AFP (Ret) as member of the Executive Committee.
May 27, 2021	084 S. 2021	Appointment of Mr. Jerson S. Remo as member of the Investment and Credit Committee.
May 27, 2021	085 S. 2021	Appointment of Mr. Jerson S. Remo as member of the Personnel and Remuneration Committee.
May 27, 2021	086 S. 2021	<p>Approval of the purchase of wifi-enabled iPad as part of the benefit of the following members of the Board:</p> <ol style="list-style-type: none"> 1. Mr. Isagani B. Daba 2. BGen. Lorenzo R. Sumicad AFP (Ret) 3. Mr. Roberto C. Mascariña 4. Mr. George J. Pupa 5. BGen. William P. Turalde AFP (Ret) 6. MGen. Isagani P Silva AFP (Ret) 7. Ms. Jerson S. Remo
May 27, 2021	087 S. 2021	Appointment of Ms. Marcosa B. Dela Cruz, 1CISP Regional Area Manager of Region 12, to be the 1CISP's official representative to the 41 st Annual General Assembly of Davao City Water District Employees MPC (DCWD-EMPC) on May 29, 2021.
May 27, 2021	088 S. 2021	Appointment of President Roy S. Micalat to be the 1CISP's official representative to the Election of Officers for the Sectoral Apex Organization (SAO) on June 5, 2021.
May 27, 2021	089 S. 2021	<p>Approval of the five (5) new member-cooperatives:</p> <ol style="list-style-type: none"> 1. San Fabian National High School MPC – P100,000 2. Innovative Skills Labor Service Cooperative – P100,000 3. Salvacion Farmers Development Cooperative – P100,000 4. Castillejos Government Officials EMPC – P100,000 5. Friendster Multi-Purpose Cooperative – P10,000
May 27, 2021	090 S. 2021	Approval of the P60,000 sponsorship to the Buhay Kooperatiba Radio Program by Veritas846.
May 27, 2021	091 S. 2021	Approval of the amendments in the 1CISP's COVID-19 Guidelines.
May 27, 2021	092 S. 2021	Approval of the Management Report.
May 27, 2021	093 S. 2021	Approval of the changes in the Investment Policy for Investment Portfolio.

2021 SUMMARY OF BOARD RESOLUTIONS

May 27, 2021	094 S. 2021	Approval of the Credit Assistance Program via Cooperative Bank Policy.
May 27, 2021	095 S. 2021	Approval to set up a provision of allowance for probable losses for AMCOOP and PCF existing loans in 1CISP in the amount of Php 92,960,000.00.
May 27, 2021	096 S. 2021	Approval of the enrollment in ChinaBank online facility in 1CISP CDO Branch.
May 27, 2021	097 S. 2021	Approval of the opening of current account and enrollment in the online facility of 1CISP CDO Branch in LandBank – Velez Branch for convenient fund transfer and client transactions.
May 27, 2021	098 S. 2021	Approval of the Investment and Credit Committee Report.
May 27, 2021	099 S. 2021	Appointment of President Roy S. Miclat to represent 1CISP and explain the uniqueness of insurance cooperative to CDA in relation to accept savings deposit from the members.
May 27, 2021	100 S. 2021	Approval of the Audit Committee Report.
May 27, 2021	101 S. 2021	Approval to set a meeting with MSCF Board to be attended by Fr. Chair Pascual, Dir. Ortigoza, Dir. Remo and Dir. Mascarina.
May 27, 2021	102 S. 2021	Approval of the authorization of President Roy S. Miclat and Atty. Lyman A. Manzanares to represent 1CISP in the public consultation on May 31, 2021.
June 29, 2021	103 S. 2021	Approval of the agenda.
June 29, 2021	104 S. 2021	Approval of the minutes of the Board meeting held on May 27, 2021.
June 29, 2021	105 S. 2021	Confirmation of the approved online board resolutions: <ol style="list-style-type: none"> 1. OBR 015 S. 2021 dated 28 May 2021 re Authorization of Mr. Roy S. Miclat, President, to sign all the documents pertaining to 1CISP's Mechanical Permit Application; 2. OBR 016 S. 2021 dated 15 June 2021 re Approval of payment of 1CISP's tax liabilities for taxable year 2018 amounting to P3,714,588.76.
June 29, 2021	106 S. 2021	Approval of the appointment of Dir. Robert C. Mascariña as 1CISP Official Representative and President Roy S. Miclat as accompanying representative to Cavite Coopreneurs Surety Fund (CCSF) GA on July 9, 2021.
June 29, 2021	107 S. 2021	Approval of the withdrawal of membership of Safer MPC with a total share capital of P523,535.39.

2021 SUMMARY OF BOARD RESOLUTIONS

June 29, 2021	108 S. 2021	Approval of the withdrawal of membership of Escalante City Government Employees and Community MPC (ECGEM) with a total share capital of P220,092.21.
June 29, 2021	109 S. 2021	Approval of the transfer of funds from FICCO MBA deposited under BPI Family to 1CISP Account.
June 29, 2021	110 S. 2021	Approval of the property acquisition in Iloilo City with a total area of 363 square meters consisting of two (2) properties measuring 163 sqms and 200 sqms with TCT No. 0952019001294 and TCT No. 0952019003666 in the amount of P6.5 million.
June 29, 2021	111 S. 2021	Approval of the authorization of President Roy S. Miclat, EVP Cecilia M. Laguna, and VP Armando D. Gutierrez Jr., to be the authorized signatories for Bonds in compliance with CL 2018-47.
June 29, 2021	112 S. 2021	Approval of the appointment of Vice Chair Isagani B. Daba and President Roy S. Miclat as 1CISP representatives to attend the Finance Cluster Consultation on July 6, 2021.
June 29, 2021	113 S. 2021	Approval and acceptance of the Management Report including the following new member-coops: <ol style="list-style-type: none"> 1. Dioceses De Balanga Credit Cooperative - P10,000.00 2. Bureau Of Customs – X MPC - P150,000.00 3. Paknaan MPC - P50,000.00 4. Pasil MPC - P100,000.00 5. Quantum Credit Cooperative - P20,000.00
June 29, 2021	114 S. 2021	Approval of the proposed procedure for time deposit withdrawal.
June 29, 2021	115 S. 2021	Approval that 1CISP will no longer process new placement of time deposit directly to cooperatives.
June 29, 2021	116 S. 2021	Approval of the opening of 1CISP's savings account in Mindanao Consolidated Cooperative Bank – Calinan Branch.
June 29, 2021	117 S. 2021	Approval of the Investment and Credit Committee Report
June 29, 2021	118 S. 2021	Approval of the Audit Committee Report
July 29, 2021	119 S. 2021	Approval of the agenda.
July 29, 2021	120 S. 2021	Approval of the minutes of the Board meeting held on June 29, 2021.
July 29, 2021	121 S. 2021	Approval of application for renewal of 1CISP's authorization to act as Surety in government transactions before the Insurance Commission which will expire on September 16, 2021.

2021 SUMMARY OF BOARD RESOLUTIONS

July 29, 2021	122 S. 2021	Approval of sponsorship in support of the Youth Servant Leadership and Education Program (YSLEP) of Caritas Manila in the amount of P500,000.00.
July 29, 2021	123 S. 2021	Approval of sponsorship of Philippine Journal of Cooperative Studies amounting to P200,000.00.
July 29, 2021	124 S. 2021	Approval to authorize the President, Roy S. Mclat, to sign the contracts pertaining to the property acquisition in Iloilo.
July 29, 2021	125 S. 2021	Approval and acceptance of the Management Report including the following new member-coops: <ol style="list-style-type: none"> 1. Mary Help of Christians Credit Cooperative - P1,000,000.00 2. Villaverde Development Cooperative - P10,000.00 3. Olongapo City National HS EMPC - P100,000.00 4. Cebu Technological University – Argao Campus MPC - P50,000.00
July 29, 2021	126 S. 2021	Approval of partnership with CelsiusPro.
July 29, 2021	127 S. 2021	Approval of the amended Credit Assistance Via Cooperative Bank Policy.
July 29, 2021	128 S. 2021	Approval of the loan application of MMG Puerto Princesa City amounting to Php 18,000,000.00 at 6% interest rate for 10 years payment term.
July 29, 2021	129 S. 2021	Approval of the placement of Php15,000,000.00 for Non-Life Government Securities with 2.320% Interest rate for 3 years period coverage.
July 29, 2021	130 S. 2021	Approval of the placement of Php 10,000,000.00 to PIMCO (withdrawable) with estimated 3.75% interest income under Banco De Oro.
July 29, 2021	131 S. 2021	Approval of the renewal of time deposit to Philippine Cooperative Central Fund Federation (PCF) amounting to Php75,000,000.00.
July 29, 2021	132 S. 2021	Approval of the Approval of the Audit Committee Report.
July 29, 2021	133 S. 2021	Approval of the revised budget for 2021.
July 29, 2021	134 S. 2021	Approval of the 1CISP Decentralization of Operations.
August 26, 2021	135 S. 2021	Approval of the agenda.
August 26, 2021	136 S. 2021	Approval of the minutes of the Board meeting held on July 29, 2021.
August 26, 2021	137 S. 2021	Confirmation of approved Online Board Resolutions: <ol style="list-style-type: none"> 1. OBR 017 S. 2021 dated 06 August 2021 re Approval of P100,000.00 cash assistance to Kanawan Farmers Producers Cooperative to be charged to CDF.

2021 SUMMARY OF BOARD RESOLUTIONS

		2. OBR 018 S. 2021 dated 12 August 2021 re Approval to change the principal address of 1CISP to be confirmed in the 2022 General Assembly by amending its Articles of Cooperation and By Laws.
August 26, 2021	138 S. 2021	Approval of the 1CISP sponsorship to the upcoming International Co-operative Alliance' 33rd World Cooperative Congress on December 1-3, 2021 in the amount of EUR 1,000 or P59,631.25 under FRIENDS category.
August 26, 2021	139 S. 2021	Approval and acceptance of the Management Report including the following new member-coops: <ol style="list-style-type: none"> 1. Bank Employees Multi-Purpose Cooperative - P100,000.00 2. Buenavista Development Cooperative - P100,000.00
August 26, 2021	140 S. 2021	Approval of the additional particulars in the Tripartite Agreement for Credit Assistance Program and the partnership to five cooperative banks.
August 26, 2021	141 S. 2021	Approval of the investment placement in time deposits to the following Cooperative Banks under Credit Assistance via Coop Bank Program with 30 days term, renewable and with best coop bank TD rate, as presented and discussed; <ol style="list-style-type: none"> 1. Consolidated Cooperative Bank - Php 30,000,000.00 2. Bataan Cooperative Bank - Php 20,000,000.00 3. Network Consolidated Cooperative Bank - Php 20,000,000.00 4. Metro South Cooperative Bank - Php 10,000,000.00 5. Cooperative Bank of Cotabato - Php 20,000,000.00
August 26, 2021	142 S. 2021	Approval of the amount of Php 10,000,000.00 as additional placement in AP Securities.
August 26, 2021	143 S. 2021	Approval of the request of MMG Puerto Princesa City to grant a direct loan amounting to Php 20,000,000.00 and another Php 20,000,000.00 loan through the Credit Assistance Program via COOPBANK.
August 26, 2021	144 S. 2021	Approval of the opening of 1CISP's savings account to Samal Island Multi-Purpose Cooperative (SIMC).
August 26, 2021	145 S. 2021	Approval to open an online facilities with Banco De Oro, PNB and Chinabank for both Life and Non-Life Account.
August 26, 2021	146 S. 2021	Approval of the enrollment in e-payment facility with Landbank for 1CISP's transactions with Insurance Commission.

2021 SUMMARY OF BOARD RESOLUTIONS

August 26, 2021	147 S. 2021	Approval to open 1CISP's savings account and an online facility with Metrobank – Life account and Chinabank – Non-Life account for CDO Branch Office.
August 26, 2021	148 S. 2021	Approval of the 1CISP-CoopBank-Borrower Tripartite Agreement.
August 26, 2021	149 S. 2021	Approval of the Investment & Credit Committee Report.
August 26, 2021	150 S. 2021	Approval of the revised Audit Manual.
August 26, 2021	151 S. 2021	Approval of the establishment of manual of Corporate Governance subject to Board Approval within the year 2021.
August 26, 2021	152 S. 2021	Approval of the appointment of the following committee chairpersons: <ol style="list-style-type: none"> 1. Dir. Isagani P. Silva as Chairperson of Governance Committee; 2. Dir. Jerson S. Remo as Chairperson of Risk Management Committee
September 23, 2021	153 S. 2021	Approval of the agenda.
September 23, 2021	154 S. 2021	Approval of the minutes of the Board meeting held on August 26, 2021.
September 23, 2021	155 S. 2021	Confirmation of approved Online Board Resolution: <ol style="list-style-type: none"> 1. OBR 019 S. 2021 dated 06 September 2021 - Approval of the additional common shares to Metro South Cooperative Bank (MSCB) in the amount of P7 million through acquisition of FICCO shares in MSCB.
September 23, 2021	156 S. 2021	Approval of the CETF Dues to Philippine Cooperative Center (PCC) amounting to P1 million.
September 23, 2021	157 S. 2021	Approval to withdraw the membership of 1CISP and its share capital investment to PHILAC Service Cooperative.
September 23, 2021	158 S. 2021	Approval of appointment of the following committees: Ethics Committee: <ol style="list-style-type: none"> 1. Ms. Madeline A. Lagazo - Claveria Grassroots MPC 2. Mr. G. Antonio T. Arbis - Capiz Provincial MPC 3. Rev. Fr. Cirilo O. Ortega, SVD - Abra Diocesan Teachers & EMPC 4. Committee Secretariat: Ms. Gladly Jean R. De Vera Mediation & Conciliation Committee: <ol style="list-style-type: none"> 1. Mr. Antonio Ll. Sayo - Alay Buhay Community Dev't Foundation

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		<ol style="list-style-type: none"> 2. Atty. Raul V. Macatangay - Bureau of Fire Protection MPC 3. Ms. Jocelyn P. Rivera - Kapit Bisig sa Pag-unlad MPC 4. Committee Secretariat: Mr. Michael R. Navarette <p>Gender & Development Committee:</p> <ol style="list-style-type: none"> 1. Dra. Jovita V. Mateo - San Jose Del Monte Savings & Credit Cooperative 2. Ms. Gemma D. Pena - Murphy Development Cooperative 3. Ms. Genara N. Desacula - Cooperative Health Management Federation 4. Committee Secretariat: Mr. Harold Kim C. Maggay
September 23, 2021	159 S. 2021	Approval of the Financial Report.
September 23, 2021	160 S. 2021	Approval of the face-to-face participation of Ms. Gelizabeth Cabuhat and other delegates to be identified by the Management in the ICA: 33 rd World Cooperative Congress on December 1-3, 2021.
September 23, 2021	161 S. 2021	Approval of the Management Report.
September 23, 2021	162 S. 2021	Approval of the time deposit investment to Chinabank amounting to P20 million.
September 23, 2021	163 S. 2021	Approval of the time deposit investment to Metrobank amounting to P20 million.
September 23, 2021	164 S. 2021	Approval of the common shares investment to Consolidated Cooperative Bank (CCB) amounting to Php 1,250,000.
September 23, 2021	165 S. 2021	Approval of the time deposit investment to Cooperative Bank of Cotabato amounting to P10 million.
September 23, 2021	166 S. 2021	Approval of the Investment & Credit Committee Report.
September 23, 2021	167 S. 2021	Approval of the Audit Committee Report.
September 23, 2021	168 S. 2021	Approval of the amendments of Bereavement Benefits for Employees and Marketing Agents effective January 1, 2022.
September 23, 2021	169 S. 2021	Approval of the amendments of GYRT Insurance Benefits for Employees effective May 1, 2022 upon renewal.
September 23, 2021	170 S. 2021	Approval to donate the 1CISP's share capital investment with PCC amounting to P562,000.
October 28, 2021	171 S. 2021	Approval of the agenda.
October 28, 2021	172 S. 2021	Approval of the minutes of the Board meeting held on September 23, 2021.
October 28, 2021	173 S. 2021	Confirmation of approved Online Board Resolution:

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		1. OBR 020 S. 2021 dated 08 October 2021 - Approval of payment of R&B's tax liabilities for taxable year 2019 amounting to P1,503,468.31.
October 28, 2021	174 S. 2021	<p>Approval of the proposed amendments to the Articles of Cooperation and By-Laws, as presented and discussed;</p> <p>Part of its purposes:</p> <ul style="list-style-type: none"> ▪ To invest as member in a health service cooperative federation whose main business is to establish health and medical facilities such as clinics, laboratory/diagnostics centers and hospitals, and even mobile health facilities to enhance the provision of health services in areas where there are cooperative members; ▪ To help facilitate the business of a cooperative health service federation by accepting, for and in behalf of the federation, applications for health and medical services.
October 28, 2021	175 S. 2021	<p>Approval of the proposed amendments to the Articles of Cooperation and By-Laws, as presented and discussed;</p> <p>Part of its purposes:</p> <ul style="list-style-type: none"> ▪ To invest as member of Technology Service Cooperative, a special secondary cooperative, whose main business is to provide a wide range of technology services primarily to cooperative organizations and their members, and to the general public. ▪ To help facilitate the business of a Technology Service Cooperative by adopting, joining, and using into a platform or ecosystem made by the Technology Service Cooperative.
October 28, 2021	176 S. 2021	<p>Approval of the proposed amendments to the Articles of Cooperation and By-Laws, as presented and discussed;</p> <p>Change of 1CISP Office Address:</p> <ul style="list-style-type: none"> ▪ From: 80 Malakas St., Brgy. Pinyahan, Central District, Diliman, Quezon City; ▪ To: 11 Mapagbigay St. corner Maunlad, Brgy. Pinyahan, Quezon City.
October 28, 2021	177 S. 2021	Approval of the proposed amendments to the Articles of Cooperation and By-Laws, as presented and discussed;

2021 SUMMARY OF BOARD RESOLUTIONS

		<p>Article VI – A:</p> <p>Section 5. <u>Ethics Committee</u>. An Ethics Committee shall be composed of three (3) members to be elected by the General Assembly and hold office for two (2) years. Within ten (10) days after their appointment, they shall elect among themselves a Chairperson, Vice-Chairperson, and a Secretary. For the newly elected three (3) members of the committee, the first two (2) who garnered the highest number of votes shall serve for two (2) years and the remaining member for a period of one (1) year. No committee member shall serve for more than three (3) successive terms;</p> <p>The powers, functions, duties, and responsibilities of the members shall be in accordance with the implementing rules and regulations promulgated by the Cooperative Development Authority.</p>
October 28, 2021	178 S. 2021	<p>Approval of the Adhoc Committee to review the Articles of Co-operation and By-laws for possible further amendments and other policies;</p> <p>Members:</p> <ol style="list-style-type: none"> 1. Vice Chairperson Isagani B. Daba 2. Dir. Isagani P. Silva 3. Dir. Jerson Remo 4. Atty. Lyman A. Manzanares 5. Sar C. Buksh
October 28, 2021	179 S. 2021	Approval of the withdrawal of 1CISP membership and investment to Memorial Services Cooperative Federation (MSCF).
October 28, 2021	180 S. 2021	Approval of the creation of technical working group to study the formation of new death care coop federation for the sector.
October 28, 2021	181 S. 2021	Approval of the UMMC’s request for donation amounting to P879,900.00 to defray the cost of printing of 2,000 copies of the Coop resource book entitled “Deepening the Cooperative Identity to be charged to CETF.
October 28, 2021	182 S. 2021	Approval of the 2020 Annual Value Sharing.
October 28, 2021	183 S. 2021	Approval of the Management Report including the new member-coop:

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		Marie Eugenie Cooperative Development Center (MECDC) - P100,000.00
October 28, 2021	184 S. 2021	Approval of the adjustment of GYRT insurance premiums and coverages for Board of Directors, Officers and Elected Committees effective May 1, 2022 upon renewal.
October 28, 2021	185 S. 2021	Approval of the online facility and check scanner of RCBC for Life and Nonlife Account.
October 28, 2021	186 S. 2021	Approval of the Loan Restructuring – extended payment Terms of AMCOOP’s Loan.
October 28, 2021	187 S. 2021	Approval of the revisions on the Tripartite Agreement for Credit Assistance via Coop Banks.
October 28, 2021	188 S. 2021	Approval of the Investment & Credit Committee Report.
October 28, 2021	189 S. 2021	Approval of the Audit Committee Report.
November 25, 2021	190 S. 2021	Approval of the agenda.
November 25, 2021	191 S. 2021	Approval of the minutes of the Board meeting held on October 28, 2021.
November 25, 2021	192 S. 2021	Confirmation of approved Online Board Resolution: <ol style="list-style-type: none"> 1. OBR 021 S. 2021 08 November 2021 re Approval of donation to the bereaved family of Mr. Ignacio Manipula, President of Metro South Cooperative Bank (MSCB).
November 25, 2021	193 S. 2021	Approval of the withdrawal of share capital of CB Nueva Vizcaya amounting to P50,000.00.
November 25, 2021	194 S. 2021	Approval of the 1CISP Strategic Plan for 2022-2026.
November 25, 2021	195 S. 2021	Approval of the financial report as of October 31, 2021.
November 25, 2021	196 S. 2021	Approval of the following new members for the month, as presented and discussed; <ol style="list-style-type: none"> 1. EMI Employees Development Cooperative - P1,000,000.00 2. PLDT Employees’ Credit Cooperative - P100,100,000.00
November 25, 2021	197 S. 2021	Approval of the Management Report.
November 25, 2021	198 S. 2021	Approval of the 2021 Christmas Incentive Bonus.
November 25, 2021	199 S. 2021	Approval of the recommendation of the Investment Committee where 1CISP will give a counterpart CETF to whatever amount raised by the members of PCF in excess of Php1,000,000.00 but not more than Php500,000.00.
November 25, 2021	200 S. 2021	Approval of the Investment & Credit Committee Report.
November 25, 2021	201 S. 2021	Approval of the Audit Committee Report.
November 25, 2021	202 S. 2021	Approval of the CDA Inspection Report.
November 25, 2021	203 S. 2021	Approval to renew the cooperative existence of 1CISP before the CDA for another 50 years.

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November 25, 2021	204 S. 2021	Approval of the theme for the 48 th General Assembly – 1CISP at 48: Responding to Challenges and Reaffirming our Commitments to an Inclusive and Resilient Cooperative Philippines.
November 25, 2021	205 S. 2021	Approval of the P500,000 donation to FICCO to defray part of the expenses for their upcoming Annual Educational Forum on December 4, 2021.
December 21, 2021	206 S. 2021	Approval of the agenda.
December 21, 2021	207 S. 2021	Approval of the minutes of the Board meeting held on November 25, 2021.
December 21, 2021	208 S. 2021	Confirmation of approved Online Board Resolution: 1. OBR 022 S. 2021 dated 20 December 2021 re Approval of donation for communities severely affected by Super Typhoon Odette through: <ul style="list-style-type: none"> ▪ Caritas Manila Inc. – P500,000.00 ▪ Office of the Vice President – P500,000.00
December 21, 2021	209 S. 2021	Approval of P250,000.00 donation to Philippine Cooperative Center (PCC) intended for the rehabilitation cooperatives severely affected by Typhoon Odette.
December 21, 2021	210 S. 2021	Approval of Financial Assistance to 1CISP cooperative members severely affected by Typhoon Odette in a total amount of P3 million to be charged to optional fund. <ul style="list-style-type: none"> ▪ P20,000 per coop or P50,000 for badly hit coops
December 21, 2021	211 S. 2021	Approval of the Renewal of Directors & Officers Liability Insurance with Malayan Insurance.
December 21, 2021	212 S. 2021	Designation of Representatives to MSCB Ownership Forum on January 11, 2022 8:00am-12:00nn via zoom: <ol style="list-style-type: none"> 1. Dir. George J. Pupa 2. Pres. Roy S. Micalat 3. Atty. Lyman A. Manzanares
December 21, 2021	213 S. 2021	Approval of the following new member for the month: <ol style="list-style-type: none"> 1. Tupi Integrated Agricultural Cooperative - P10,000.00
December 21, 2021	214 S. 2021	Approval of the Management Report.
December 21, 2021	215 S. 2021	Approval of placement of investment in time deposit to Chinabank Buendia amounting to P30,000,000.00.
December 21, 2021	216 S. 2021	Approval of placement of investment in time deposit to Chinabank Palanca P30,000,000.00.
December 21, 2021	217 S. 2021	Approval of placement of investment in time deposit to BDO Anonas P30,000,000.00.
December 21, 2021	218 S. 2021	Approval of opening of account to Metrobank for Life and Nonlife Account in 1CISP Davao Branch.

2021 SUMMARY OF BOARD RESOLUTIONS

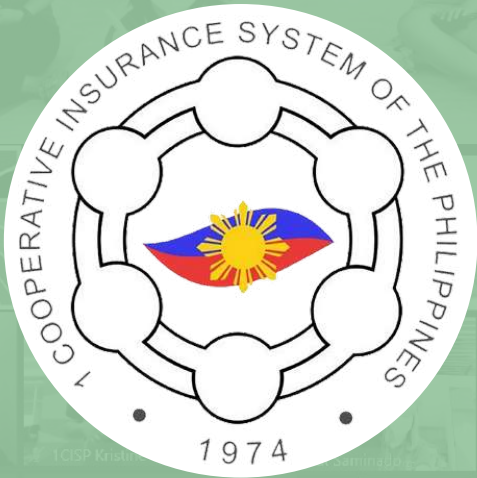
December 21, 2021	219 S. 2021	Approval of the Investment & Credit Committee Report.
December 21, 2021	220 S. 2021	Approval of the Audit Committee Report.
December 21, 2021	221 S. 2021	Approval of the 1CISP Scholarship Program Policy.
December 21, 2021	222 S. 2021	Approval of Availment of Licensure Examination Policy.
December 21, 2021	223 S. 2021	Approval of the budget for the 48 th Annual GA.
December 21, 2021	224 S. 2021	Approval to support the following Coop Party List and Senatorial Aspirant Alex Lacson: <ol style="list-style-type: none"> 1. AGAP Partylist 2. COOP-NATCCO Partylist 3. KOOP KAMPI Partylist 4. Butil Partylist

Certified True and Correct:

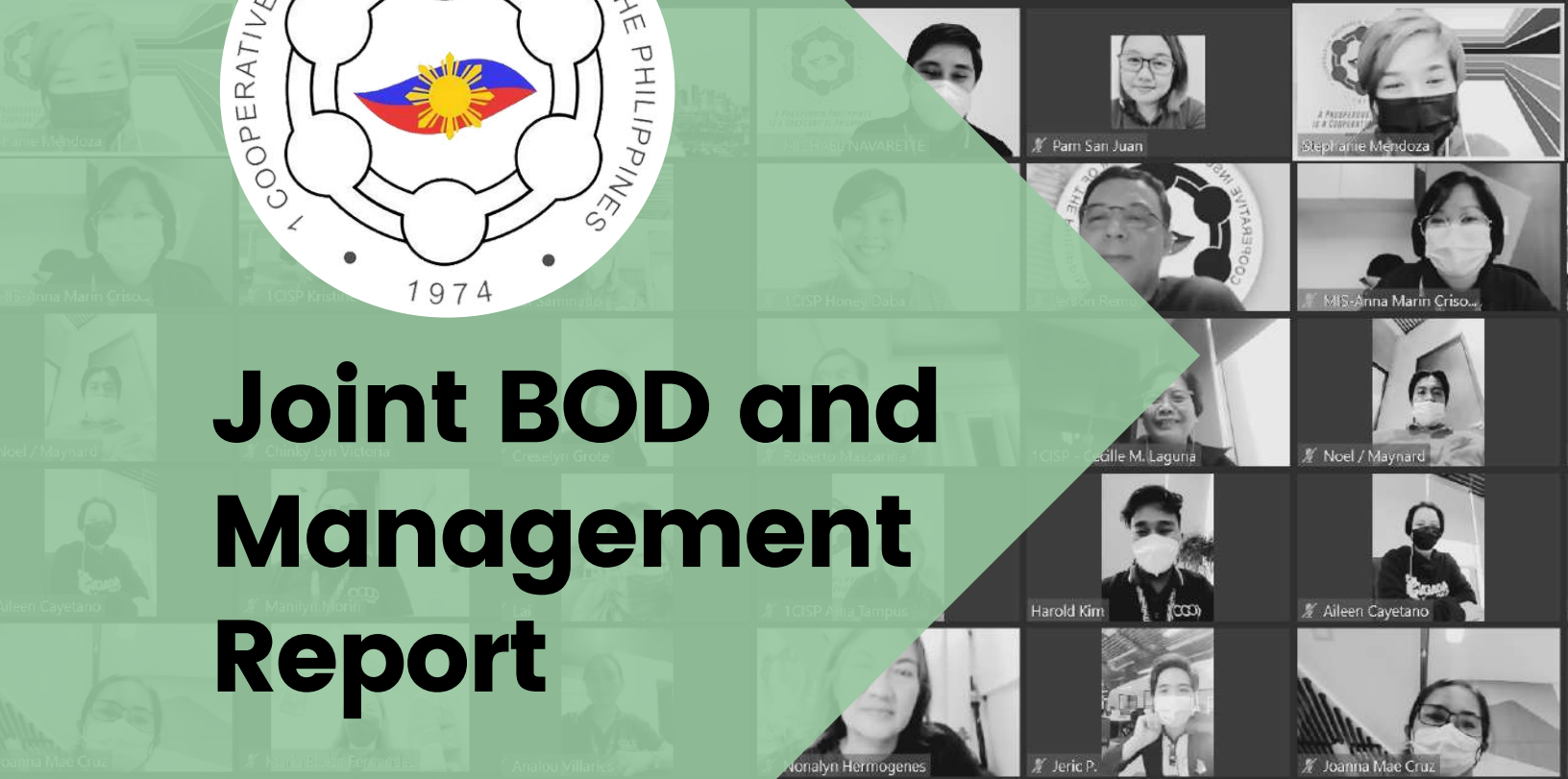

ATTY. LYMAN A. MANZANARES
 Co-operative Secretary

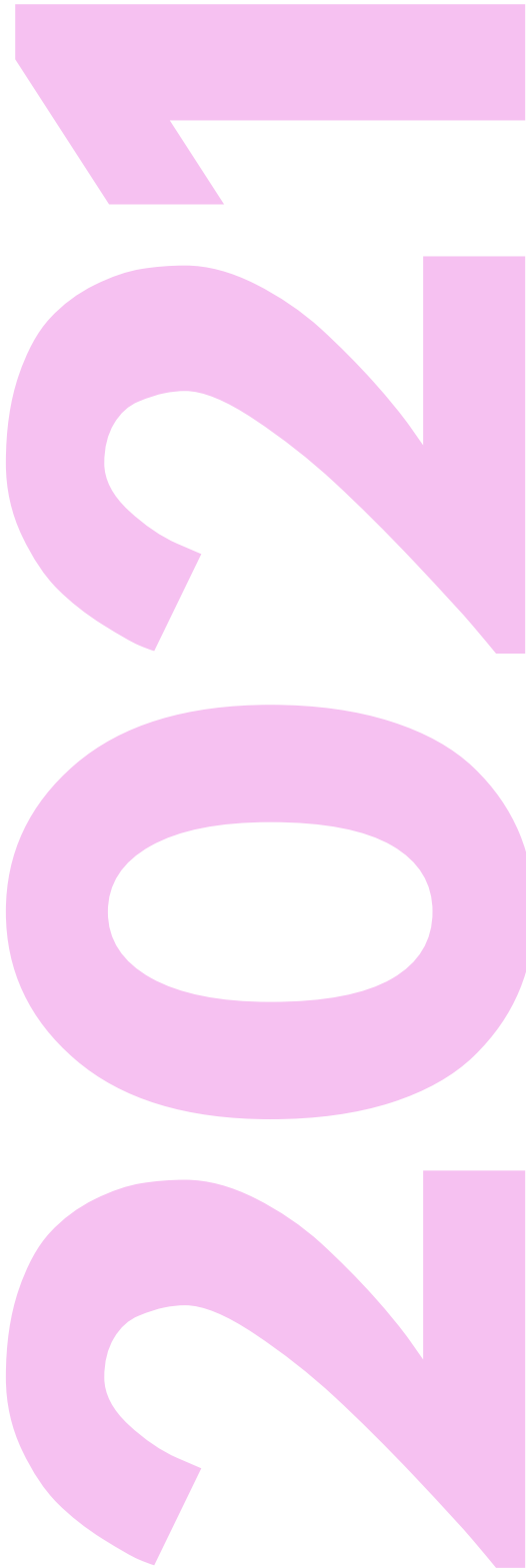
Attested:


FR. ANTONIO CECILIO T. BASCUAL
 1CISP Chairperson



Joint BOD and Management Report





Responding to Challenges and Reaffirming our Commitments to an Inclusive and Resilient Cooperative Philippines

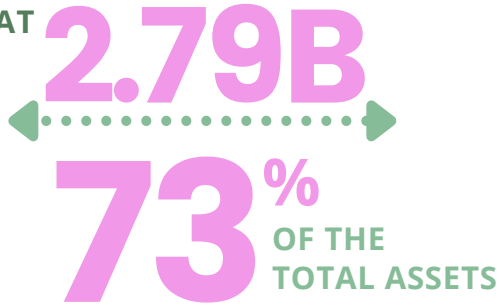
The grassroots has been the anchor of 1CISP that allowed it to remain steadfast, unfazed by challenges posed by the fluctuating economy and prolonged pandemic. The enduring support of its member-owners propelled 1CISP to new heights and glided through various lows. Digitalization and risk mitigation and protection are the primary tools of 1CISP to effectively respond to these challenges. As it continuously gives back to its member-owners through the provision of programs and services that focus on building their technological capacity and financial stability in facing the ever-present hurdles with immense grit and unwavering resilience.

As we witness 1CISP's efforts to enhance the capacity and capability of its member-owners come into fruition, it has become more apparent that technology and insurance have united and strengthened the cooperative community during tough times. Thus, let the success of 2021 be 1CISP's pledge that it will continue to build and rebuild, protect and empower, innovate and embrace change as its organizational way of life, and most importantly, perpetually commit to an inclusive and resilient cooperative Philippines.

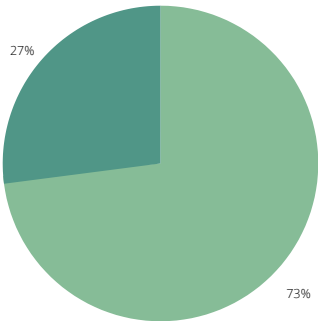
Joint BOD and Management Report

FINANCIAL CONDITION

AT THE END OF 2021, THE 1CISP'S TOTAL CASH AND INVESTED ASSETS STOOD AT



From the total assets the cash and cash equivalents attributes to 40% (P1.53 billion); short-term investments comprises 11% (P440.0 million); and financial assets is 22% (P826.1million).



All these earning assets generated an **P83.8million** interest income, which has been used to cover **50%** of incurred administrative expenses.

CAPITAL CONTINUES TO GROW
 Members' Share Capital **JUMPED** to



The 1CISP posted growth in assets, liquidity, and member’s equity. From 2020 to 2021, the total assets grew by 6.2% from P3.60 billion to P3.83 billion, cash and invested assets by 7.8% from P2.59 billion to P2.79 billion, and member’s equity by 16.7% from P2.18 billion to P2.54 billion.

The total liabilities decreased by 10% from P1.42 billion to P1.28 billion primarily because of the repayment of loans payable and other current liabilities. Despite the reduction in total liabilities, an increase in insurance contract liabilities from P565.4 million to P856.0 million due to the spike in insurance payables, which management will address in 2022.

Joint BOD and Management Report

OPERATIONS

THE GLOBAL PANDEMIC IS COMPOUNDING

INSURANCE CLAIMS

THE INSURANCE COMMISSION SURVEYED 130 INSURANCE FIRMS, HMOs AND, MUTUAL BENEFITS ASSOCIATIONS AND FOUND OUT THAT

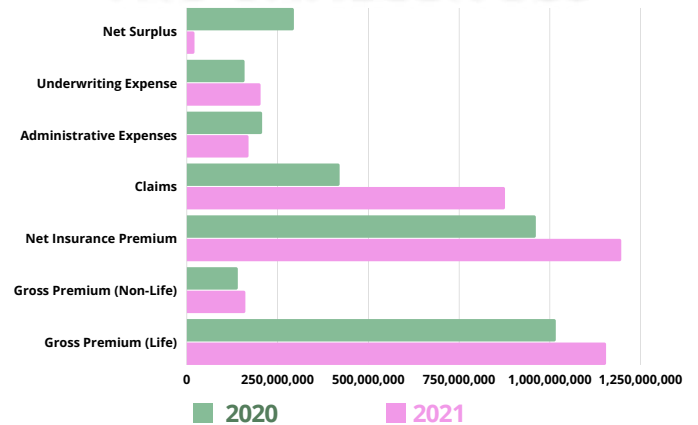


PANDEMIC-RELATED INSURANCE PAYOUTS TOP P16B.



Source: Business World

DESPITE THE CHALLENGES



1CISP BENEFITS AND CLAIMS PAID

875.67M

ENDING DECEMBER 2021

108%

INCREASE

The year 2021 was a big challenge for 1CISP due to the onslaught of unprecedented increase in claims that have affected the entire insurance industry. 1CISP's claims increased by 108% from P420.5 million in 2020 to P876 million in 2021 due to higher death benefit payouts and COVID-19 financial assistance, other diseases, and claims arising out of typhoon damages, which includes Typhoon Odette in December. This has brought a significant impact on 1CISP, which was able to generate net surplus of P21.0 million, albeit, only a fraction of the P294.1 million net surplus in 2020.

The key factors that supported the positive net surplus are robust growth in net insurance premium, controlled increase in underwriting expense, and lower administrative expenses. The net insurance premium increased by 24.5% from P960.8 million in 2020 to P1.20 billion in 2021, while the underwriting expenses increased at a relatively similar rate of 27.7% from P158.5 million to P202.4 million for the same period. Finally, the administrative expenses were reduced by 18.0% from P206.6 million in 2020 to P169.3 million in 2021.

Joint BOD and Management Report

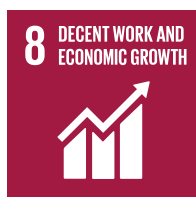
As we conclude the year 2021 with a positive financial performance, we should not lose sight of the important work that we have done as support to these numbers, to reach out to the grassroots and to advance digitalization in the cooperative sector.

While 2020 has taught us to adapt and cope, the year 2021 has led us to become more resilient, responsive, and grounded by the six pillars of 1CISP: protecting you like family, favoring the insured, champions on social good, financial resilience, nation- and community-building, and globally competitive. It has been particularly rewarding to see our member-cooperatives get back on their feet as we move slowly toward the 'better normal'.

Let us take a look at 1CISP's accomplishments and journey in 2021.



PROTECTING YOU LIKE FAMILY



On 22 April 2021, the 1CISP vacated its 28-year-old headquarters, located on Malakas Street and inaugurated its new head office building at the heart of Mapagbigay corner Maunlad Streets, Barangay Pinyahan, Quezon City.

The move to the new building was a testament to the success of 1CISP's cooperative way of life and its commitment to its core values. As the marker reads:

"Ang gusaling ito ay sagisag ng pagtitiwala, pananalig at pagmamalasakit ng mga kooperatibang kamay-ari ng 1CISP. Ito ang magsisilbing punong-tanggapan ng kalipunan upang puspusang paglingkuran ang sector ng Kooperatiba sa Pilipinas ng may katapatan, kabutihan at kahusayan."



The 1CISP made history with the blessing and inauguration of its new building on April 22, 2021.

The 1CISP Chairperson Fr. Anton Pascual, together with CDA Asec. Myrla B. Paradillo, 1CISP Director Lorenzo Sumicad, CDA Usec. Joseph B. Encabo, Most Rev. Teodoro C. Bacani, Jr. (Bishop-Emeritus of Novaliches), and CDA Asec. Vidal Villanueva III, graced this monumental event.

Joint BOD and Management Report

The 1CISP celebrated the Blessing and Inauguration of its new Head Office Building



USEC Joseph B. Encabo reminded everyone that **"Cooperative is not only a sector but the people who initiate and facilitate the movement, contribute to the welfare - the totality of a person's growth. I think that is the essence of cooperativism."** He also added that the cooperative movement is a calling and that we should always strive to be of service to every individual in the cooperative.

The 1CISP conducted its 47th Annual General Assembly

1CISP held its 47th Annual General Assembly with the theme "Reaching Out to the Grassroots Through Digitalization" via Zoom facility on April 24, 2021. It was also the second time that this event was conducted virtually. It was attended by 182 cooperatives, which were represented by 300 Zoom participants, and 310 viewers in the Facebook live stream.



The event garnered more than a thousand post engagements via social media, and hundreds of congratulatory messages. Fr. Anton Pascual, 1CISP Chairperson, congratulated not only the management and staff but also the member-cooperatives for 1CISP's achievements for the year 2020 and has urged everyone to work together and patronize 1CISP's products and services in the many years to come.



In celebration of the 2021 International Women's month, with the theme: *We Make Change Work for Women*, the 1CISP launched a new program that provides various solutions and empowers women or **'Juanas'** in the cooperative sector:

the Koop4HER Program

It recognized all the **Juanas** and their contribution to the sector, highlighting the mothers who had to balance work, childcare and domestic work.

H HOLISTIC LEARNING	E ENTREPRENEURSHIP	R RISK MANAGEMENT

Joint BOD and Management Report

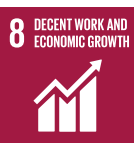


In reference to 2021's *Brigada Eskwela* with the theme: '*Bayanihan Para sa Paaralan*', the 1CISP distributed tablets for chosen students to help them with their online classes and teaching gadgets for their online learning sessions.



The 1CISP strongly advocates that cooperatives are the great equalizer for us to become a prosperous Philippines. Inspired by the new 1CISP strategic direction, which is "To insure more Filipinos especially those who have less in life", 1CISP conducted the InsureTalk, a special series of forums for non-members and/or non-patronizing members.

The 1CISP keeps its members engaged and updated during the pandemic with the current operations of 1CISP by annually



conducting an owners' forum per major island group.

2 CHAMPIONS ON SOCIAL GOOD

1CISP Pledged Support to YSLEP

As part of our annual commitment to support the Youth Servant Leadership and Education Program (YSLEP) of Caritas Manila, the 1CISP allocated additional financial support from its Cooperative Education Training Fund (CETF) in the amount of P500,000.00.

The Union of Metro Manila Cooperatives (UMMC), in collaboration with Philippine Cooperative Center (PCC) and Bayan Academy, aims to deepen the understanding and appreciation of the Cooperative Identity and contributions of Filipino Cooperatives and cooperators. They launched a book entitled, "Deepening the Cooperative Identity: A Collection of 21st Century Stories of Filipino Cooperatives." This book promotes the sector's significant contributions to national development, particularly in the areas of poverty alleviation, community building, social justice, and economic growth.



To support this initiative, the 1CISP provided financial support in order to produce this book and the learning materials for the Cooperative Ideology training course.

Joint BOD and Management Report

3 FAVORING THE INSURED

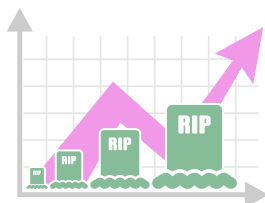
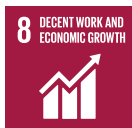
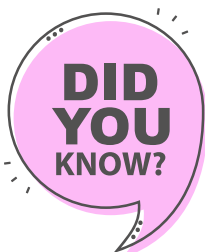
The two-year pandemic has caused claims to increase three folds from last year. This significant rise in the amount of paid claims demonstrates our reliability and commitment as risk mitigation partners to coops.

LIFE INSURANCE



The **TOP CAUSES OF DEATH** among our insured members during the COVID-19 pandemic are lifestyle diseases such as:

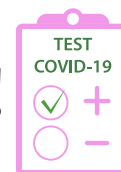
cardiovascular diseases, respiratory diseases, cancer, kidney diseases, and diabetes.



NON-LIFE INSURANCE



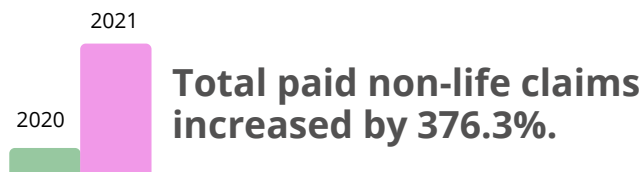
It is **positive**!



85 total filed claims account for COVID-19 financial assistance and medical reimbursements.
 out of 100

There is a surge in this year's claim on standard fire with allied perils due to typhoon Odette, as compared to 2020.

27x



Joint BOD and Management Report

4 NATION- AND COMMUNITY-BUILDING

Recognizing the urgent need to manage disaster risks, the 1CISP, in collaboration with GIZ, DOST, PHIVOLCS and the Agusan del Norte DRRM Team, conducted a two-day Disaster Risk Management (DRM) and GeoRiskPh platform training for the First Community Cooperative (FICCO) – one of 1CISP's largest member-coops. The purpose of the training is for the coops to increase their understanding of hazard and disaster risk profiles, as well as appreciate the different methods in managing disaster risks. The 1CISP is aiming to replicate this activity to more cooperatives in 2022.

1CISP collaborates with various organizations to educate about disaster risk management

1CISP CDO celebrates 2021 Cooperative Month with Tree-Planting Activity



The 1CISP Cagayan de Oro Branch celebrated National Cooperative Month with tree-planting and nurturing activities in October 2021. In line with the theme "Kooperatibang Matatag: Tumutugon sa mga Hamon, Daan Sa Pagbangon, Nagbibigay Pag-asa sa Makabagong Panahon", the employees took the initiative to address one of challenges faced by the country today: climate change. In our little way, we took care of the planet by planting Narra seedlings and caring for these by watering and adding compost in Barangay Baikingon, Cagayan de Oro, each week.

1CISP partners with CDA for Farmer Coop Aid

In November 2021, the Cooperative Development Authority, in partnership with 1CISP, distributed assistance to the members of Kanawan Farmers Producers Cooperatives in Morong, Bataan. This joint partnership was able to provide 15 piglets and feeds to the Aeta community of Kanawan. This activity aimed to boost the livelihood of the recipients.

The activity was attended by 1CISP President Roy Micalat, 1CISP Regional Area Manager for Region 3 Ms. Nerissa Villanueva, CDA Chairperson Usec. Joseph Encabo, CDA Asec. Myrla Paradillo and CDA Regional Director for Region 3 Cristina Villamil.



Joint BOD and Management Report

5 FINANCIAL RESILIENCE

It has been proven in the past years that 1CISP's existence has shown that it is a dependable partner not only in risk mitigation but in building community resilience as well.

The planting years have yielded resilience for us to fully prepare for another rainy season, like this enduring pandemic, and this has enabled us to do our part in sharing our harvest to the community.



Provided support to the Caritas Manila Damayan Gift Certificate Ayuda 2021 in the amount of P1 million.



Supplied financial assistance for immediate relief to the communities extremely affected by Super Typhoon Odette through:

- Caritas Manila Inc. – P500,000.00
- Tanging Yaman Foundation, Inc. – P500,000.00

Granted financial assistance to Philippine Cooperative Center (PCC) in the amount of P250,000.00 intended for the rehabilitation of cooperatives severely affected by Typhoon Odette.



Allocated a total amount of P3 million to be charged to 1CISP's optional fund to financially support cooperative members that were badly affected by Typhoon Odette.



Joint BOD and Management Report

6 GLOBALLY COMPETITIVE

The 1CISP and German Agency for International Cooperation (GIZ) entered into a Memorandum of Understanding (MOU) to develop a parametric climate insurance plan to fulfill the mission of expanding the reach of parametric climate insurance in the Philippines. CelsiusPro (CP) was highly recommended by GIZ to support the 1CISP-GIZ parametric insurance development. CelsiusPro is a technology company based in Switzerland that provides software to source data, as well as assess prices, execute, manage and reinsure parametric insurance.



icmif



Interactive panel discussion



Jackelyn Ballena

Vice President for Operations – Life Division

1CISP (Philippines)



Satoshi Hase

Assistant Manager, Office of Business Collaboration and SDGs Promotion.

Zenkyoren (Japan)



Emma Rowe

Sustainability and Communications Advisor

FMG (New Zealand)

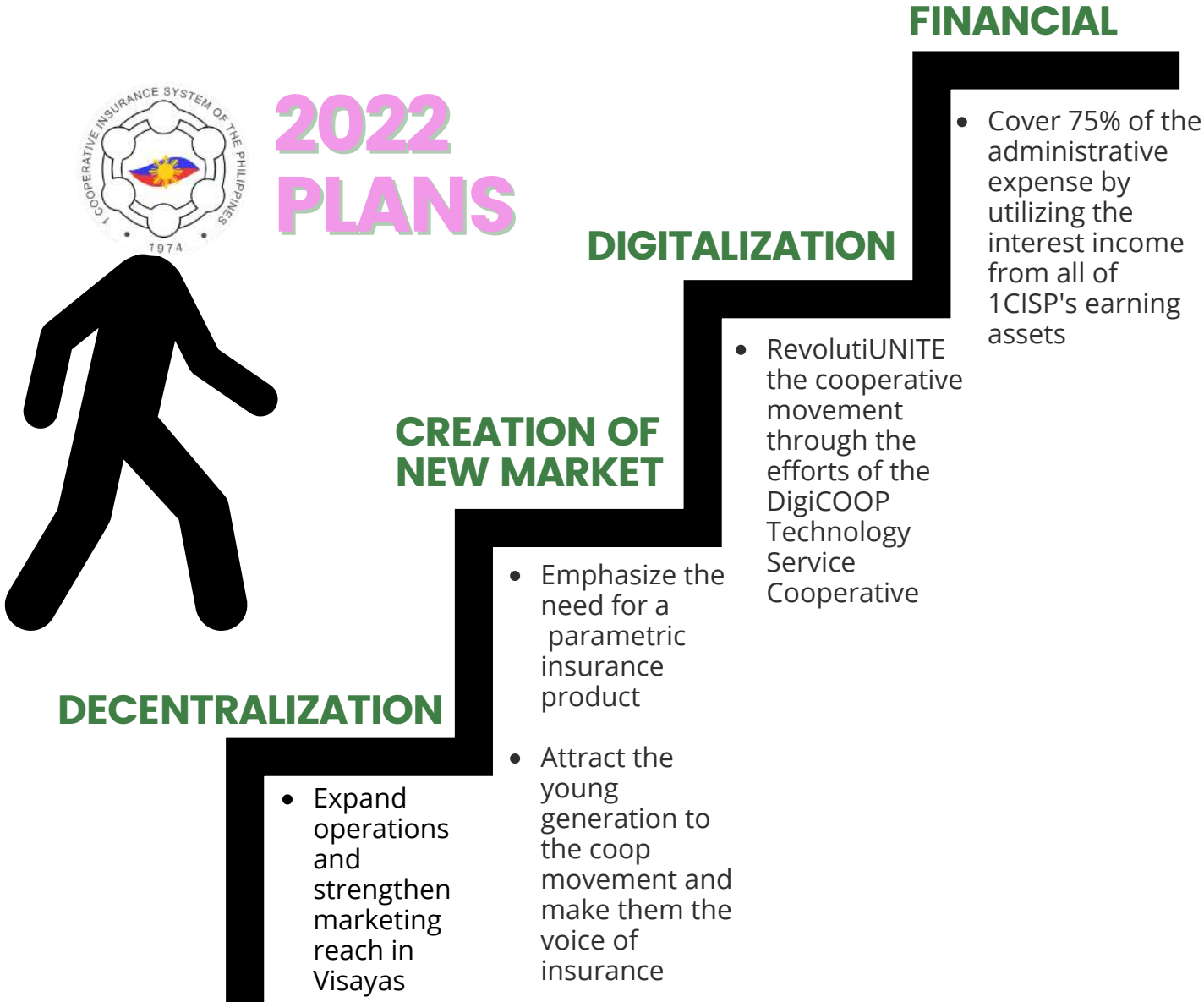
icmif International Cooperative and Mutual Insurance Federation

#ICMIFYoungLeaders

In the previous year, 1CISP has further strengthened its involvement with international organizations through its engagements with the International Cooperative and Mutual Insurance Federation (ICMIF), which has considerably expanded the cooperative's network and improved its level of competence. The cooperative has participated in various ICMIF initiatives in 2021 which included numerous webinars and roundtable discussions. In addition, 1CISP has also provided support to other webinars of the Asia and Oceania Association of the ICMIF. The cooperative has also participated in ICMIF's survey to members to gain insights on members' marketing and communication activities, where the results are set to be published in 2022. Furthermore, Ms. Jackelyn Ballena, 1CISP's Vice-President for Life Operations and ICMIF's Young Leaders Forum Chairperson, has been representing 1CISP and constantly advocating the importance of honing the youth to become effective leaders.

Joint BOD and Management Report

Towards the end of last year, the 1CISP Board of Directors, management and sales team virtually met for the second year of the month-long sequential strategic planning workshop. The output of this planning is presented in the succeeding pages.



For the Board of Directors:

Fr. Anton CT. Pascual
Fr. Anton CT. Pascual
Chairperson

For the Management

Roy S. Miclat
Roy S. Miclat
President

9 April 2022

***1 Cooperative Insurance System of the
Philippines Life and General Insurance
(1CISP)***

*Financial Statements
December 31, 2021 and 2020*

and

Independent Auditors' Report



WE ARE AN INDEPENDENT MEMBER OF
THE GLOBAL ADVISORY
AND ACCOUNTING NETWORK

Independent Auditors' Report

The Board of Directors and Stockholders
1 COOPERATIVE INSURANCE SYSTEM OF THE PHILIPPINES
LIFE AND GENERAL INSURANCE (1CISP)
80 Malakas Street, Central District
Quezon City

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **1 Cooperative Insurance System of the Philippines Life and General Insurance (1CISP)** (“the Cooperative”) which comprise the statement of financial condition as at December 31, 2021, and the statement of operations, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **1 Cooperative Insurance System of the Philippines Life and General Insurance (1CISP)** as at December 31, 2021, and its financial performance and its cash flows for the year then ended, in accordance with Philippine Financial Reporting Framework for Cooperatives (PFRF for Cooperatives) as prescribed by the Cooperative Development Authority (CDA) Memorandum Circular (MC) No. 2015-06 of the CDA.

Basis for Opinion

We conducted our audit in accordance with Philippine Standards on Auditing (PSA) and Standard Audit System for Cooperatives (SASC). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Cooperative in accordance with The Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements of **1 Cooperative Insurance System of the Philippines Life and General Insurance (1CISP)** as at and for the year ended December 31, 2020 were audited by another auditor whose report thereon dated April 23, 2021 expressed an unqualified opinion on those financial statements.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRF for Cooperatives, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Global Reach, Global Quality

Head Office : 7th Floor, Don Jacinto Building, De la Rosa corner Salcedo Sts., Legaspi Village, Makati City 1229 Philippines • Phone: +63(2) 894 5892 / 844 9421 / Fax: +63(2) 818 1872
Cebu Office : Unit 504 Cebu Holdings Building, Cebu Business Park, Mabolo, Cebu City 6000 Philippines • Phone: +63(32) 415 8108 - 10 / Fax: +63(32) 232 8029
Davao Office : 3rd Floor Building B Plaza De Luisa, Ramon Magsaysay Avenue, Davao City 8000 Philippines • Phone/Fax: +63(82) 222 6636
Palawan Office : 2F MRC Building, Pineda Road, Brgy. San Pedro, Puerto Princesa City, Palawan 5300 Philippines • Phone +63(48) 716 1580
Website : www.dmdcpa.com.ph

In preparing the financial statements, management is responsible for assessing the Cooperative's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Cooperative or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Cooperative's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs and SASCs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSAs and SASCs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Cooperative's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Cooperative's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Cooperative to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on the Supplementary Information Required under Revenue Regulation no. 15-2010

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in Note 31 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of management of **1 Cooperative Insurance System of the Philippines Life and General Insurance (1CISP)**. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Diaz Murillo Dalupan and Company

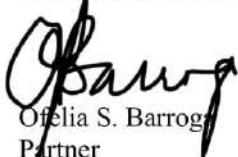
Tax Identification No. 003-294-822

BOA/PRC No. 0234, effective until August 4, 2023

CDA Accreditation No. 060-AF, effective until May 18, 2024

SEC Accreditation No. 0192-FR-3, Group A, effective until April 2, 2022

BIR Accreditation No. 08-001911-000-2019, effective until March 27, 2022



Ofelia S. Barrog

Partner

CPA Certificate No. 47189

SEC Accreditation No. 1090-AR-2, Group A, effective until March 10, 2023

Tax Identification No. 104-576-733

PTR No. 8867324, January 17, 2022 Makati City

BIR Accreditation No. 08-001911-006-2019, effective until April 9, 2022

March 11, 2022

**I COOPERATIVE INSURANCE SYSTEM OF THE PHILIPPINES LIFE AND
GENERAL INSURANCE (ICISP)**

Statement of Financial Condition

As at December 31, 2021

(With comparative figures for 2020)

	December 31	
	2021	2020
ASSETS		
Current Assets		
Cash and cash equivalents - note 4	P1,526,412,242	P1,473,980,236
Short-term investments - note 5	440,007,947	490,166,618
Insurance receivables (net) - note 6	176,544,425	135,072,566
Reinsurance assets - note 7	92,909,591	98,473,653
Loans and receivables - note 8	137,357,126	79,300,395
Financial assets - note 9	164,621,137	133,155,352
Deferred acquisition cost - note 10	15,113,457	19,263,494
Other current assets - note 11	9,415,180	8,282,021
	2,562,381,105	2,437,694,335
Noncurrent Assets		
Loans and receivables (net of current portion) - note 8	190,618,199	269,331,234
Financial assets (net of current portion) - note 9	661,527,639	492,728,959
Investment in an associate - note 9	-	55,000,000
Property and equipment (net) - note 12	379,818,809	303,130,031
Other noncurrent assets - note 12	33,657,100	45,860,274
	1,265,621,747	1,166,050,498
TOTAL ASSETS	P3,828,002,852	P3,603,744,833
LIABILITIES AND EQUITY		
Current Liabilities		
Insurance contract liabilities - note 13	P855,973,132	P565,404,402
Deferred commission income - note 10	955,331	2,975,282
Due to reinsurers - note 14	29,227,987	41,429,485
Trade and other payables - note 15	166,473,939	292,737,277
Other current liabilities - note 16	198,229,520	488,257,832
	1,250,859,909	1,390,804,278
Noncurrent Liability		
Retirement benefits obligation - note 17	32,602,609	32,682,175
Equity		
Share capital - note 18	2,219,480,800	1,839,833,000
Contributed surplus	85,338	85,298
Revaluation surplus - note 12	12,575,539	12,081,337
Remeasurement of aggregate reserves on life policies - note 13	1,864,300	(1,494,999)
Statutory funds - note 29		
Reserve fund	188,932,048	190,193,254
Cooperative education and training fund	21,014,578	29,268,235
Community development fund	6,510,067	17,683,255
Optional fund	94,077,664	92,609,000
	2,544,540,334	2,180,258,380
TOTAL LIABILITIES AND EQUITY	P3,828,002,852	P3,603,744,833

(The accompanying notes are an integral part of these financial statements.)

**1 COOPERATIVE INSURANCE SYSTEM OF THE PHILIPPINES LIFE
AND GENERAL INSURANCE (1CISP)**

Statement of Operations

For the Year Ended December 31, 2021

(With comparative figures for 2020)

	2021	2020
REVENUE		
Net insurance premiums earned - note 19	₱1,195,924,372	₱960,752,215
Other income - note 20	101,476,783	61,976,461
	1,297,401,155	1,022,728,676
BENEFITS, CLAIMS AND EXPENSES		
Benefits and claims incurred on insurance contracts - note 21	875,671,602	420,508,878
Change in aggregate reserves on life policies - note 13	27,940,012	(61,078,592)
Net insurance benefits and claims	903,611,614	359,430,286
Underwriting expenses - note 22	202,412,551	158,457,251
Administrative expenses - note 23	169,343,527	206,616,020
Finance costs - notes 15 and 24	1,052,545	4,103,379
	1,276,420,237	728,606,936
NET SURPLUS	₱20,980,918	₱294,121,740
ALLOCATION OF NET SURPLUS		
Interest on share capital and patronage refund payable	₱15,735,689	₱220,591,305
Reserve fund	2,098,092	29,412,174
Cooperative education and training fund	1,049,046	14,706,087
Community development fund	629,427	8,823,652
Optional fund	1,468,664	20,588,522
	₱20,980,918	₱294,121,740

(The accompanying notes are an integral part of these financial statements.)

I COOPERATIVE INSURANCE SYSTEM OF THE PHILIPPINES LIFE AND GENERAL INSURANCE (ICISP)
Statement of Changes in Equity
For the Year Ended December 31, 2021
(With comparative figures for 2020)

	Share capital - note 18			Remeasurement of aggregate reserves on life policies - note 13					Statutory funds - note 29				Total	Total equity
	Common	Preferred	Contributed surplus	Revaluation surplus - note 12	Reserve fund	Cooperative education and training fund	Community development fund	Optional fund	Total	Total	Total			
Balance as at January 1, 2020	₱1,637,147,000	₱9,021,400	₱85,298	₱12,081,337	P- ₱110,533,038	₱20,094,485	₱13,698,360	₱32,567,166	₱176,913,069	₱1,835,248,104				
Issuances of shares	199,505,500	-	-	-	-	-	-	-	-	199,505,500				
Withdrawals	(5,504,900)	(336,000)	-	-	-	-	-	-	-	(5,840,900)				
Transfer to common shares	224,400	(224,400)	-	-	-	-	-	-	-	-				
Allocation of net surplus during the year	-	-	-	-	29,412,174	14,706,087	8,823,652	20,588,522	73,530,435	73,530,435				
Charges to the statutory funds during the year	-	-	-	-	-	(5,532,337)	(9,838,757)	-	(15,371,094)	(15,371,094)				
Remeasurement of aggregate reserves on life policies	-	-	-	-	(1,679,650)	-	-	-	-	(1,679,650)				
Transfer from miscellaneous reserves	-	-	-	-	-	-	5,000,000	39,453,312	94,865,985	94,865,985				
Transfer to remeasurement of aggregate reserves on life policies	-	-	-	-	184,651	-	-	-	(184,651)	-				
Balance as at December 31, 2020	1,831,372,000	8,461,000	85,298	12,081,337	190,193,254	29,268,235	17,683,255	92,609,000	329,753,744	2,180,258,380				
Issuances of shares	380,381,600	-	-	-	-	-	-	-	-	380,381,600				
Withdrawals	(680,100)	(53,700)	-	-	-	-	-	-	-	(733,800)				
Transfer to common shares	40,800	(40,800)	-	-	-	-	-	-	-	-				
Contributed surplus	-	-	40	-	-	-	-	-	-	40				
Adjustment - note 12	-	-	-	494,202	-	-	-	-	-	494,202				
Allocation of net surplus during the year	-	-	-	-	2,098,092	1,049,046	629,427	1,468,664	5,245,229	5,245,229				
Charges to the statutory funds during the year	-	-	-	-	(3,359,298)	(9,302,703)	(11,802,615)	-	(24,464,616)	(24,464,616)				
Remeasurement of aggregate reserves on life policies - note 13	-	-	-	-	3,359,299	-	-	-	-	3,359,299				
Balance as at December 31, 2021	₱2,211,114,300	₱8,366,500	₱85,338	₱12,575,539	₱188,932,048	₱21,014,578	₱6,510,067	₱94,077,664	₱310,534,357	₱2,544,540,334				

(The accompanying notes are an integral part of these financial statements.)

**I COOPERATIVE INSURANCE SYSTEM OF THE PHILIPPINES LIFE AND
GENERAL INSURANCE (ICISP)**

Statement of Cash Flows

For the Year Ended December 31, 2021

(With comparative figures for 2020)

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Net surplus	₱20,980,918	₱294,121,740
Adjustments for:		
Change in insurance contract liabilities	293,928,029	38,410,878
Provision for probable losses - note 23	10,000,000	47,019,599
Retirement benefits expense - note 17	39,720	17,057,269
Depreciation - note 12	9,358,148	5,628,508
Finance costs - notes 15 and 24	1,052,546	4,103,379
Loss on disposal of property and equipment - note 12	4,470	69,289
Change in deferred commission income - note 10	(2,019,951)	(1,678,993)
Unrealized gain fair value gain on financial assets at fair value through profit or loss - note 9	(3,366,731)	(1,697,386)
Change in deferred acquisition costs - note 10	4,150,037	(10,195,430)
Interest income	(83,755,703)	(45,243,151)
Operating income before working capital changes	250,371,483	347,595,702
Increase in:		
Short-term investments	38,454,559	(217,112,307)
Insurance receivables	(41,471,859)	(62,769,560)
Reinsurance assets	5,564,062	116,178
Other current assets	(1,133,157)	(3,880,150)
Loans and receivables	10,656,304	6,445,386
Increase (decrease) in:		
Due to reinsurers	(8,392,538)	(42,287,101)
Trade and other payables	(42,763,338)	69,394,723
Other current liabilities	(174,753,003)	53,838,955
Cash generated from operations	36,532,513	151,341,826
Contributions to the retirement fund	(119,286)	-
Interest received	83,755,703	45,243,151
Interest paid	(1,052,546)	(2,366,050)
Net cash provided by operating activities	119,116,384	194,218,927
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of:		
Financial assets at amortized cost - note 9	(117,633,682)	(218,626,021)
Property and equipment (net) - note 12	(73,354,221)	(82,714,644)
Financial assets at cost - note 9	(30,537,462)	(19,250,000)
Financial assets at FVPL- note 9	(10,040,951)	-
Proceeds from disposal and maturities of:		
Financial assets at amortized cost	28,018,473	126,654,405
Property and equipment (net) - note 12	200	-
Payment for advances to contractors	-	(18,157,100)
Cash used in investing activities	(203,547,643)	(212,093,360)
<i>(forward)</i>		

	2021	2020
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuances of share capital	355,676,586	162,061,903
Proceeds from loans	-	83,500,000
Payment of loans	(83,500,000)	(130,000,000)
Payments of share withdrawals	(733,800)	(5,840,900)
Disbursements from statutory funds	(24,464,616)	(15,371,094)
Payments of interest on share capital and patronage refund	(110,114,905)	(201,393,144)
Net cash provided by (used in) financing activities	136,863,265	(107,043,235)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	52,432,006	(124,917,668)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1,473,980,236	1,598,897,904
CASH AND CASH EQUIVALENTS AT END OF YEAR - note 5	₱1,526,412,242	₱1,473,980,236

(The accompanying notes are an integral part of these financial statements.)

1 COOPERATIVE INSURANCE SYSTEM OF THE PHILIPPINES LIFE AND GENERAL INSURANCE (1CISP)

Notes to Financial Statements

As at and for the Year Ended December 31, 2021

(With comparative figures for 2020)

1. CORPORATE INFORMATION

1 Cooperative Insurance System of the Philippines Life and General Insurance (1CISP) (the Cooperative) is a secondary cooperative committed to deliver security to members of cooperatives, labor unions and cooperative-oriented groups and organizations through insurance packages. It was organized to promote and engage in the service of life and general insurance as a cooperative undertaking, including all its various types, kinds, branches, divisions, and other incidents.

The Cooperative was founded on January 25, 1974, and obtained its first Certificate of Authority to operate as a life insurance cooperative from the Insurance Commission (IC) on September 30, 1974. The Cooperative was registered with the Department of Local Government and Community Development on April 5, 1975, under Presidential Decree No. 175. In accordance with the provisions of Republic Act (R.A.) No. 6938, *Cooperative Code of the Philippines* and R.A. No. 6939, *An Act Creating the Cooperative Development Authority (CDA)*, it was registered as a cooperative on December 4, 1991 with the CDA. Pursuant to CDA Memorandum Circular (MC) No. 2010-05, *Policy Guidelines in the Mandatory Amendments of Articles of Cooperation and By-Laws of Cooperatives and Prescribing the Registration Thereof to Conform with R.A. 9520, Philippine Cooperative Code of 2008* (the Cooperative Code), the Cooperative complied with the mandatory filing for the registration of amendments of Articles of Cooperation and By-laws and registered with CDA under the Cooperative Code (Registration No. 9520-16000011) on September 22, 2009. On March 7, 2018 the IC issued a composite Certificate of Authority to the Cooperative to operate as a life and general insurance cooperative with Certificate of Authority No. 2018/01-0, effective from July 7, 2018 to December 31, 2020 which was renewed for additional three (3) years from January 1, 2021 to December 31, 2023 under Certificate of Authority No. 2021/01-R. In August 2018, the Cooperative commenced the operation of its nonlife business.

In accordance with the Cooperative Code, cooperatives are exempted from the payment of all national, city, provincial, municipal or barangay taxes of whatever name and nature, including exemption from custom duties, advance sales or compensating taxes on its importation of machinery, equipment, and spare parts which are not available locally as certified by the Department of Trade and Industry. Cooperatives shall enjoy tax exemptions from government taxes of fees imposed under the internal revenue laws provided that they do not transact with nonmembers or the general public. Cooperatives, if transacting business with nonmembers or the general public, may be exempted from tax if their accumulated reserves and undivided net savings do not exceed ₱10.00 million.

The Cooperative is a holder of a certificate of tax exemption issued by the Bureau of Internal Revenue (BIR) dated July 15, 2010 stating that as a cooperative transacting with members only, it is entitled to the tax exemptions and incentives provided for under Articles 60 of the Cooperative Code, as implemented by Section 7 of Joint Rules and Regulations Implementing Articles 60, 61, and 144 of the Cooperative Code. The Cooperative's certificate of tax exemption was renewed on June 16, 2021 for five (5) years until June 16, 2026.

The Cooperative's head office is located at No. 80 Malakas Street, Central District, Quezon City. It has regional offices in almost all regions in the Philippines.

On April 27, 2018, the Cooperative registered its first and only branch office located at Fernandez St., Cagayan de Oro, Misamis Oriental. The branch started its operations in September 2019.

The accompanying financial statements for the year ended December 31, 2021 with comparative figures for 2020 were authorized for issue by the Board of Directors (BOD) on March 11, 2022.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The financial statements of the Cooperative have been prepared in accordance with Philippine Financial Reporting Framework for Cooperatives (PFRF for Cooperatives) as prescribed by the CDA Memorandum Circular (MC) No. 2015-06 dated September 16, 2015. The PFRF for Cooperatives was developed from the Philippine Financial Reporting Standard for Small and Medium-sized Entities. Modifications were made on several provisions of the standards taking into considerations cooperative laws, rules, regulations, and principles.

Pursuant to Section 3 of R.A. 6939, the CDA issued MC 2016-06 prescribing the use of Standard Chart of Accounts (SCA) for Cooperatives in conformity with PFRF for Cooperatives. The Cooperative adopted the SCA in the preparation of the financial statements as of December 31, 2021 and 2020.

Basis of Preparation

The financial statements have been prepared on a historical cost basis, except for financial assets at fair value through profit or loss and land which is measured at fair value and revalued amount, respectively. Historical cost is generally based on the fair value of the consideration given in exchange for an asset and fair value of the consideration received in exchange for incurring a liability. Fair value is the price that would be required to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the transaction date.

The financial statements are presented in Philippine Peso (₱), the Cooperative's functional currency. All values are rounded to the nearest peso except when otherwise indicated.

Changes in Accounting Policies, Estimates and Correction of Prior Period Errors

The Cooperative changes its accounting policies if the change is required by PFRF for Cooperatives or as a result of providing reliable and more relevant information about the effects of transactions, other events or conditions on the Cooperative's financial condition. The Cooperative recognizes the effect of changes in accounting policies in the period of change.

In relation to changes in accounting estimates, the Cooperative recognizes the effect of the change prospectively by including it in the statement of operations in the period of change and future periods, if applicable.

Prior period errors are omissions from, and misstatements in, the Cooperative's financial statements for one or more periods arising from mathematical mistakes, mistakes in applying accounting policies, oversights or misinterpretation of facts or fraud. The Cooperative recognizes the effect of the correction of prior period error in the financial statements of the current period.

Current versus Noncurrent Classification

The Cooperative presents assets and liabilities in the statement of financial condition based on current/noncurrent classification.

An asset is current when:

- it is expected to be realized or intended to be sold or consumed in normal operating cycle;
- it is held primarily for the purpose of trading;
- it is expected to be realized within 12 months after the reporting period; or
- it is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after reporting period.

All other assets are classified as noncurrent.

A liability is current when:

- it is expected to be settled in normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within 12 months after the reporting period; or
- there is no unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

All other liabilities are classified as noncurrent.

Financial Instruments

Initial Recognition and subsequent recognition

The Cooperative recognizes a financial asset or a financial liability only when the Cooperative becomes a party to the contractual provisions of the instrument. When a financial asset or a financial liability is recognized initially, the Cooperative shall measure it at the transaction price unless the arrangement constitutes, in effect, a financing transaction. A financing transaction may take place in connection with the sales of goods or services, for example, if payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate. If the arrangement constitutes a financing transaction, the Cooperative shall measure the financial asset or financial liability at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

At the end of each reporting period, the Cooperative shall measure financial instruments as follows, without any deduction for transaction costs it may incur on sale or other disposal:

- Debt instruments shall be measured at amortized cost using the effective or straight-line interest amortization method;
- Debt instrument that are classified as current assets or current liabilities shall be measured at the undiscounted amount of cash or other consideration expected to be paid or received (i.e., net of allowance for probable losses), unless the arrangement constitutes, in effect, a financing transaction, the Cooperative shall measure the debt instrument at the present value of the future payments discounted at a market rate of interest for a similar debt instrument;
- Investments in publicly-traded securities shall be measured at fair value with changes in fair value recognized in the statement of operations.
- Investments in no publicly-traded securities, mutual fund and other externally -managed funds shall be measured at cost less impairment.

Impairment of Financial Assets

At the end of each reporting period, the Cooperative shall assess whether there is objective evidence of impairment of any financial assets. If there is objective evidence of impairment, the Cooperative shall recognize an impairment loss in statement of operations immediately.

Objective evidence that a financial asset or group of assets is impaired includes observable data that come to the attention of the holder of the asset about the following loss events:

- significant financial difficulty of the issuer or obligor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- the creditor, for economic or legal reasons relating to the debtor's financial difficulty, granting to the debtor a concession that the creditor would not otherwise consider;
- it has become probable that the debtor will enter bankruptcy or other financial reorganization; or
- observable data indicating that there has been a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, even though the decrease cannot yet be identified with the individual financial assets in the group, such as adverse national or local economic conditions or adverse changes in industry conditions.

Allowance for probable losses is provided based on Portfolio-at-risk (PAR) model. Under the PAR model, failure to receive payment one day after the due date of amortization makes the entire loan balance subject to allowance for probable losses.

The Cooperative recognizes dividends and other distributions from investments as income without regard whether the distributions are from accumulated profits of the investee arising before or after the date of acquisition. These are recorded as "Other income" in the statement of operations.

Derecognition of Financial Instruments

Financial Assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- the contractual rights to the cash flows from the financial asset have expired or settled; or,
- the Cooperative transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or,
- the Cooperative, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party.

Where the Cooperative has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Cooperative's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of the consideration that the Cooperative could be required to repay.

Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or has expired.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of operations.

Offsetting Financial Assets and Liabilities

Financial assets and financial liabilities are offset, and the net amount reported in the statement of financial condition if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is intention to settle on a net basis, or realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented at gross in the statement of financial condition.

Cash and Cash Equivalents

Cash includes cash on hand and in banks which are subject to insignificant risk of change in value and is used by the Cooperative in the management of its short-term commitments. Cash equivalent includes cash in cooperative federations that are short-term, highly liquid investment that is readily convertible to known amount of cash with original maturities of 3 months or less from date of acquisition.

Short-term Investments

Short-term investments are certificates of deposit which are highly liquid with maturities of more than 3 months but less than 1 year from date of acquisition and are subject to insignificant risk of change involve.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments and are not quoted in an active market.

Financial Assets at Cost

Financial assets at cost refer to equity securities which are not quoted in an active market and are expected to be realized in cash after 1 year from reporting period (net of impairment).

Financial Assets at Amortized Cost

Financial assets at amortized cost refer to debt securities (net of impairment).

Investment in Associate

Investment in associate refer to equity investments in entities where the Cooperative has significant influence. Significant influence exists when the Cooperative holds 20.00% to 50.00% of the entity's voting shares.

Other Current Assets

Other current assets include deposits to suppliers, unused supplies and prepaid expenses and others. These are initially recorded as assets and measured at the amount of cash paid. Subsequent to initial recognition, these are charged to statement of operations as they are consumed in operations or expire with the passage of time.

Deposits to suppliers, unused supplies and prepaid expenses are classified in the statement of financial condition as current assets when the costs and expenses related to prepayments and other current assets are expected to be incurred within 1 year or the Cooperative's normal business operating cycle, whichever is longer. Otherwise, they are classified as noncurrent assets.

Insurance Contracts

Product Classification

Insurance contracts are defined as those contracts under which the Cooperative (the insurer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholders if a specified uncertain future event (the insured event) adversely affects the policyholder. As a general guideline, the Cooperative defines significant insurance risk, by comparing benefits paid with benefits payable if the insured event did not occur.

Insurance contracts can also transfer financial risk. Financial risk is the risk of a possible future change in one or more of a specified interest rate, security price, commodity price, foreign exchange rate, index of price or rates, a credit rating or credit index or other variables.

Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its lifetime, even if the insurance risk reduces significantly during this period, unless all rights and obligations are extinguished or expired.

Insurance contracts are classified with and without Discretionary Participation Feature (DPF). DPF is a contractual right to receive, as a supplement to guaranteed benefits, additional benefits that are:

- likely to be a significant portion of the total contractual benefits;
- whose amount or timing is contractually at the discretion of the issuer; and
- that are contractually based on the:
 - performance of a specified pool of contracts or a specified type of contract;
 - realized and or unrealized investment returns on a specified pool of assets held by the issuer; or
 - net surplus of the Cooperative, fund or other entity that issues the contract.

The additional benefits include policy dividends that are declared annually, the amounts of which are computed using actuarial methods and assumptions, and are included under “Benefits and claims incurred on insurance contracts” account in the statement of operations with the corresponding liability recognized as part of “Insurance payables” under “Insurance contract liabilities” account in the statement of financial condition.

For financial options and guarantees which are not closely related to the host insurance contract, separate recognition is required to measure these embedded financial derivatives separately at FVPL. Separate recognition is not required if the embedded derivative is in itself an insurance contract or when the host insurance contract is measured at FVPL.

The options and guarantees within the insurance contract itself by the Cooperative are treated as derivative financial instruments which are closely related to the host insurance and therefore not separately recorded subsequently. As such, the Cooperative does not separately measure options to surrender insurance contracts for a fixed amount (or an amount based on a fixed amount and an interest rate). Likewise, the embedded derivative in unit-linked insurance contracts linking the payments on the contract to units of an internal investment fund meets the definition of an insurance contract and is not therefore accounted for separately from the host insurance contract.

Reinsurance

The Cooperative cedes insurance risk in the normal course of business. Reinsurance assets primarily include balances due from insurance and reinsurance companies. Amounts due from reinsurers are estimated in a manner consistent with the associated reinsured policies and in accordance with the reinsurance contracts.

An impairment review is performed in all reinsurance assets at each reporting date or when an indication of impairment occurs. Reinsurance assets are impaired only if there is objective evidence that the Cooperative may not receive all amount due to it under the terms of the contract and when the impact on the amounts that the Cooperative will receive from the reinsurers can be measured reliably. The impairment loss is charged to statement of operations. Ceded reinsurance arrangements do not relieve the Cooperative from its obligation to policyholders.

Ceded reinsurance recoveries are accounted for in the same period as the underlying claims.

Premiums and claims are presented on a gross basis for reinsurance. Reinsurance assets and liabilities are derecognized when the contractual right is extinguished or expired or when the contract is transferred to another party.

Insurance Contract Liabilities

Life Insurance Contract Liabilities

Life insurance contract liabilities are recognized when the contracts are entered into and the premiums are recognized. A liability for contractual benefits that is expected to be incurred in the future is recognized as part of “Aggregate reserves for life policies” under “Insurance contract liabilities” account in the statement of financial condition for policies which are in-force as of each reporting date. The liability is determined as the sum of the present value of future benefits and expenses less the present value of future gross premiums arising from the policy discounted at appropriate risk-free discount rate. For this purpose, the expected future cash flows were determined using the best estimate assumptions with appropriate margin for adverse deviation from the expected experience. The liability is based on assumptions as to mortality, morbidity, lapse or persistency, non-guarantee benefits, expenses, reserve method, and interest rate approved by the IC. The reserve for life insurance contracts is calculated using actuarial valuation methods and assumptions, as approved by the IC, subject to LAT.

Insurance Contracts with Fixed and Guaranteed Terms

The liability is determined as the expected discounted value of the benefit payments less the expected discounted value of the premiums that would be required to meet the benefits based on the valuation assumptions used. The liability is based on mortality, morbidity and investment income assumptions that are established at the time the contract is issued.

Aggregate reserves for life policies are determined by the Cooperative’s actuary in accordance with the requirements of the Insurance Code and represent the amounts which, together with future premiums and investment income, are required to discharge the obligations of the insurance contracts and to pay expenses related to the administration of those contracts. These reserves are determined using generally accepted actuarial practices and have been approved by the IC at the product approval stage.

Any movement in aggregate reserve for life policies arising from current period assumptions or changes in assumptions other than discount rate during the year are recognized under “Change in aggregate reserves on life policies and miscellaneous reserves” in the statement of operations. While net movement arising from changes in discount rate during the year is recognized directly in equity as “Remeasurement of aggregate reserves on life policies”.

Insurance benefits and claims are recorded when incurred. These are recorded when notices of claims have been received, dividends have been incurred or when policies reach maturity. For unpaid benefits, a liability is recognized for the estimated cost of all claims made but not settled as at reporting date less insurance recoveries. Provision is also recognized for the cost of claims incurred as at reporting date but not reported until after the reporting date based on the Cooperative’s experience and historical data.

Differences between the provision for outstanding claims at the reporting date and subsequent revisions and settlements are included in the statement of operations of subsequent years. Unpaid benefits to life policies form part of “Insurance payables” under “Insurance contract liabilities” account in the statement of financial condition.

Non-life Insurance Contract Liabilities

Insurance contract liabilities are based on the estimated ultimate cost of all claims incurred, whether reported or not, but not settled as at the reporting date together with related claims handling costs and reduction for expected value of salvage and other recoveries. Significant delays can be experienced in the notification and settlement of certain type of insurance claims, particularly in respect of liability business, therefore the ultimate cost of which cannot be known with certainty at the reporting date.

Insurance Payables

Liabilities for unpaid losses and claims and claim adjustment expenses relating to insurance contracts are accrued when insured events occur. The liability is derecognized when the contract is discharged or cancelled. The liabilities for claims are based on the estimated ultimate cost of settling the claims. The method of determining the expected ultimate cost of claims reported at reporting date are continually reviewed and updated. Changes in estimates of claim costs resulting from the continuous review process and difference between estimates and payments for claims are recognized as income or expense in the period in which the estimates are changed or payments are made.

Incurred but Not Reported (IBNR)

Provision is made for the cost of claims incurred as at reporting date but not reported until after the reporting date for both life and non-life operations based on the Cooperative’s experience and historical data. This is accounted for as provision for IBNR claims under “Insurance contract liabilities” account in the statements of financial condition. Differences between the provision for outstanding claims at the reporting date and subsequent revisions and settlements are included in the statement of operations of subsequent years.

Liability Adequacy Test (LAT)

LAT is performed annually to ensure the adequacy of the insurance contract liabilities and in the case of non-life insurance contracts, net of related deferred acquisition costs. In performing this test, current best estimates of future contractual cash flows, claims handling and policy administration expenses, as well as investment income from assets backing such liabilities are used. Changes in expected claims that have occurred, but which have not been settled, are reflected by adjusting the liability for claims and future benefit. Any inadequacy is immediately charged to statement of operations by establishing a provision for loss arising from the LAT.

For nonlife insurance contracts, premium liabilities are calculated as the higher of reserve for unearned premiums, net of deferred acquisition costs and the unexpired risk reserve. Unexpired risk reserve is an estimate of total liability including expenses, at a designated level of confidence, in respect of the risk after the valuation date of the policies written prior to that date including expenses for policy management and claims settlement costs. If the unexpired risk reserve is higher than the reserve for unearned premiums, net of deferred acquisition costs, the excess is set up as an additional insurance reserve on top of reserve for unearned premiums and will be recorded as part of “Reserve for unearned premiums” in the statement of financial condition and as part of “Change in reserve for unearned premiums” in the statement of operations.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and any accumulated impairment in value, except for land which is carried at revalued amount.

The initial cost of property and equipment comprises its purchase price, after deducting trade discounts and rebates, and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditures incurred after the property and equipment have been put into operation, such as repairs, maintenance and overhaul costs, are normally recognized in statement of operations in the year the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as additional costs of property and equipment.

Subsequent to initial recognition, land is carried at revalued amount which represent fair values as determined by independent appraisers. Other property and equipment are carried at cost less accumulated depreciation and any accumulated impairment loss. Any revaluation surplus on land is recognized in “Revaluation surplus” account under equity section of the statements of financial condition. Revaluations are performed at least every 3 years to ensure that the carrying amount does not materially differ from that which would be determined using fair value at the end of reporting period.

Construction-in-progress represents properties under construction and is stated at cost, including cost of construction and other direct costs. This is not depreciated until such time that the relevant assets are completed and put into operational use.

Depreciation is computed using the straight-line basis over the estimated useful lives of the assets as follows:

	Number of Years
Building and improvements	25
Furniture, fixtures and office equipment	3
Transportation equipment	3

The estimated useful lives and depreciation method are reviewed periodically to ensure that these are consistent with the expected pattern of economic benefits from items of property and equipment.

When assets are retired or otherwise disposed of, the cost and the related accumulated depreciation and any impairment in value are removed from the accounts. Any resulting gain or loss is recognized in the statement of operations.

Other Noncurrent Assets

Advances to contractors represent advance payments on services to be performed in connection with the construction of the Cooperative's new building. These are considered as nonfinancial instruments as these will be applied against future billings from contractors and suppliers. Advances to contractors are presented as noncurrent assets under "Other noncurrent assets" in the statement of financial condition since it relates to acquisition of property and equipment.

Impairment of Nonfinancial Assets

The carrying amounts of nonfinancial assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists and when the carrying amounts exceed the estimated recoverable amounts, the assets or cash-generating units are written down to their recoverable amounts. The recoverable amount of the asset is the greater of the fair value less cost to sell or value in use. The fair value less cost to sell is the amount obtainable from the sale of an asset in an arm's-length transaction less the cost of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment loss is recognized in statement of operations.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment loss may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. In such instance, the carrying amount of the asset is increased to its recoverable amount. However, that increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in statement of operations. After such reversal, the depreciation charges are adjusted in future years to allocate the asset's revised carrying amount, on a systematic basis over its remaining useful life.

Equity

Common Share

Common share is measured at par value for all shares subscribed. Common shares are available to regular members only.

Preferred Share

Preferred share is measured at par value for all shares subscribed. Preferred shares, which are non-voting, are available to regular and associate members.

Contributed Surplus

Proceeds and/or fair value of considerations received in excess of par value, if any, are recognized as contributed surplus.

Statutory Funds

The Cooperative's Articles of Cooperation and By-laws explicitly provides that its net surplus at the end of the taxable year shall be distributed in the following manner:

a. Reserve Fund

Allocation to reserve fund shall be at least 10% of net surplus. This fund is set aside to guarantee the stability of the Cooperative's development and to absorb losses, if any, in its business operations. The General Assembly (GA) may decrease the amount allocated to general reserve fund when such fund exceeds the share capital.

b. Cooperative education and training fund (CETF)

Allocation to CETF shall not be more than 10% of net surplus. Certain fees or fines or a portion thereof may be credited to such fund. Half of the amount transferred to this fund shall be spent by the Cooperative for education and training purposes; while the other half may be remitted to the cooperative education and training fund of the federation or union chosen by the Cooperative or of which the Cooperative is a member.

c. Community Development Fund

Allocation to community development fund shall not be less than 3% of the net surplus. The community development fund shall be used for projects or activities that will benefit the community where the Cooperative operates.

d. Optional Fund

Allocation to optional fund shall not be more than 7% of the net surplus. The optional fund established by the Cooperative for future use is for the acquisition of land and building.

e. Interest on Share Capital and Patronage Refund

The remaining net surplus shall be made available to the members in the form of interest on share capital and patronage refund. The sum allocated for patronage refund shall be made available at the same rate to all patrons of the Cooperative in proportion to their individual patronage.

Revenue Recognition

Revenue is recognized when it is probable that the economic benefits associated with the transactions will flow to the Cooperative and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts and returns. The Cooperative has concluded that it is the principal in all of its revenue arrangements. Revenue is recognized as follows:

Life Insurance Premiums

Premiums arising from life insurance contracts are recognized as income on the issue date which coincides with the effective date of the insurance policies for the first-year premiums. For the renewal business, gross earned recurring premiums on life insurance contracts are recognized as revenue when they become payable by the policyholder. For gross earned premium contracts, receivables are recorded at the date the payments become due. For single premiums business, revenue is recognized on the date on which the policy becomes effective.

Estimates of premiums written as at the reporting date but not yet received are assessed based on the estimates from underwriting or past experience and are included in premiums earned and recorded in "Insurance receivables" account in the statement of financial condition.

Nonlife Insurance Premiums

Premiums from insurance contracts are recognized as revenue over the period of the contracts using the 24th method. The portion of the premiums written that relate to the unexpired periods of the policies at each reporting date is accounted for as "Reserve for unearned premiums" and presented under "Insurance contract liabilities" account in the statements of financial condition. The related reinsurance premiums ceded that pertains to the unexpired periods at each reporting date is accounted for as "Deferred reinsurance premiums" and presented in "Reinsurance assets" account in the statement of financial condition.

Interest income is recognized as the interest accrues, taking into account the effective yield of the asset net of final tax.

Other income is recognized when earned.

Cost and Expense Recognition

Costs and expenses are recognized in the statement of operations when a decrease in future economic benefits related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably.

Benefits and Claims

These represent the aggregate losses and claims against the Cooperative arising from the life and nonlife insurance contracts issued to policy holders. These include death claims, accidental death benefit, disability claims, health insurance benefits, medical insurance benefits and losses on nonlife insurance contracts.

Underwriting Expenses

Commissions and collection cost on life insurance are recognized when the insurance contracts are entered into and the related premiums are recognized. It is recorded under "Underwriting expenses" account in profit or loss.

For non-life insurance, commission and other acquisition costs incurred during the financial period that vary with and are related to securing new insurance contracts and or renewing existing insurance contracts, but which relates to subsequent financial periods, are deferred to the extent that they are recoverable out of future revenue margins. All other acquisition costs are recognized as expense when incurred.

Subsequently, these costs are amortized using the 24th method over the life of the contract. Amortization is charged to profit or loss. The unamortized acquisition costs are shown as “Deferred acquisition costs” in the statement of financial condition.

An impairment review is performed at each reporting date or when an indication of impairment arises. The carrying value of deferred acquisition costs is written down to a recoverable amount. The impairment loss is charged to profit or loss.

Deferred acquisition costs are derecognized when the related contracts are settled or disposed of.

Administrative Costs

These constitute costs of related to administering the business and costs incurred to sell and market. These are expensed when incurred.

Finance Cost

Finance cost is recognized using the effective interest method.

Employee Benefits

Short-term Benefits

The Cooperative recognizes a liability net of amounts already paid and an expense for services rendered by employees during the accounting period. A liability is also recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Cooperative has a present, legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Short-term employee benefit liabilities are measured on an undiscounted basis and are expensed as the related service is provided.

Retirement Benefits

The Cooperative has a funded, non-contributory defined benefit plan covering all qualified employees. The retirement benefits cost is determined using the projected unit credit method which reflects services rendered by employees to the date of valuation and incorporates assumptions concerning employees' projected salaries.

The Cooperative recognizes service costs, comprising of current service costs, past service costs, gains and losses on curtailments and non-routine settlements and net interest expense or income in statement of operations. Net interest cost is calculated by applying the discount rate to the net retirement payable or asset.

Past service costs are recognized in statement of operations on the earlier of the date of the plan amendment or curtailment and the date that the Cooperative recognizes restructuring-related costs.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on retirement benefits liability or asset) are recognized immediately in statement of operations in the period in which they arise.

The net retirement payable or asset is the aggregate of the present value of the defined benefit obligation and the fair value of plan assets on which the obligations are to be settled directly. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rate on government bonds that have terms to maturity approximating the terms of the related retirement liability.

Actuarial valuations are made with sufficient regularity so that the amounts recognized in the financial statements do not differ materially from the amounts that would be determined at the reporting date.

Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the statement of operations on a straight-line basis over the period of the lease. Cost of services, such as maintenance and insurance, are expensed as incurred.

Related Party Transactions

Parties are considered to be related if one party has the ability, directly to indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control with the reporting entity, or between, and/or among the reporting entity and its key management personnel.

Related party transactions are transfer of resources, services or obligations between the Cooperative and a related party, regardless of whether a price is charged.

Provisions and Contingencies

A provision is a liability of uncertain timing or amount. It is recognized when the Cooperative has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made.

The amount to be recognized as provision shall be the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

When it is not probable that an outflow of economic benefit will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingent assets are not recognized but disclosed in the notes to the financial statements when an inflow of economic benefits is virtually certain.

Events after Reporting Date

The Cooperative identifies post-year-end events after the reporting date but before the date when the financial statements were authorized for issue. Any post-year-end events that provide additional information about the Cooperative's financial condition or performance at the end of a reporting period (adjusting events) are recognized in the financial statements. Events that are not adjusting events are disclosed in the notes to the financial statements when material.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Cooperative's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively

Judgment

Information about a judgment made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is as follows:

Classifying Financial Instruments

The Cooperative exercises judgment in classifying a financial instrument, or its component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual agreement and the definition of a financial asset, financial liability or equity instrument. The substance of a financial instrument, rather than its legal form, governs its classification in the statement of financial condition.

Assumptions and Estimation Uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is as follows:

Determination of Fair Value of Financial Assets at FVPL

The Cooperative classifies financial assets by evaluating, among others, whether a financial asset is quoted or not in an active market. Included in the evaluation on whether a financial asset is quoted in an active market is the determination of whether quoted prices are readily and regularly available, whether the market from which the price quotes were obtained can be considered deep enough to qualify as an "active" market, and whether those prices represent actual and regularly occurring market transactions on an arms' length basis.

The carrying amount of financial assets at FVPL as at December 31, 2021 and 2020 amounted to ₱69,718,672 and ₱44,606,878, respectively (see Note 9).

Estimation of Allowance for Probable Losses on Insurance Receivables

The Cooperative maintains allowance for impairment loss at a level considered adequate to provide for potential uncollectible insurance receivables. The level of this allowance is evaluated by management on the basis of factors that affect the collectability of the accounts. These factors include, but are not limited to, significant financial difficulties or bankruptcy, the counterparties' payment behavior and other known market factors. The Cooperative identifies and provides for specific accounts that are doubtful of collection and reviews the age and status of the remaining receivables and establishes a provision considering, among others, historical collection and write-off experience.

As at December 31, 2021 and 2020, the carrying amount of insurance receivables, net of allowance for probable losses of ₱6,905,683 in 2021 and 2020, amounted to ₱176,544,425 and ₱135,072,566, respectively (see Notes 6).

Estimation of Allowance for Probable Losses on Financial Assets Other Than Insurance Receivables

The Cooperative treats financial assets at cost as impaired when there has been a significant or prolonged decline in the fair value below its cost or when other objective evidence of impairment exists. The determination of what is significant or prolonged requires judgment. Impairment may be appropriate when there is evidence of deterioration in the industry and sector performance.

As at December 31, 2021 and 2020, the carrying amount of financial assets other than insurance receivables, net of allowance for probable losses of ₱101,375,955 in 2021 and ₱91,375,955 in 2020, amounted to ₱1,247,033,692 and ₱1,072,989,593, respectively (see Notes 7, 8 and 9).

Estimation of Useful Lives of Property and Equipment

The Cooperative estimates the useful lives of property and equipment based on the period over which the assets are expected to be available for use. The estimates are based on a collective assessment of industry practice, internal technical evaluation and experience with similar assets. The estimated useful lives of property and equipment are reviewed at each reporting date and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets. Future results of operations could be materially affected by changes in estimates brought about by changes in the factors mentioned above. The amount and timing of recording of depreciation expense for any period would be affected by changes in these factors and circumstances.

As at December 31, 2021 and 2020, the carrying amount of property and equipment, net of accumulated depreciation of ₱42,346,890 in 2021 and ₱33,484,154 in 2020, amounted to ₱379,818,809 and ₱303,130,031, respectively (see Note 12).

Determination of Fair Value of Land under Property and Equipment

In determining the appraised value of land, the Cooperative hires an independent firm of appraisers. In order to arrive at a reasonable valuation, the appraisers personally inspected the properties, requested information from reputable sources and considered the following: (a) utility and market value of the land; (b) current prices for similar used property in the second-hand market; (c) age, condition, past maintenance, and present and prospective serviceability in comparison with new assets of like kind; and (d) recent trend and development in the industry concerned.

Fair market value is defined as the highest price in terms of money which a property will bring if exposed for sale in the open market, allowing reasonable time to find a purchaser who buys with knowledge of all the uses to which it is adapted and for which it is capable of being used.

As of December 31, 2021 and 2020, the revalued amount of land amounted to ₱43,677,083 (see Note 12).

Impairment of Nonfinancial Assets

The Cooperative assesses impairment on its nonfinancial assets whenever events or changes in circumstances indicate that the carrying amount of the assets or group of assets may not be recoverable. The relevant factors that the Cooperative considers in deciding whether to perform an asset impairment review include the following:

- significant underperformance relative to the expected historical or projected future operating results;
- significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- significant negative industry or economic trends.

Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs. Recoverable amount represents the value in use, determined as the present value of estimated future cash flows expected to be generated from the continued use of the assets. The estimated cash flows are projected using growth rates based on historical experience and business plans and are discounted using pretax discount rates that reflect the current assessment of the time value of money and the risks specific to the assets.

No impairment loss was recognized on nonfinancial assets in 2021 and 2020.

Provision for Aggregate Reserves for Life Policies

The estimation of the ultimate liability arising from claims made under life insurance contracts is one of the Cooperative's critical accounting estimates. There are several sources of uncertainty that need to be considered in the estimation of the liability that the Cooperative will ultimately pay for those claims.

The liability for the life insurance contracts is determined in accordance with the set of valuation standards as required by the IC. At each reporting date, the estimate is reassessed for adequacy and changes will be reflected in adjustments to the liability. The main assumptions used relate to mortality, morbidity, expenses, persistency rates, and discount rates.

In determining the liability for life insurance contracts, it is ensured that the valuation method and assumptions are appropriate to the type of business and its risk profile and that appropriate margins for adverse deviations are included. The mortality and morbidity assumptions take into consideration the Cooperative's experience and are based on standard mortality and morbidity tables acceptable to the IC. Expense as well as persistency assumptions used are based on the pricing of the Cooperative's products submitted to IC, adjusted for adverse deviation. On the other hand, risk-free discount rates used for all cash flows to calculate the value of future liabilities are prescribed by the IC, further adjusted to include a provision for adverse deviation.

Aggregate reserves for life policies are conservatively calculated in accordance with the requirements of R.A. No. 10607, The Insurance Code. The LAT was performed using current best estimates on interest, mortality, lapsation and expenses.

The carrying value of aggregate reserves for life policies amounted to ₱236,943,822 and ₱280,286,850 as of December 31, 2021 and 2020, respectively (see Note 13).

Recognition of Insurance Payables

Estimates have to be made both for the expected ultimate cost of claims reported at the reporting date. The main assumption underlying the estimation of the claims provisions is that the Cooperative's past claims development experience can be used to project future claims development and hence ultimate claim costs. As such, these methods extrapolate the development of paid and incurred losses, average costs per claim and number of claims based on the observed development of earlier years and expected loss ratios. Historical claims development is mainly analyzed by accident years, but can also be further analyzed by geographical area, as well as by significant business lines and claim types. Large claims are usually separately addressed, either by being reserved at the face value of loss adjusted estimates or separately projected in order to reflect their future development. In these cases, no explicit assumptions are made regarding future rates of claims inflation or loss ratios.

Instead, the assumptions used are those implicit in the historic claims' development data on which the projections are based.

The carrying value of insurance payables amounted to ₱534,009,712 and ₱205,717,307 as of December 31, 2021 and 2020, respectively (see Note 13).

Provision for Incurred but not Reported (IBNR) Claims

Estimates have to be made both for the expected ultimate cost of claims reported at the reporting date and for the expected ultimate cost of IBNR claims at the reporting date. It can take a significant period of time before the ultimate claims cost can be established with certainty and for some type of policies, IBNR claims form the majority of the claims provision.

The primary technique adopted in estimating the ultimate cost of IBNR is chain ladder method for life insurance contracts and combination of chain ladder method and expected loss ratio for non-life products to predict the future claims settlement. At each reporting date, prior year claims estimates are reassessed for adequacy and changes made are charged to provision.

The carrying value of insurance contract liabilities amounted to ₱855,973,132 and ₱565,404,402 as of December 31, 2021 and 2020, respectively (see Note 13).

Retirement Benefits Obligation

The determination of the Cooperative's retirement payable and retirement benefits expense depends on a number of factors that are determined on an actuarial basis using a number of assumptions in calculating such amounts. The Cooperative's assumptions are believed to be reasonable and appropriate. Significant differences in actual experience or significant changes in assumptions may materially affect the Cooperative's retirement payable and retirement benefits expense.

Retirement benefits obligation as at December 31, 2021 and 2020 amounted to ₱32,602,609 and ₱32,682,175, respectively (see Note 17).

4. CASH AND CASH EQUIVALENTS

This account consists of:

	2021	2020
Cash on hand	₱76,912,156	₱75,849,642
Cash in banks	1,145,548,219	1,179,250,683
Cash equivalents	303,951,867	218,879,911
	₱1,526,412,242	₱1,473,980,236

Cash in banks earn interest at the respective bank deposit rates. Interest earned from cash in banks amounted to ₱5,591,299 and ₱6,485,295 in 2021 and 2020, respectively, and is included in interest income account under "Other income" in the statement of operations (see Note 20).

Cash equivalents include deposits with maturities of thirty (30) to ninety (90) days, which can be withdrawn anytime depending on the immediate cash requirements of the Cooperative and earn interest at effective rates ranging from 1.00% to 7.50% in 2021 and 2020. Interest earned from cash equivalents and short-term investments amounted to ₱25,496,885 and ₱16,293,499 in 2021 and 2020, respectively, is included in interest income account under "Other income" in the statement of operations (see Note 20).

5. SHORT-TERM INVESTMENTS

Short-term investments amounting to ₱440,007,947 and ₱490,166,618 as at December 31, 2021 and 2020, respectively, are investments in time deposits with a term of more than three months but not more than one (1) year from the date of acquisition. Interest rates of short-term investments range from 2.25% to 6.00% and 1.75% to 10.00% per annum in 2021 and 2020, respectively. Interest income earned on short-term investments, including cash equivalents, amounted to ₱25,496,885 and ₱16,293,499 in 2021 and 2020, respectively (see Note 20).

6. INSURANCE RECEIVABLES (NET)

This account consists of:

	2021	2020
Premium receivables	₱152,464,344	₱120,615,539
Due from reinsurers	30,985,764	21,362,710
	183,450,108	141,978,249
Less: Allowance for probable losses	(6,905,683)	(6,905,683)
	₱176,544,425	₱135,072,566

Premium receivables represent premiums due and uncollected at the end of the reporting period on all policies which are classified as in force. These are due and demandable and expected to be collected within the grace period.

Due from reinsurers represent the reinsurers' share in benefits and claims incurred on insurance contracts. These are due and demandable, and expected to be collected within the next reporting period.

Movements of allowance for probable losses are as follow:

	2021	2020
Balance at beginning of year	₱6,905,683	₱5,218,610
Provision during the year	-	1,687,073
Balance at end of year	₱6,905,683	₱6,905,683

The following table shows the aging information of insurance receivables using portfolio at risk:

	2021	2020
Current	₱169,783,418	₱132,090,050
Past due:		
Less than 31 days	1,425,638	1,048,175
31 to 90 days	6,394,155	2,975,909
91 days to 180 days	628,287	-
181 days to 365 days	-	-
More than 365 days	5,218,610	5,864,115
	13,666,690	9,888,199
	₱183,450,108	₱141,978,249

7. REINSURANCE ASSETS

This account consists of:

	2021	2020
Reinsurance recoverable on unpaid losses	₱87,950,570	₱90,738,042
Deferred reinsurance premiums	4,959,021	7,735,611
	₱92,909,591	₱98,473,653

Reinsurance recoverable on unpaid losses pertains to estimated recoverable amounts from reinsurers for its share in insurance contract liabilities.

Deferred reinsurance premiums pertain to the unexpired portion of insurance premiums ceded out at reporting date. The details and movements are as follow:

	2021	2020
Balance at beginning of year	₱7,735,611	₱14,113,239
Increase (decrease) in deferred reinsurance premium:		
Premiums ceded for the year	14,987,968	16,123,072
Premiums ceded related for the expired periods	(17,764,558)	(22,500,700)
	(2,776,590)	(6,377,628)
Balance at end of year	₱4,959,021	₱7,735,611

8. LOANS AND RECEIVABLES (NET)

This account consists of:

	2021	2020
Current		
Accounts receivable	₱74,945,322	₱57,659,483
Loans receivable	55,028,168	18,198,629
Receivable from closed banks	18,219,953	18,219,953
Accrued interest	4,366,597	4,637,356
Due from R & B Insurance Corporation (RBIC) – note 24	4,174,086	-
Advances to officers and employees	369,775	331,749
	157,103,901	99,047,170
Less: Allowance for probable losses on accounts receivable, receivable from closed banks and advances to officers and employees	(19,746,775)	(19,746,775)
	137,357,126	79,300,395
Noncurrent		
Loans receivable	247,379,126	316,092,161
Less: Allowance for probable losses	(56,760,927)	(46,760,927)
	190,618,199	269,331,234
	₱327,975,325	₱348,631,629

Accounts receivable pertain to short-term interest-bearing loans granted to qualified employees. Interest rates for loan to employees range from 6.00% to 8.00% per annum.

Loans receivables pertain to credit assistance granted to the Cooperative's members. The loans earn annual interest rate of 6.00% with terms of 5 to 15 years.

Receivable from closed banks pertains to the Cooperative's outstanding claims from closed depository banks.

Advances to officers and employees pertain to advances for office-related expenses and official business transactions which are subject to liquidation.

Interest income earned on loans and receivables amounted to ₱18,961,674 and ₱13,628,704 in 2021 and 2020, respectively, is included in interest income account under "Other income" in the statement of operations (see Note 20).

Movements of allowance for probable losses are as follow:

	2021	2020
Balance at beginning of year	P66,507,702	P36,775,019
Provision during the year – note 23	10,000,000	29,732,683
Balance at end of year	P76,507,702	P66,507,702

Aging of loans and receivables as December 31, 2021 and 2020 using portfolio at risk is as follows:

	2021	2020
Current	P396,922,848	P408,937,391
Past Due:		
Less than 31 days	-	-
31 to 365 days	1,836,308	766,502
More than 365 days	5,723,871	5,435,438
	7,560,179	6,201,940
	P404,483,027	P415,139,331

9. FINANCIAL ASSETS

This account consists of:

	2021	2020
Current		
Financial assets at FVPL	P69,718,672	P44,606,878
Financial assets at cost	58,030,000	58,030,000
Financial assets at amortized cost	36,872,465	30,518,474
	164,621,137	133,155,352
Noncurrent		
Financial assets at amortized cost	418,528,015	335,266,797
Financial assets at cost (net)	242,999,624	157,462,162
	661,527,639	492,728,959
	P826,148,776	P625,884,311

Financial Assets at FVPL

Movements of financial assets at FVPL are as follow:

	2021	2020
Balance at beginning of year	P44,606,878	P42,762,032
Additions	10,040,951	-
Reclassification	11,704,112	147,460
Unrealized fair value gain – note 20	3,366,731	1,697,386
	P69,718,672	P44,606,878

Financial assets at FVPL include investments in publicly-traded securities which are measured at fair value based on Philippine Stock Exchange quoted prices.

Financial Assets at Amortized Cost

Movements of financial assets at amortized cost are as follow:

	2021	2020
Balance at beginning of year	P365,785,271	P273,813,655
Additions	117,633,682	218,626,021
Maturities	(28,018,473)	(126,654,405)
Balance at end of year	455,400,480	365,785,271
Less: Current portion	36,872,465	30,518,474
Noncurrent portion	P418,528,015	P335,266,797

Interest income earned on financial assets at amortized cost amounted to P33,705,845 and P8,835,653 in 2021 and 2020, respectively, and is included in interest income account under "Other income" in the statement of operations (see Note 20).

Financial Assets at Cost

Movements of financial assets at cost are as follow:

	2021	2020
Current		
Balance at beginning of year	P58,030,000	P38,780,000
Additions	-	19,250,000
Balance at end of year	58,030,000	58,030,000
Noncurrent		
Balance at beginning of year	182,330,415	237,477,875
Additions	30,537,462	-
Reclassification from investment in an associate	55,000,000	-
Reclassification to financial assets at FVPL	-	(147,460)
Reclassification to investment in an associate	-	(55,000,000)
Balance at end of year	267,867,877	182,330,415
Less: Allowance for probable losses	(24,868,253)	(24,868,253)
	242,999,624	157,462,162
	P301,029,624	P215,492,162

Financial assets at cost presented as current assets represent investment in mutual fund. Financial assets at cost presented as noncurrent assets include investments in shares which are not quoted in an active market and are expected to be realized in more than one year.

Movements of allowance for probable losses are as follow:

	2021	2020
Balance at beginning of year	P24,868,253	P9,268,410
Provision	-	15,599,843
Balance at end of year	P24,868,253	P24,868,253

Investment in an Associate

Investment in an associate amounting to ₱55,000,000 as at December 31, 2020, pertained to the Cooperative's investment in an entity where it held 50% in the voting shares. In 2021, the said investment represents 20% in the voting shares; hence, it was reclassified under "Financial assets at cost" in the 2021 statement of financial condition.

10. DEFERRED ACQUISITION COSTS AND DEFERRED COMMISSION INCOME

Deferred Acquisition Costs

Deferred acquisition costs represent the unamortized portion of underwriting expense for policies in force as at reporting date which is expected to be recognized as expense in the next reporting period.

The movements of this account are as follow:

	2021	2020
Balance at beginning of year	₱19,263,494	₱9,068,064
Commissions deferred for the year	15,113,457	28,507,877
Commissions incurred for the year	(19,263,494)	(18,312,447)
Balance at end of year	₱15,113,457	₱19,263,494

Deferred Commission Income

Deferred commission income represents the unearned portion of commission income from outward reinsurance agreements.

The movements of this account are as follow:

	2021	2020
Balance at beginning of year	₱2,975,282	₱4,654,275
Commissions accrued for the year	1,102,710	4,314,617
Commissions earned for the year	(3,122,661)	(5,993,610)
Balance at end of year	₱955,331	₱2,975,282

11. OTHER CURRENT ASSETS

This account consists of:

	2021	2020
Unused supplies	₱6,526,366	₱4,004,947
Prepaid expenses	2,344,470	1,551,881
Deposit to suppliers	544,344	2,725,193
	₱9,415,180	₱8,282,021

12. PROPERTY AND EQUIPMENT (NET)

The reconciliation of this account is as follows:

December 31, 2021

	Land (at appraised value)	Building and improvements	Furniture, fixture and office equipment	Transportation equipment	Construction -in-progress	Total
Cost						
Balances at beginning of year	₱43,677,083	₱38,155,768	₱61,323,595	₱5,939,900	₱187,517,839	₱336,614,185
Additions	-	81,475,579	4,081,815	-	-	85,557,394
Transfer	-	187,517,839	-	-	(187,517,839)	-
Disposals	-	-	(5,880)	-	-	(5,880)
Balance at end of year	43,677,083	307,149,186	65,399,530	5,939,900	-	422,165,699
Accumulated Depreciation						
Balances at beginning of year	-	8,551,823	20,883,214	4,049,117	-	33,484,154
Depreciation	-	3,206,220	5,213,728	938,200	-	9,358,148
Disposals	-	-	(1,210)	-	-	(1,210)
Adjustment	-	(494,202)	-	-	-	(494,202)
Balance at end of year	-	11,263,841	26,095,732	4,987,317	-	42,346,890
Carrying Amount	₱43,677,083	₱295,885,345	₱39,303,798	₱952,583	₱-	₱379,818,809

December 31, 2020

	Land (at appraised value)	Building and improvements	Furniture, fixture and office equipment	Transportation equipment	Construction- in-progress	Total
Cost						
Balances at beginning of year	₱43,677,083	₱35,589,951	₱42,632,799	₱5,939,900	₱126,188,932	₱254,028,665
Additions	-	2,565,817	18,819,920	-	61,328,907	82,714,644
Disposals	-	-	(129,124)	-	-	(129,124)
Balance at end of year	43,677,083	38,155,768	61,323,595	5,939,900	187,517,839	336,614,185
Accumulated Depreciation						
Balances at beginning of year	-	8,100,767	16,942,297	2,872,417	-	27,915,481
Depreciation	-	451,056	4,000,752	1,176,700	-	5,628,508
Disposals	-	-	(59,835)	-	-	(59,835)
Balance at end of year	-	8,551,823	20,883,214	4,049,117	-	33,484,154
Carrying Amount	₱43,677,083	₱29,603,945	₱40,440,381	₱1,890,783	₱187,517,839	₱303,130,031

In 2021, the Cooperative sold furniture, fixture and office equipment with carrying amount of ₱4,670, for a consideration of ₱200. The loss on sale amounting to ₱4,470 is included in miscellaneous expenses under “Administrative expenses” in the statement of financial condition (see Note 23).

In 2020, the Cooperative disposed its furniture, fixture and office equipment with carrying amount of ₱69,289 and the loss on disposal amounting to ₱69,289 is included in miscellaneous expenses under “Administrative expenses” in the statement of financial condition (see Note 23).

Adjustment pertains to correction of revaluation surplus which was previously recorded as accumulated depreciation.

The latest appraisal of land by an independent appraiser was made on February 24, 2020. The fair value of the land was arrived using the market data approach. In this approach, the value of the land was based on sales and listing of comparable property registered within the vicinity. The technique on this approach requires the adjustments of comparable property by reducing reasonable comparative sales and listings to a common denominator. This was done by adjusting the differences between the subject property and those comparable actual sales and listings. The properties used as bases of comparison are situated within the immediate vicinity of the subject property. The comparison was premised on the factors of location, size and shape of the lot, time element and other factors.

If the land was carried at costs, the carrying amount would be ₱31.60 million as at December 31, 2021 and 2020. The cumulative revaluation surplus on land amounted to ₱12,575,539 and ₱12,081,337 as at December 31, 2021 and 2020, respectively.

Advances to contractors presented under “Other noncurrent assets” in the statement of financial condition amounting to ₱33,657,100 and ₱45,860,274 as at December 31, 2021 and 2020, respectively, will be applied against future billings.

The Cooperative has no contractual commitments except those arising from the construction-in-progress as at December 31, 2021 and 2020.

The Cooperative has no restricted assets or assets pledged as security for liabilities as at December 31, 2021 and 2020.

13. INSURANCE CONTRACT LIABILITIES

This account consists of:

	2021	2020
Aggregate reserves for life policies	₱236,943,822	₱280,286,850
Insurance payables	534,009,712	205,717,307
Reserve for unearned premiums	85,019,598	79,400,245
	₱855,973,132	₱565,404,402

The gross insurance contract liabilities and reinsurer’s share are broken down as follows:

	2021		
	Insurance contract liabilities	Reinsurer’s share - Note 7	Net
Aggregate reserves for life policies	₱236,943,822	₱54,574,010	₱182,369,812
Insurance payables:			
Policy and contract claims	310,621,493	20,219,799	290,401,694
IBNR claims	223,388,219	13,156,761	210,231,458
	534,009,712	33,376,560	500,633,152
Reserve for unearned premiums	85,019,598	4,959,021	80,060,577
	₱855,973,132	₱92,909,591	₱763,063,541

	2020		Net
	Insurance contract liabilities	Reinsurer's Share - Note 7	
Aggregate reserves for life policies	P280,286,850	P71,283,039	P209,003,811
Insurance payables:			
Policy and contract claims	82,834,621	5,751,799	77,082,822
IBNR claims	122,882,686	13,703,204	109,179,482
	205,717,307	19,455,003	186,262,304
Reserve for unearned premiums	79,400,245	7,735,611	71,664,634
	P565,404,402	P98,473,653	P466,930,749

Life Insurance Contract Liabilities

Insurance contract liabilities for life operations may be analyzed as follows:

	2021	2020
Aggregate reserves for life policies:		
Individual	P3,725,412	P3,671,382
Group	233,218,410	276,615,468
	236,943,822	280,286,850
Insurance payables:		
Policy and contract claims	278,321,851	77,670,167
IBNR claims	168,658,431	79,460,023
	446,980,282	157,130,190
	P683,924,104	P437,417,040

The movement of aggregate reserves for life policies is as follows:

	2021	2020
Balance at beginning of year	P280,286,850	P336,509,681
Remeasurement	(3,359,299)	1,679,650
Decrease	(39,983,729)	(57,902,481)
Balance at end of year	P236,943,822	P280,286,850

The movement in remeasurement of aggregate reserves for life policies is as follows:

	2021	2020
Balance at beginning of year	(P1,494,999)	P-
Transfer from reserve fund	-	184,651
Remeasurement for the year	3,359,299	(1,679,650)
Balance at end of year	P1,864,300	(P1,494,999)

Transfer from reserve fund refers to the accumulated remeasurement on life policies as at December 31, 2019 which was recorded in 2020 as required by IC.

Change in Aggregate Reserves on Life Policies

The “Change in aggregate reserves on life policies” presented in the statement of operations is broken down as follows:

	2021	2020
Gross increase in aggregate reserves for life policies	P44,649,041	(P57,902,481)
Reinsurer’s share	(16,709,029)	(3,176,111)
	P27,940,012	(P61,078,592)

Nonlife Insurance Contract Liabilities

Insurance contract liabilities for nonlife operations may be analyzed as follows:

	2021	2020
Insurance payables:		
Policy and contract claims	P20,064,680	P5,164,454
IBNR claims	66,964,749	43,422,663
	87,029,429	48,587,117
Reserve for unearned premiums	336,509,681	79,400,245
	P423,539,110	P127,987,362

14. DUE TO REINSURERS

Due to reinsurers which pertain to unpaid premiums for reinsurance policies payable to the reinsurers amounted to P29,227,987 and P41,429,485 as at December 31, 2021 and 2020, respectively. These are normally settled in cash within 1 year.

15. TRADE AND OTHER PAYABLES

This account consists of:

	2021	2020
Accounts payable	P120,176,403	P170,648,885
Accrued expenses	36,726,735	32,427,668
Payable to government agencies	9,570,801	6,160,724
Loans payable	-	83,500,000
	P166,473,939	P292,737,277

Accounts payable pertains to amounts due to suppliers for purchases of various goods and services which are payable within the next reporting period.

Accrued expenses comprise of collection cost, commission expense, light and water, postage and telephone and other operating expenses incurred as of the reporting date and are generally payable within 30 to 60 days.

On December 23, 2020, the Cooperative entered into various loan agreements totaling ₱83,500,000 with cooperative banks at annual interest rates ranging from 4.00% to 6.50%. The loan was subsequently paid in 2021. Interest expense on loans payable which is presented under “Finance cost” in the statement operations amounted to ₱1,052,545 and ₱0.34 million in 2021 and 2020, respectively.

16. OTHER CURRENT LIABILITIES

This account consists of:

	2021	2020
Interest on share capital and patronage refund payable	₱161,664,517	₱280,748,787
Due to RBIC – note 24	29,456,043	191,804,827
Due to CETF	3,808,960	-
Others	3,300,000	15,704,218
	₱198,229,520	₱488,257,832

The movements in interest on share capital and patronage refund payable is as follows:

	2021	2020
Balance at beginning of year	₱280,748,787	₱298,994,223
Allocation from net surplus – note 29	15,735,689	220,591,305
Conversion to share capital - note 18	(24,705,054)	(37,443,597)
Payments	(110,114,905)	(201,393,144)
Balance at end of year	₱161,664,517	₱280,748,787

Others pertain to retention payable for the amount retained by the Cooperative from the contractors’ progress billings, which will be released after the completion and satisfaction of the terms and conditions of the construction contract.

17. RETIREMENT BENEFITS

The Cooperative has a funded, non-contributory defined benefit retirement plan administered by an independent trustee covering all qualified employees. The benefits are based on the years of service and percentage of latest monthly salary. The Cooperative’s latest actuarial valuation report was made on February 1, 2022 and March 4, 2021 for the year ended December 31, 2021 and 2020, respectively.

Retirement payable is actuarially determined using the projected unit credit method. This method reflects services rendered by the employees up to the date of valuation and incorporates various assumptions. Actuarial valuations are conducted with sufficient regularity, with option to accelerate when significant changes to underlying assumptions occur.

The following tables summarize the components of the retirement benefits expense recognized in the statement of operations and amounts recognized in the statement of financial condition for the retirement plan.

Retirement benefits expense recognized in the statement of operations, which is presented under “Administrative costs” account, follow:

	2021	2020
Current service cost	₱6,553,957	₱3,856,320
Net interest costs	1,278,610	900,747
Net remeasurements loss (gain)	(7,792,847)	12,300,202
	₱39,720	₱17,057,269

The net retirement payable recognized in the statement of financial condition follows:

	2021	2020
Present value of defined benefits obligation	₱38,301,391	₱38,500,243
Fair value of plan assets	(5,698,782)	(5,818,068)
	₱32,602,609	₱32,682,175

The movements of the present value of defined benefits obligation follow:

	2021	2020
Balance at beginning of year	₱38,500,243	₱21,181,063
Current service cost	6,553,957	3,856,320
Interest cost	1,503,484	1,221,048
Benefits paid	(238,572)	-
Remeasurement loss	(8,017,721)	12,241,812
Balance at end of year	₱38,301,391	₱38,500,243

The movements of the fair value of plan assets follow:

	2021	2020
Balance at beginning of year	₱5,818,068	₱5,556,157
Interest income	224,874	320,301
Contributions	119,286	-
Benefits paid	(238,572)	-
Remeasurement (loss) gain	(224,874)	(58,390)
Balance at end of year	₱5,698,782	₱5,818,068

The components of the Cooperative’s plan assets follow:

	2021	2020
Cash	4%	3%
Investments in government securities	96%	82%
Investments in unit investment trust fund	-	15%
	100%	100%

The actual return on plan assets amounted to nil and ₱261,911 in 2021 and 2020, respectively.

The principal assumptions used in determining retirement liability are as follow:

	2021	2020
Discount rate and expected return on plan asset	5.10%	3.91%
Future salary increases	5.00%	5.00%
Average remaining working lives of employees	20 years	20 years

Discount Rate Sensitivity

The sensitivity analysis of retirement benefits obligation for principal assumptions used as at December 31, 2021 are as follow:

	Increase (decrease)	Present value of obligation	Increase (decrease) on retirement benefits obligation
Discount rate	+0.1%	P32,476,004	(P5,825,387)
	-0.1%	45,776,405	7,475,014
Salary increase	+1%	45,273,579	6,972,188
	-1%	32,733,262	(5,568,129)

The sensitivity analysis has been determined based on a method that extrapolated the impact on present value of defined benefits obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Maturity Profile of Undiscounted Benefit Payments

The maturity analysis on the Cooperative's undiscounted benefit payments as at December 31, 2021 is as follows:

	1 year and less	2 years	3 years	4-5 years	6 to 10 years	Over 10 years
Normal retirement	P3,185,119	P1,321,441	P2,755,095	P3,217,978	P14,045,719	P559,041,283

Risk arising from the Retirement Plan

The defined benefit plan is unfunded by P32,602,609 and P32,682,175 as at December 31, 2021 and 2020, respectively. While there is no minimum required funding, the amount without fund may expose the Cooperative to cash flow risk when a significant number of employees are expected to retire.

Regulatory Framework in which the Retirement Obligation Operates

In accordance with the provisions of the Labor Code, the Cooperative is required to pay eligible employees at least the minimum regulatory benefit upon retirement, subject to age and service requirements.

Responsibilities of Trustees

The funds are administered by a trustee bank under the supervision of the BOD of the plan. The BOD is responsible for the investment of the assets. It defines the investment strategy as often as necessary, at least annually, especially in the case of significant market developments or changes to the structure of the plan participants. When defining the investment strategy, it takes account of the plans' objectives, benefit obligations and risk capacity. The investment strategy is defined in the form of a long-term target structure (Investment policy). The BOD implements the investment policy in accordance with the investment strategy as well as various principles and objectives.

18. SHARE CAPITAL

Details of the Cooperative's share capital are as of December 31, 2021 and 2020 are presented below.

	Number of shares		Amount	
	2021	2020	2021	2020
Common shares - ₱100 par value				
Authorized	37,500,000	37,500,000	₱3,750,000,000	₱3,750,000,000
Issued and outstanding:				
Balance at beginning of year	18,313,720	16,371,470	1,831,372,000	1,637,147,000
Issuances	3,803,816	1,995,055	380,381,600	199,505,500
Withdrawals	(6,801)	(55,049)	(680,100)	(5,504,900)
Transfer from preferred share	408	2,244	40,800	224,400
Balance at end of year	22,111,143	18,313,720	2,211,114,300	1,831,372,000
Preferred shares - ₱100 par value				
Authorized	2,500,000	2,500,000	250,000,000	250,000,000
Issued and outstanding:				
Balance at beginning of year	84,610	90,214	8,461,000	9,021,400
Withdrawals	(537)	(3,360)	(53,700)	(336,000)
Transfer to common share	(408)	(2,244)	(40,800)	(224,400)
Balance at end of year	83,665	84,610	8,366,500	8,461,000
			₱2,219,480,800	₱1,839,833,000

Conversion of Interest on Share Capital and Patronage Refund Payable to Common Share

In 2021 and 2020, various members of the Cooperative converted their interest on share capital and patronage refund to common share amounting to ₱24,705,054 and ₱37,443,597, respectively (see Note 16).

19. NET INSURANCE PREMIUMS EARNED

Details of net insurance premiums earned follow:

	2021	2020
Gross premium written for:		
Life policies	₱1,154,092,597	₱1,015,652,606
Nonlife policies	160,484,029	139,716,206
	1,314,576,626	1,155,368,812
Change in reserve for unearned premiums	(5,619,353)	(26,874,889)
Gross premiums earned on insurance contracts	1,308,957,273	1,128,493,923
Reinsurers' share on gross premiums written	(110,256,310)	(161,364,080)
Change in deferred reinsurance premiums – note 7	(2,776,591)	(6,377,628)
Reinsurers' share of gross premiums earned	(113,032,901)	(167,741,708)
	₱1,195,924,372	₱960,752,215

20. OTHER INCOME

This account consists of:

	2021	2020
Interest income – notes 4, 5, 8 and 9	₱83,755,703	₱45,243,151
Miscellaneous income – net	17,721,080	16,733,310
	₱101,476,783	₱61,976,461

Details of interest income are as follow:

	2021	2020
Cash equivalents and short-term investments – notes 4 and 5	₱25,496,885	₱16,293,499
Financial assets at amortized cost – note 9	33,705,845	8,835,653
Loans and receivables – note 8	18,961,674	13,628,704
Cash in banks – note 4	5,591,299	6,485,295
	₱83,755,703	₱45,243,151

Details of miscellaneous income are as follow:

	2021	2020
Commission income	₱9,652,740	₱8,102,271
Dividend income	1,862,439	1,994,654
Unrealized gain on financial assets at FVPL – note 9	3,366,731	1,697,386
Other income	2,839,170	4,938,999
	₱17,721,080	₱16,733,310

21. BENEFITS AND CLAIMS INCURRED ON INSURANCE CONTRACTS

Benefits and claims incurred on insurance contracts are as follow:

	2021	2020
Gross benefits and claims incurred on insurance	P944,489,697	P487,384,989
Reinsurer's share	(68,818,095)	(66,876,111)
	P875,671,602	P420,508,878

22. UNDERWRITING EXPENSES

	2021	2020
Collection costs	P133,114,304	P84,468,853
Commission expense	69,298,247	73,988,398
	P202,412,551	P158,457,251

23. ADMINISTRATIVE EXPENSES

This account consists of:

	2021	2020
Salaries and wages	P81,892,197	P76,613,207
Employee benefits	27,830,082	21,287,847
Provision for probable losses – notes 6, 8 and 9	10,000,000	47,019,599
Depreciation – note 12	9,358,148	5,628,508
Professional fees	3,904,038	6,344,775
Penalties	3,724,601	-
SSS, Philhealth, ECC, Pag-IBIG premium contributions	3,324,939	2,536,767
Communication	3,184,928	2,410,381
Power, light and water	3,126,878	1,056,311
Officers' honorarium and allowances	2,797,196	4,611,660
Meetings and conferences	2,788,242	5,104,251
Rentals	2,510,507	2,193,432
Office supplies	2,505,293	2,233,662
Travel and transportation	2,363,264	2,343,611
General support services	2,269,281	1,985,114
Insurance	2,134,076	832,010
Representation	1,879,468	1,764,386
Taxes, fees and charges	1,074,112	703,304
Affiliation fees	851,188	2,152,890
Repairs and maintenance	778,486	607,642
Social and community service expense	495,281	1,536,536
Advertising and promotions	313,282	413,286
Bank charges	120,063	81,318
Gas, oil and lubricants	48,558	5,664
Retirement benefit expense – note 17	39,720	17,057,269
Miscellaneous expenses	29,699	92,590
	P169,343,527	P206,616,020

24. RELATED PARTY TRANSACTIONS

The Cooperative has transactions with its related parties involving loans receivables. The loans receivable are interest bearing, unsecured, with definite repayment period, unguaranteed and generally payable in cash.

Due from RBIC (Company under common control)

Due from RBIC represent cash advances for working capital purposes with no definite repayment terms. These advances are unsecured, unguaranteed, non-interest bearing and generally payable in cash.

The outstanding balance as of December 31, 2021 and 2020 amounted to ₱4,174,086 and nil, respectively (see Note 8).

Due to RBIC

Due to RBIC pertains to placement of time deposits and other investments paid by RBIC on behalf of the Cooperative. Due to RBIC amounting to ₱29,456,043 and ₱191,804,827 as at December 31, 2021 and 2020, respectively, is presented under “Other current liabilities” (see Note 16). These are unsecured, interest-bearing and payable on demand.

Interest expense on Due to RBIC which is presented under “Finance cost” in the statement of operations amounted to nil and ₱3.76 million in 2021 and 2020, respectively.

Remuneration to key management personnel

The key management compensation in 2021 and 2020 amounting to ₱14,625,619 and ₱13,814,715, respectively, pertains to salaries.

25. SEGMENT REPORTING

The Cooperative considers its life and nonlife operations as its operating segments. The financial information for each segment as at and for the years ended December 31, 2021 and 2020 follows:

Statement of Financial Condition

	Life		Non-life	
	2021	2020	2021	2020
ASSETS				
Current assets				
Cash and cash equivalents	₱1,185,951,520	₱1,148,715,989	₱340,460,722	₱325,264,247
Short-term investments	208,749,064	488,166,618	231,258,883	2,000,000
Insurance receivables	154,496,929	123,421,627	22,047,496	11,650,939
Reinsurance assets	54,574,010	71,283,038	38,335,581	27,190,615
Loans and receivables	94,198,083	79,030,477	43,159,043	269,918
Financial assets	164,621,137	133,155,352	-	-
Intracompany accounts	365,902,960	(384,234,974)	(365,902,960)	384,234,974
Deferred acquisition costs	-	-	15,113,457	19,263,494
Other current assets	8,241,439	7,344,512	1,173,741	937,509
Total current assets	2,236,735,142	1,666,882,639	325,645,963	770,811,696
Noncurrent assets				
Loans receivables - net of current portion	190,618,199	269,331,234	-	-
Financial assets - net of current portion	431,998,041	330,029,415	229,529,598	162,699,544
Investment in associate	-	55,000,000	-	-
Property and equipment	379,035,383	302,469,614	783,426	660,417
Other noncurrent assets	33,657,100	45,860,274	-	-
Total noncurrent assets	1,035,308,723	1,002,690,537	230,313,024	163,359,961
	₱3,272,043,865	₱2,669,573,176	₱555,958,987	₱934,171,657
LIABILITIES AND EQUITY				
Current liabilities				
Insurance contract liabilities	₱683,924,105	₱437,417,040	₱172,049,027	₱127,987,362
Deferred commission income	-	-	955,331	2,975,282
Due to reinsurers	22,413,120	33,874,066	6,814,867	7,555,419
Trade and other payables	92,913,400	209,819,354	73,560,539	82,917,923
Other current liabilities	158,938,567	374,384,902	39,290,952	113,872,930
Total current liabilities	958,189,192	1,055,495,362	292,670,716	335,308,916
Noncurrent liability				
Retirement payable	32,602,609	32,682,175	-	-
Total liabilities	990,791,801	1,088,177,537	292,670,716	335,308,916
Members' equity				
Paid-up share capital - common	1,307,532,140	1,240,703,300	903,582,160	590,668,700
Paid-up share capital - preferred	8,366,500	8,461,000	-	-
Contributed surplus	85,338	85,298	-	-
Total members' equity	1,315,983,978	1,249,249,598	903,582,160	590,668,700
Revaluation surplus	12,575,539	12,081,337	-	-
Remeasurement of aggregate reserves for life policies				
	1,864,300	(1,494,999)	-	-
Statutory funds				
Reserve fund	181,481,855	187,100,366	7,450,193	3,092,888
Optional fund	18,109,610	89,950,056	2,904,968	2,658,944
Cooperative education and training fund	4,277,591	27,753,892	2,232,476	1,514,343
Community development fund	88,368,607	16,755,389	5,709,057	927,866
Total statutory funds	292,237,663	321,559,703	18,296,694	8,194,041
Total equity	1,623,429,181	1,581,395,639	921,878,854	598,862,741
	₱3,272,043,865	₱2,669,573,176	₱555,958,987	₱934,171,657

Statement of Operations

	Life		Non-life	
	2021	2020	2021	2020
REVENUE				
Net insurance premiums earned	₱1,043,736,093	₱870,411,597	₱152,188,279	₱90,340,618
Other income	86,388,620	44,776,277	15,088,163	17,200,184
	1,130,124,713	915,187,874	167,276,442	107,540,802
BENEFITS, CLAIMS AND EXPENSES				
Benefits and claims incurred on insurance contracts	806,682,029	392,686,195	68,989,573	27,822,683
Change in insurance contract liabilities	27,940,012	(61,078,592)	-	-
Net insurance benefits and claims	834,622,041	331,607,603	68,989,573	27,822,683
Underwriting expenses	168,885,104	140,144,804	33,527,447	18,312,447
Administrative costs	148,157,153	184,371,258	21,186,374	22,244,762
Finance costs	1,052,545	4,103,379	-	-
	1,152,716,843	660,227,044	123,703,394	68,379,892
NET SURPLUS	(₱22,592,130)	₱254,960,830	₱43,573,048	₱39,160,910

26. INSURANCE RISKS

The risk under insurance contract is the possibility of occurrence of insured event and uncertainty of the amount and timing of resulting claim. The principal risk which the Cooperative faces under such contracts is that the actual claims and benefit payments exceed the carrying amount of insurance liabilities. This is influenced by the frequency of claims, actual benefits paid are greater than originally estimated and subsequent development of long-term claims.

There were no changes in the Cooperative's exposure and how the Cooperative manages insurance risk in 2021 and 2020.

Life Insurance Contracts

Terms and Conditions

The Cooperative principally writes life insurance where the life of policyholder is insured against death, illness, injury or permanent disability, usually for pre-determined amount.

Underwriting Risks

Underwriting risk represents the exposure to loss resulting from actual policy experience adversely deviating from assumptions made in the product pricing. Underwriting risks arise from the combination of the following:

- General insurance risk - risk of loss due to occurrence of insured event and the uncertainty of the amount and timing of resulting claims;
- Mortality risk - risk of loss arising from policyholders' death experience;
- Morbidity risk - risk of loss due to policy holder's health experience;
- Expense risk - risk of loss arising from expense experience;
- Longevity risk - risk of loss arising due to the annuitant living longer than expected;
- Lapse risk - risk of loss due to the policyholder experiences (lapses and surrenders) being difference than expected;

- Investment risk - risk of loss arising from actual returns being different than expected; and
- Policyholder decision risk - risk of loss arising from lapses and surrenders.

The Cooperative's underwriting strategy is designed to ensure that risks are well diversified in terms of type of risk and level of insured benefits. This is largely achieved through diversification across industry sectors and geographical locations, the use of medical screening in order to ensure that pricing takes account of current health conditions and family medical history, regular view of actual claims experience and product pricing and detailed claims handling procedures. Underwriting limits are in place to enforce appropriate risk selection criteria.

The Cooperative is conscious of the need to exercise good judgment in the selection and approval of companies participating in its reinsurance programs. While reinsurance arrangements do not relieve the Cooperative from its direct obligations to the insured, an efficient and effective reinsurance program substantially limits the Cooperative's exposure to potentially significant losses.

The table below sets out the Cooperative's in force policies and concentration of insurance risk.

2021	No. of Policies	Insurance Coverage	Premiums	Exposure
Group yearly renewable and loan payment protection insurance	624,906	₱41,561,969,834	₱586,239,292	98.86%
Micro insurance	9,103	343,367,003	1,928,456	0.82%
Personal accident	1,000	50,000,000	100,000	0.12%
Regular plans	148	84,780,300	1,303,340	0.20%
	635,157	₱42,040,117,137	₱589,571,088	100.00%

2020	No. of Policies	Insurance Coverage	Premiums	Exposure
Group yearly renewable and loan payment protection insurance	498,184	₱30,567,729,569	₱900,720,174	99.06%
Micro insurance	4,793	222,336,000	30,668,149	0.72%
Regular plans	110	69,405,300	421,966	0.22%
	503,087	₱30,859,470,869	₱931,810,289	100.00%

The table below presents the life policies' concentration of risk by attained age based on data of in force policies (gross of reinsurance):

Attained Age	2021		2020	
	Coverage	Exposure	Coverage	Exposure
Below 18	₱140,380,613	0.33%	₱99,740,916	0.32%
18 - 35	8,719,438,633	20.74%	6,141,701,760	19.90%
36 - 45	10,525,871,627	25.04%	6,958,298,618	22.55%
46 - 55	9,787,987,379	23.28%	7,074,323,501	22.92%
56 - 65	9,237,549,005	21.97%	7,523,966,042	24.38%
66 - 75	3,336,462,174	7.94%	2,789,853,710	9.04%
76 and above	292,427,706	0.70%	271,036,322	0.89%
	₱42,040,117,137	100.00%	₱30,858,920,869	100.00%

Nonlife Insurance Contracts

Terms and Conditions

The Cooperative principally issues the following types of general insurance contracts: personal accident, fire, motor, surety, marine and miscellaneous. Risks under general insurance policies usually cover a 12-month duration.

Underwriting Risks

For general insurance contracts, the significant risks arise from climate changes and natural disasters.

These risks vary significantly in relation to the location of the risk insured and type of risk insured. Undue concentration by amount can have a further impact on the severity of benefit payments on a portfolio basis.

The above risk exposure is mitigated by diversification across a large portfolio of insurance contracts. The variability of risks is improved by careful selection and implementation of underwriting strategies, which are designed to ensure that risks are diversified in terms of type of risk and level of insured benefits. This is largely achieved through diversification across industry sectors and geography. Further, strict claim review policies to assess all new and ongoing claims, regular detailed review of claims handling procedures and frequent investigation of possible fraudulent claims are all policies and procedures put in place to reduce the risk exposure of the Cooperative. The Cooperative further enforces a policy of actively managing and prompt pursuing of claims, in order to reduce its exposure to unpredictable future developments that can negatively impact the Cooperative.

The Cooperative has also limited its exposure by imposing maximum claim amounts on certain contracts as well as the use of reinsurance arrangements in order to limit the exposure to catastrophic events, such as hurricanes, earthquakes and flood damages.

The purpose of these underwriting and reinsurance strategies is to limit exposure to catastrophes to a pre-determined maximum amount based on the Cooperative's risk appetite as decided by management.

The table below sets out the Cooperative's in force policies and concentration of insurance risk.

2021	No. of policies	Insurance coverage	Premiums	Exposure
Miscellaneous or personal accident insurance	1,407	₱23,056,544,274	₱72,315,765	62.55%
Fire insurance	1,266	9,590,552,600	23,739,048	26.02%
Motor car insurance	4,421	3,206,028,918	55,352,720	8.70%
Surety insurance	2,300	1,008,245,427	11,620,550	2.74%
Marine insurance	2	2,120,000	58,200	0.01%
	9,396	₱36,863,491,219	₱163,086,283	100.00%

2020	No. of Policies	Insurance Coverage	Premiums	Exposure
Miscellaneous or personal accident insurance	1,109	₱34,942,610,140	₱82,187,346	72.62%
Fire insurance	1,071	9,983,487,800	12,390,567	20.75%
Motor car insurance	3,984	2,617,307,331	40,664,916	5.44%
Surety insurance	1,017	566,397,062	5,597,577	1.18%
Marine insurance	4	8,200,000	196,000	0.01%
	7,185	₱48,118,002,333	₱141,036,406	100.00%

Key Assumptions

Material judgment is required in determining the liabilities and in choosing assumptions relating to insurance contracts. Assumptions used are based on past experience, current internal data and conditions and external market indices and benchmarks, which reflect current observable market prices and other published information. Such assumptions are determined as appropriate at inception of the contract and no credit is taken for possible beneficial effects of voluntary withdrawals. Assumptions are further evaluated on a continuous basis in order to ensure realistic and reasonable valuations. Assumptions are subject to the provisions and guidelines set by the IC.

Life Insurance Contracts

For life insurance contracts, the Cooperative determines the assumptions in relation to future deaths, illness or injury and investment returns at inception of the contract.

Subsequently, new estimates are developed at each reporting date and liabilities are tested to determine whether such liabilities are adequate in the light of the latest current estimates. The initial assumptions are not altered if the liabilities are considered adequate. If the liabilities are not adequate, the assumptions are altered (“unlocked”) to reflect the latest current estimates. As a result, the effect of changes in the underlying variables on insurance liabilities and related assets is not symmetrical. Improvements in estimates have no impact on the value of the liabilities and related assets, while significant enough deteriorations in estimates have an impact.

The key assumptions to which the estimation and adequacy testing of liabilities are particularly sensitive are as follow:

- (a) *Risk-free Discount Rates* refer to the rates used in determining the value of life insurance liabilities. The value of life insurance liabilities is determined as the sum of the present value of future benefits and expenses, less the present value of future gross premiums arising from the policy discounted at the appropriate risk-free discount rate. The yield curve used as basis for the risk-free discount rate were obtained from the following sources:
- For Philippine Peso policies: PHP BVAL Reference rates from Bloomberg; and
 - For US Dollar policies: International Yield Curve (IYC) from Bloomberg.

The risk-free discount rate is the equivalent zero-coupon spot yield of the above yield curve with matching duration for durations less than or equal to 20 years. Duration is the term to maturity of each future cashflow. If the duration is more than 20 years, the discount rate is the moving-average of the 20-year government bond yield rate, over a period prescribed by the IC. The current prescribed period is 24 months.

The discount rate used for valuation was based on the guidelines set by the IC.

A decrease in the discount rate will increase the value of the liability.

- (b) *Mortality and Morbidity Assumptions.* Mortality refers to the rate at which death occurs for a defined group of people, while morbidity refers to the rate at which accident or sickness, and recovery therefrom, for a defined group of people. For the purpose of liability valuation, expected future cash flows are determined using best estimate mortality and morbidity assumptions with due regard to significant recent experience and appropriate margin for adverse deviation from the expected experience.
- (c) *Lapse Rates* refer to the rate at which a life policy is surrendered or terminated caused by the failure to pay the premium due. For the purpose of liability valuation, expected future cash flows are determined using best estimate of lapse assumptions with appropriate margin for adverse deviation from the expected experience.
- (d) *Expense Assumptions* refer to the expected future administrative and maintenance costs related to the issuance and maintenance of a life insurance policy with consideration of inflation. For the purpose of liability valuation, expected future cash flows are determined using best estimate expense assumptions with appropriate margin for adverse deviation from the expected experience.

Nonlife Insurance Contracts

The principal assumption underlying the estimates is the Cooperative's past claims development experience. This includes assumptions in respect of average claim costs, claims handling costs, claims inflation factors and number of claims for each accident year. Additional qualitative judgments are used to assess the extent to which past trends may not apply in the future, for example, one-off occurrence, changes in market factors such as public attitude to claiming, economic conditions, as well as internal factors such as portfolio mix, policy conditions and claims handling procedures. Judgment is further used to assess the extent to which external factors such as judicial decisions and government legislation affect the estimates.

Other key assumptions include variation in interest rates and delays in settlement.

Claims Development Table

The exhibit below shows the development of claims over a period of time.

The tables reflect the cumulative incurred claims, including both claims notified and IBNR for each successive accident year at each reporting date, together with cumulative payments to date.

The Cooperative aims to maintain strong reserves in respect of its general insurance in order to protect against adverse future claims experience and development. As claims develop and ultimate costs of claims become more certain, the absence of adverse claims experience will then result in a release of reserves from earlier accident years. In order to maintain strong reserves, the Cooperative transfers much of this release to current accident year reserves where the development of claims is less mature and there is much greater uncertainty attaching to the ultimate cost of claims:

Accident Year	2021			Total
	2019	2020	2021	
Estimated ultimate claims				
At the end of accident year	₱40,849,195	₱45,472,368	₱111,123,766	₱111,123,766
One year later	28,123,007	23,726,238	-	23,726,238
Two years later	18,534,847	-	-	18,534,847
Current estimate of cumulative claims	18,534,846	23,726,238	111,123,766	153,384,850
Cumulative payments to date	16,436,277	16,030,865	34,518,280	66,985,422
Gross total claims liability	2,098,569	7,695,373	76,605,486	86,399,428
Reinsurance recoverable on unpaid losses	1,303,133	2,360,706	23,297,406	26,961,245
Net exposure	₱795,436	₱5,334,667	₱53,308,080	₱59,438,183

Accident Year	2020			Total
	2018	2019	2020	
Estimated ultimate claims				
At the end of accident year	₱2,832,239	₱40,849,195	₱45,472,368	₱45,472,368
One year later	2,847,305	28,123,007	-	28,123,007
Two years later	3,244,315	-	-	3,244,315
Current estimate of cumulative claims	3,244,315	28,123,007	45,472,368	76,839,690
Cumulative payments to date	2,012,784	16,239,092	10,000,697	28,252,573
Gross total claims liability	1,231,531	11,883,915	35,471,671	48,587,117
Reinsurance recoverable on unpaid losses	204,430	6,453,187	7,258,850	13,916,467
Net exposure	₱1,027,101	₱5,430,728	₱28,212,821	₱34,670,650

Investment Risk

Investment risk represents the exposure to loss resulting from cash flows from invested assets, primarily long-term fixed rate investments, being less than the cash flows required to meet the obligations of the expected policy and contract liabilities and the necessary return on investments. Additionally, future investment risk associated with certain policies currently in force exists which will have premium receipts in the future. That is, the investment of those future premium receipts may be at a yield below that required to meet future policy liabilities.

To maintain an adequate yield to match the interest necessary to support future policy liabilities, management focus is required to reinvest the proceeds of the maturing securities and to invest the future investment receipts while continuing to maintain satisfactory investment quality.

The Cooperative likewise adopts investment strategy to invest primarily in high quality securities while maintaining diversification to avoid exposure to issuer or industry concentrations. The Cooperative also adopts strategy to produce cash flows required to meet maturing insurance liabilities. The Cooperative invests in equities for various reasons, including diversifying its overall exposure to interest rate risk. Equity securities are subject to declines in fair value. Generally, insurance regulations restrict the type of assets in which an insurance company may invest when permitted by regulatory authorities and when deemed necessary to protect insurance assets including invested assets, from adverse movement of foreign currency exchange rates, interest rates and equity prices. The Cooperative may also enter into derivative transactions as end users.

27. CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES

Financial instruments consist of:

	2021	2020
Financial assets at amortized cost		
Cash and cash equivalents*	₱1,449,500,086	₱1,398,130,594
Short-term investments	440,007,947	490,166,618
Insurance receivables	176,544,425	135,072,566
Reinsurance assets	92,909,591	98,473,653
Loans and receivables**	327,605,550	348,299,880
Debt securities	455,400,480	365,785,271
	2,941,968,079	2,835,928,582
Financial assets at FVPL	69,718,672	44,606,878
Financial assets at cost	301,029,624	215,492,162
Investment in associate	-	55,000,000
	₱3,312,716,375	₱3,151,027,622
Financial liabilities at amortized cost		
Insurance payables	₱534,009,712	₱205,717,307
Due to reinsurers	29,227,987	41,429,485
Trade and other payables***	156,903,138	286,576,553
Other current liabilities	198,229,520	488,257,832
	₱918,370,357	₱1,021,981,177

* Excluding cash on hand

**Excluding advances to officers and employees

***Excluding payable to government agencies

28. CAPITAL MANAGEMENT AND REGULATORY FRAMEWORK

Capital Management Framework

All insurance companies are required to maintain a certain level of capital to ensure sufficient solvency margins and to adequately protect the policyholders. The level of capital maintained is usually higher than the minimum capital requirements set by the regulators and the amount computed under the Risk-Based Capital (RBC) Model.

Insurers manage capital through a process that determines future projected capital requirements through the development of long-term financial plans and projections that consider the impact on the surplus of new business, profit ability of in-force business and other major corporate initiatives that will affect capitalization levels. The results of the financial plans and projections provide basis in the determination of capitalization changes and surplus distribution decisions.

The operations of insurance companies are subject to the regulatory requirements of the IC. Such regulations not only prescribe approval and monitoring of activities but also impose certain restrictive provisions (e.g., margin of solvency to minimize the risk of default and insolvency on the part of the insurance companies to meet the unforeseen liabilities as these arise, fixed capitalization requirements, risk-based capital requirements).

The Cooperative's capital as at December 31 is as follows:

	2021	2020
Share capital	₱2,219,480,840	₱1,839,833,000
Contributed surplus	85,298	85,298
Remeasurement of aggregate reserves for life policies	1,864,300	(1,494,999)
Revaluation surplus	12,575,539	12,081,337
Statutory funds	310,534,357	329,753,744
	₱2,544,540,334	₱2,180,258,380

No changes were made to the Cooperative's capital base, objectives, policies and processes as at December 31, 2021 and 2020.

Regulatory Framework

Regulators are interested in protecting the rights of the policyholders and maintaining close vigil to ensure that the Cooperative is satisfactorily managing affairs for the policyholders' benefit. At the same time, the regulators are also interested in ensuring that the Cooperative maintains an appropriate solvency position to meet liabilities arising from claims and that the risk levels are at acceptable levels.

Minimum Statutory Net Worth Requirements

The Insurance Code provides the new capitalization requirements of all existing insurance companies based on net worth on a staggered basis starting June 30, 2013 up to December 31, 2022. The amount of required net worth and the schedule of compliance are as follow:

Minimum Statutory Net Worth	Compliance Date
₱250.00 million	June 30, 2013
500.00 million	December 31, 2016
900.00 million	December 31, 2019
1.30 billion	December 31, 2022

In accordance with Article 107 of the Cooperative Code, the requirements on the capitalization, investments and reserves of insurance cooperatives may be modified upon consultation with the CDA and the cooperative sector, but in no case may the requirements be reduced to less than half of those provided under the Code.

Pursuant to Section 92 of the Insurance Code, the estimated amount of non-admitted assets as at December 31, 2021 and the actual non-admitted assets as at December 31, 2020 for the Cooperative's life unit follows:

	2021 (Estimated)	2020 (Actual)
Cash	₱206,034,472	₱243,185,971
Property and equipment	25,563,865	108,137,083
Insurance receivables	6,905,683	201,614,879
Loans and receivables	76,507,702	194,550,939
Cash equivalents and short-term investments	287,843,384	358,846,105
Reinsurance assets	63,872,000	143,289,403
	₱666,727,106	₱1,249,624,380

Pursuant to the Insurance Code and related circulars, cash and cash equivalents and short-term investments to cooperative banks in excess of ₱500,000, insurance receivables beyond 90 days, loans and receivables beyond 90 days, receivables from closed banks and advances to officers and employees, investments in cooperatives, furniture, fixtures, and office equipment, transportation equipment and other assets are generally non-admitted assets.

On May 14, 2020, the IC issued CL No. 2020-58 which provides regulatory relief on the admittance of premium receivable (direct agents, general agents and insurance brokers) due to the COVID-19 pandemic and is applied to annual and quarterly financial reports for the year 2020 unless extended or changed as deemed necessary by the IC. The basis for admitting premium receivable is adjusted from 90 days to 180 days.

On July 11, 2021, the IC issued CL No 2021-43 extending the regulatory relief on the admittance of premium receivable due to the COVID-19 pandemic for reporting year 2021. The basis for admitting premium receivable is adjusted from 90 days to 180 days.

The Cooperative's estimated net worth and actual net worth as at December 31, 2021 and 2020, respectively are as follow:

	2021	2020
Total assets	₱3,828,002,852	₱3,603,744,833
Total liabilities	1,283,462,518	1,423,486,453
Equity	2,544,540,334	2,180,258,380
Less: non-admitted assets	666,727,106	1,249,624,380
Net worth	1,877,813,228	930,634,000
Less: net worth requirements	900,000,000	900,000,000
Excess over net worth requirements	₱977,813,228	₱30,634,000

As at December 31, 2021 and 2020, the Cooperative has complied with the statutory net worth requirements required by the IC.

RBC Requirements

The Insurance Code provides that the Commissioner may require the adoption of the RBC approach and other internationally accepted forms of capital framework. Together with the insurance industry, the IC is currently in the process of adopting a new RBC approach that would be more tailored to the Philippine insurance industry. In 2016, the IC issued CL 2016-68, Amended RBC Framework (RBC2 Framework) which was effective starting January 1, 2017.

CL 2016-68 provides for the RBC2 framework for the life insurance industry which establishes the required amounts of capital to be maintained by the insurance companies in relation to their investment and insurance risks. Every life insurance company is annually required to maintain an RBC ratio of at least 100% and not to fail the trend test. Failure to meet the minimum RBC ratio shall subject the insurance company to regulatory intervention which could be at various levels depending on the degree of the violation.

The RBC2 ratio shall be calculated as total available capital (TAC) divided by the RBC requirement. TAC is the aggregate of Tier 1 and Tier 2 capital minus deductions, subject to applicable limits and determinations. Tier 1 Capital represents capital that is fully available to cover losses of the insurer at all times on a going concern and winding up basis. Tier 2 Capital which includes reserve for appraisal increment and remeasurement gains or losses on retirement pension asset or obligation shall not exceed 50% of Tier 1 Capital. RBC2 requirement shall be computed based on the formula provided in the circular and shall include asset default risk, insurance pricing risk, interest rate risk and general business risk.

An insurer has failed the trend test in the event that all of the following have occurred:

- a. The RBC2 ratio is less than 125% but is not below 100%;
- b. The RBC2 ratio has decreased over the past year; and
- c. The difference between RBC ratio and the decrease in the RBC2 ratio over the past year is less than 100%

Failure to meet the RBC2 ratio shall subject the insurance company to the corresponding regulatory intervention which has been defined at various levels.

The following table shows the RBC2 ratio of the Cooperative based on internal calculations as at December 31, 2021 and the final RBC2 ratio as determined by the IC as at December 31, 2020:

	Life		Non-life	
	2021	2020	2021	2020
Total available capital	₱1,581,170,992	₱1,539,702,787	₱938,676,552	₱627,549,658
RBC2 requirements	181,464,460	147,217,922	169,524,052	146,087,764
RCB2 ratio	871%	1046%	554%	430%

The final amount of the RBC2 ratio can be determined only after the accounts of the Cooperative have been examined by the IC specifically for the determination of admitted and non-admitted assets as defined under the Insurance Code.

Financial Reporting Framework

In December 2016, IC released IC CL No. 2016-65, Financial Reporting Framework under Section 189 of the Insurance Code which aims to adopt the economic valuation of assets and liabilities based on internationally accepted accounting, actuarial and insurance core principles.

The Financial Reporting Framework was implemented effective January 1, 2017 and was used on the statutory quarterly and annual net worth reporting requirements.

29. COOPERATIVE LAWS, RULES, REGULATIONS, AND PRINCIPLES

In addition to the PFRF for Cooperatives, the following cooperative law, rules, regulations, and principles were adopted in the preparation of the financial statements:

The Cooperative Code

On February 17, 2009, the President of the Philippines signed into law The Cooperative Code which took effect on March 22, 2009. The salient features of the Cooperative Code include the amendment of the charter of CDA, the involvement of the Philippine Institute of Certified Public Accountants in the preparation of the implementing rules and regulations and the following:

Paid-up Capital

Article 14 - Paid-up capital shall not be less than ₱15,000 (previously ₱2,000) which may be increased every 5 years upon consultation with the cooperative sector and National Economic Development Authority.

Taxation

Article 61 - Transactions of members with cooperatives shall not be subject to any taxes and fees, including but not limited to final taxes on members' deposits and documentary stamp tax.

Cooperatives with accumulated reserves and undivided net savings of more than ₱10.00 million shall pay the following taxes at full rate:

- Income tax - on the amount allocated for interest on capital, provided that the same tax is not consequently imposed on interest individually received by members; provided further that cooperative, regardless of classification, are exempt from income tax from the date of registration with CDA.
- Value-added tax (VAT) on transaction with non-members, provided the cooperative duly registered with CDA are exempt from payment of VAT subject to Section 109 subsections L, M, and S of the National Internal Revenue Code, as amended.

Cooperatives with accumulated reserves and undivided net savings of not more than ₱10.00 million shall be exempt from all national, city, provincial, municipal or barangay taxes and from custom duties, advance sales, or compensating taxes on importation of machineries, equipment, and spare parts used by them.

Tax Exemptions and Incentives

As an entity transacting with members only, the Cooperative is entitled to the following tax exemptions and incentives provided for under Article 60 of the Cooperative Code, as implemented by Section 7 of the Joint Rules and Regulations Implementing Articles 60, 61 and 144:

- Exemption from income tax on income from CDA-registered operations;
- Exemption from VAT on CDA-registered operations;
- Exemption from other percentage tax;
- Exemption from donor's tax on donations to duly accredited charitable, research and educational institutions, and reinvestment to socio-economic projects within the area of operation of the Cooperative;
- Exemption from excise tax from which the Cooperative is directly liable;
- Exemption from documentary stamp tax: provided, however, that the other party to the taxable document/ transaction who is not exempt shall be the one directly liable for the tax;
- Exemption from payment of annual registration fee of five hundred pesos (₱500); and
- Exemption from all taxes on transactions with insurance companies and banks, including but not limited to 20.00% final tax on interest deposits and 7.50% final income tax on income/interest from investment/deposits derived from a depository bank under the expanded foreign currency deposit system.

Share Capital

- Article 73 - No member of a primary cooperative other than a cooperative itself shall own or hold more than 10% (before 20%) of the share capital.
- Article 76 - The par value of a share may be fixed at any figure not more than ₱1,000 (before not less than ₱1.00).

Allocation and Distribution of Net Surplus

- Article 85 - The net surplus shall not be construed as profit but as an excess of payments made by the members for the loans borrowed, or the goods and services availed by them from the Cooperative of the difference of the rightful amount due to the members for their products sold or services rendered to the Cooperative including other operating activities and which shall be deemed to have been returned to them if the same is distributed.
- Article 86 - The following order of distribution is provided under the Cooperative Code:
 - *Reserve Fund* - shall be at least 10.00% of the net surplus, provided, that in the first 5 years of operations after registration, this amount shall not be less than 50.00% of the net surplus.
 - *CETF* - shall be not more than 10.00% of the net surplus; half of the amount transferred to education and training fund annually shall be spent by the cooperative for education and training, while the other half should be remitted to the union or federation.
 - *Community Development Fund* - not less than 3.00% of the net surplus.
 - *Optional Fund* - the total of which shall not exceed 7.00% of the net surplus.

- *Remaining Net Surplus* - shall be made available to the members in the form of interest on share capital not to exceed the normal rate of return on investments and patronage funds, provided that any amount remaining after the allowable interest and the patronage refund have been deducted shall be credited to the reserve fund. The sum allocated for patronage refunds shall be made available at the same rate to all patrons of the cooperative in proportion to their individual patronage.

Distribution of Net Surplus

The distribution of net surplus pursuant to the provisions of the Cooperative Code, by-laws and CDA MCs is as follows:

	2021		2020	
	Percentage	Amount	Percentage	Amount
Interest on share capital and patronage refund payable	75.00%	₱15,735,689	75.00%	₱220,591,305
Reserve fund	10.00%	2,098,092	10.00%	29,412,174
CETF	5.00%	1,049,046	5.00%	14,706,087
Community development fund	3.00%	629,427	3.00%	8,823,652
Optional fund	7.00%	1,468,664	7.00%	20,588,522
	100.00%	₱20,980,918	100.00%	₱294,121,740

30. OTHER MATTERS

Merger with RBIC

On February 15, 2017, the GA approved the Articles and Plan of Merger between the Cooperative and RBIC, a nonlife insurance company. The Cooperative will be the surviving entity and will assume the nonlife business of RBIC.

On February 9, 2018, the Cooperative submitted its plan of merger with IC which was approved on July 7, 2018.

On January 22, 2019, the Cooperative requested CDA's approval of the merger which was denied by CDA on May 11, 2020. On February 19, 2021, the Cooperative sent a letter requesting CDA to approve its plan of assuming the assets and liabilities of RBIC instead.

On May 7, 2021, IC placed RBIC under liquidation since RBIC was not able to comply with the minimum required net worth for insurance companies. Related to the liquidation, the Cooperative will assume the assets and liabilities of RBIC.

As of March 11, 2022, the liquidation of RBIC is ongoing.

31. SUPPLEMENTARY INFORMATION REQUIRED BY BUREAU OF INTERNAL REVENUE

Revenue Regulation (RR) No. 15-2010

In addition to the disclosures mandated under PFRF for Cooperatives, and such other standards and/or conventions as may be adopted, companies are required by the BIR to provide in the notes to financial statements, certain supplementary information for the taxable year. The amounts relating to such supplementary information may not necessarily be the same with those amounts disclosed in the financial statements which were prepared in accordance with PFRF for Cooperatives. The following are the tax supplementary information required for the taxable year ended December 31, 2021:

A. VAT

The Cooperative has no VAT transactions in 2021.

B. Landed Cost of Imports, Customs Duties and Tariff Fees

The Cooperative has no import transactions in 2021.

C. Excise Taxes

The Cooperative has no transactions subject to excise tax in 2021.

D. Documentary Stamp Tax

The Cooperative has no transactions subject to documentary stamp tax in 2021.

E. Withholding Taxes

	2021
Tax on compensation and benefits	₱9,936,241
Expanded withholding taxes	7,735,420
	₱17,671,661

F. All Other Taxes (Local and National)

License and other fees paid for the year 2021 amounted to ₱1,074,112 is presented as “Taxes, fees and charges” account under “Administrative costs” in the statement of operations.

G. Tax Cases

As at December 31, 2021, the Cooperative is not involved in any tax cases and has not received deficiency tax assessments from the BIR.

RR No. 34-2020

The Cooperative is not covered by the requirements and procedures for related party transactions under RR No. 34-2020.

* *

COMPOSITE PROPOSED OPERATING BUDGET FOR 2022

1 COOPERATIVE INSURANCE SYSTEM OF THE PHILIPPINES LIFE AND GENERAL INSURANCE COMPOSITE PROPOSED BUDGET FOR 2022 STATEMENT OF OPERATION

	AFS 2021	VA	PROPOSED BUDGET 2022	VA	VARIANCE	Increase (Decrease)
REVENUES			30%			
Gross premiums on insurance contracts	1,314,576,627	109.16%	1,708,500,000	110.61%	393,923,373	29.97%
Reinsurer's share of gross premium	(110,256,310)	8.39%	(163,900,000)	9.59%	(53,643,690)	48.65%
<i>Net Insurance Premiums</i>	1,204,320,317	100.00%	1,544,600,000	100.00%	340,279,683	28.25%
Investment Income	88,984,873	7.39%	58,300,000	3.77%	(30,684,873)	-34.48%
Other Income	12,491,910	1.04%	9,600,000	0.62%	(2,891,910)	25.01%
	1,305,797,100	108.43%	1,612,500,000	104.40%	306,702,900	23.49%
BENEFITS AND EXPENSES						
Increase (decrease) in legal policy reserves	36,335,956	3.02%	83,100,000	5.38%	46,764,044	128.70%
Gross benefits and claims paid	875,671,603	72.71%	926,800,000	60.00%	51,128,397	5.84%
Net Insurance benefits and claims	912,007,559	75.73%	1,009,900,000	65.38%	97,892,441	10.73%
Commission	202,412,551	16.81%	247,400,000	16.02%	44,987,449	22.23%
Compensation and Benefits	113,086,937	9.39%	158,300,000	10.25%	45,213,063	39.98%
Utilities	8,733,710	0.73%	11,900,000	0.77%	3,166,290	36.25%
Depreciation	9,358,148	0.78%	22,700,000	1.47%	13,341,852	142.57%
Postage, Telephone & Telegram	3,184,928	0.26%	4,200,000	0.27%	1,015,072	31.87%
Travelling Expenses	2,363,264	0.20%	3,600,000	0.23%	1,236,736	52.33%
Professional, Legal & Audit Fee	6,636,751	0.55%	7,200,000	0.47%	563,249	8.49%
Printing, Stationery & Supplies	2,505,293	0.21%	2,800,000	0.18%	294,707	11.76%
Officers Honorarium and Allowance	2,797,196	0.23%	2,900,000	0.19%	102,804	3.68%
Conference and Sales Meeting	223,260	0.02%	800,000	0.05%	576,740	258.33%
Representation and Entertainment	1,879,468	0.16%	2,800,000	0.18%	920,532	48.98%
Membership and Association Dues	851,188	0.07%	1,500,000	0.10%	648,812	76.22%
Board Meeting Expenses	431,482	0.04%	800,000	0.05%	368,518	85.41%
General Assembly Expenses	2,114,460	0.18%	2,300,000	0.15%	185,540	8.77%
Advertising/Donation Expenses	808,563	0.07%	1,100,000	0.07%	291,437	36.04%
Business Development Expenses	-	0.00%	400,000	0.03%	400,000	
Provision for Probable Loss	10,000,000	0.83%	-	0.00%	(10,000,000)	-100.00%
General and administrative expenses	5,421,424	0.45%	5,500,000	0.36%	78,576	1.45%
	1,284,816,182	106.68%	1,486,100,000	96.21%	201,283,818	15.67%
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	20,980,918	1.74%	126,400,000	8.18%	105,419,082	502.45%
OTHER COMPREHENSIVE INCOME						
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	20,980,918		126,400,000		105,419,082	502.45%

2022 CAPITAL OUTLAY BUDGET

1CISP Life and General Insurance 2022 Capital Outlay

	Amount	Qty	Amount
<u>Computer / IT Equipment</u>			
Desktop/Laptop	50,000.00		
Vacant Position		6	300,000
Replacement		12	600,000
Printer	20,000.00		
Head Office		5	100,000
Branch Office		1	20,000
Regions		5	100,000
Software for ICARD			250,000
Integrated System			24,600,000
Sophos Cloud Endpoint Protection Advance (Anti-virus)			200,000
Integrated Software (Branch Office & Non Life)			5,000,000
Server	300,000.00		
Head Office		2	600,000
Branch Office		3	900,000
Sub-Total			<u>32,670,000</u>
<u>Office Equipment</u>			
Aircon (inverter)			
Head Office	70,000.00	-	-
Branch Office	70,000.00	2	140,000
Regional Office	70,000.00	2	140,000
Emergency Light	5,000.00	11	55,000
Generator Set			
Branch Office			800,000
Photocopying machine			
Branch Office	50,000.00	1	50,000
Sub-Total			<u>1,185,000</u>

2022 CAPITAL OUTLAY BUDGET

	Amount	Qty	Amount
<u>Office Furniture & Fixtures</u>			
Head Office (for the new building)			-
Branch Office (for the newly renovated building)		3	-
Sub-Total			-
Regional Office			
Clerical Office Chair w/ arm	3,000	14	42,000
Executive Chair w/ arm	4,000	14	56,000
Pedestal Cabinet Model	6,000	14	84,000
Cubicle Table	9,000	14	126,000
Steel Cabinet Brown	13,000	14	182,000
Visitor Chair Black Lobby	2,000	14	28,000
Folding Table	3,000	4	12,000
Records Cabinet OD:96 Hx42 Wx16D	21,000	14	294,000
Sub-Total			824,000
<u>Building/Improvements</u>			
Head Office (newly acquired land)			
Renovation of Building			1,000,000
Branch Office (CDO)			
Renovation of Building			1,000,000
Branch Office (Davao)			
Land			5,000,000
Building Construction			15,000,000
Branch Office (Visayas)			
Land			5,000,000
Building Construction			15,000,000
Sub-Total			42,000,000
TOTAL			76,679,000.00

AUDIT COMMITTEE REPORT

AUDIT COMMITTEE REPORT For the Year Ending December 31, 2021

The General Assembly
1 Cooperative Insurance System of the Philippines Life and General Insurance
No. 11 Mapagbigay cor. Maunlad Sts., Brgy. Pinyahan,
Diliman, Quezon City

Greetings of Peace!

As members of the Audit and Inventory Committee, we are grateful for the opportunity and trust given to us to be of service to the general membership.

The Audit and Inventory Committee has performed limited audit engagement due to the COVID-19 pandemic for the year 2021. Monthly meetings were held virtually from which the Internal Audit Department audit findings were basis for the topics and discussions. We recommended corrective measures on the findings and management readily rectified and complied with the recommendations. Members of the Audit Committee also attended various webinars conducted by 1CISP and were present during board meetings.

A Revised Audit Manual prepared by the Internal Audit was presented/submitted to the Board which the members of the Board approved on August 26, 2021.

1 Cooperative Insurance System of the Philippines Life and General Insurance has complied with the industry standards and our responsibility is to render a report of the company's compliance to said standards based on our examination.

In our opinion and based on the report rendered by the Diaz Murillo Dalupan & Co. and in accordance with the CDA Performance and Social Audit, the 1 Cooperative Insurance System of the Philippines Life and General Insurance obtained the following ratings for the year ending December 31, 2021.

Basis of Opinion	Rating
2021 Financial Statements	Unqualified
CDA Social Audit	Very Satisfactory
CDA Performance Audit	Fair

AUDIT COMMITTEE REPORT

The examination was in accordance with the Cooperative Development Authority (CDA) Guidelines on Performance and Social Audit of Cooperatives, ASEAN Corporate Governance Scorecard and the Audit Report rendered by Diaz Murillo Dalupan & Co. These standards require planning and performing the examination to ensure reasonable assurance about whether the 1 Cooperative Insurance System of the Philippines Life and General Insurance complies with the standards set by the governing/regulating agencies. The examination included validating the Cooperative Performance Audit Report (PAR), accomplishing the Social Audit Questionnaires and calculating the points earned by the 1 Cooperative Insurance System of the Philippines Life and General Insurance based on parameters/criteria set forth under the CDA and Insurance Commission guidelines. We believe that our examination provided a reasonable basis to render a rating on the Insurance Company's Performance.

WILMA L. GIDAYA
Audit and Inventory
Committee Chairperson

MARITES M. BARTOLOME
Audit and Inventory
Committee Secretary

JAYSAN RAY N. CHEE
Audit and Inventory
Committee Member

FIVE YEAR STRATEGIC PLAN

As a response to the ever-changing business landscape intensified by the pandemic and challenge of furthering its vision of insuring 3 million Filipinos by 2025, 1CISP has formulated novel initiatives to uphold excellent service and mutual prosperity.

The pandemic has exposed the country and the industry where 1CISP belongs to various vulnerabilities. In the first 3 quarters of 2021 alone, the insurance industry has paid a total of 8.23 Billion in pandemic-related claims, doubling the amount of claims paid in 2020. With the changing political climate adding another level of uncertainty, 1CISP gears up to ensure it will continue to have more control of its business even when facing volatile and complex realities.

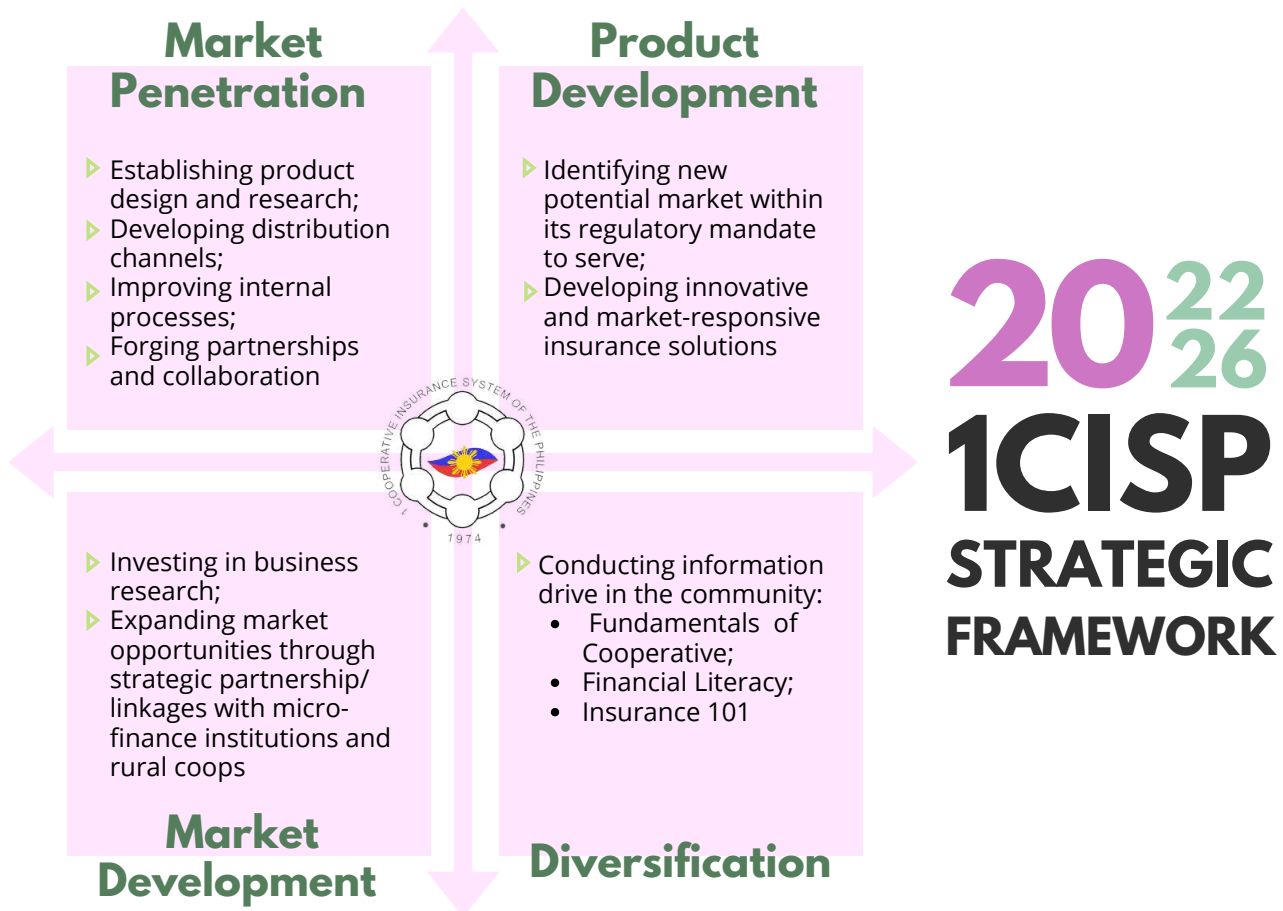
For its 5-Year Strategic Plan, 1CISP recognizes the multiple generations that comprise its workforce. Embracing this diversity, the whole organization took part in the planning sessions, each generation working together to design the best and innovative strategies and deliver quality services to its most important stakeholders, the members.

2022-2026

1CISP focuses on four **growth** strategies:

Market Penetration
Product Development
Market Development
Diversification

FIVE YEAR STRATEGIC PLAN



1CISP is strongly committed to making the United Nations’ 2030 Agenda for Sustainable Development a reality. During the inception of the 2022 Strategic Plan, 1CISP has kept the 17 Sustainable Development Goals (SDG) in mind. At the heart of this year’s Strategic Plan are Goal #3 Ensuring good and healthy lives, and Promoting wellbeing for all; Goal #5 Achieving Gender Equality and empowerment of women and girls; Goal #9 Building resilient infrastructure, and promoting sustainable industrialization that fosters innovation; and Goal #11 Building inclusive, safe, resilient and sustainable cities and communities.

Given all the strategies formulated, the total budget allocated for this year’s strategies amounts to Php 4,010,000.00 Pesos.

PAID-IN CAPITAL OF THE COOPERATIVES REPRESENTED BY THE BOARD OF DIRECTORS

Name of Director	Citizenship	Coop Represented	Shares Held	Type	%
Fr. Antonio Cecilio T. Pascual	Filipino	Simbayanan ni Maria MPC	45,365,593.10	Common	2.06255%
Isagani B. Daba	Filipino	First Community Cooperative	828,070,452.74	Common	37.64832%
BGen. Lorenzo R. Sumicad AFP (Ret)	Filipino	ACDI Multipurpose Cooperative	497,379,068.78	Common	22.61340%
Roberto C. Mascarina	Filipino	Barangka Credit Cooperative	15,100,000.00	Common	0.68652%
George J. Pupa	Filipino	USPD Savings & Credit Cooperative	4,314,689.50	Common	0.19617%
Nestor D. Ortigoza	Filipino	King Multi-Purpose Cooperative	6,077,126.80	Common	0.27630%
BGen. William P. Turalde AFP (Ret)	Filipino	Koop King Multipurpose Cooperative	12,486,097.26	Common	0.56768%
MGen. Isagani P. Silva AFP (Ret)	Filipino	Air Cavaliers Credit Cooperative	1,000,000.00	Common	0.04547%
Jerson S. Remo	Filipino	Model Cooperative Network	271,120.00	Common	0.01233%

COST OF GOVERNANCE

BOARD OF DIRECTORS HONORARIUM FOR THREE SUCCEEDING CALENDAR PERIODS <i>(in Aggregate Amount)</i>		
2019	2020	2021
3,002,619	3,735,287	2,593,397

EXTERNAL AUDIT FEE FOR THREE SUCCEEDING CALENDAR PERIODS		
2019	2020	2021
950,000	895,000	550,000

ASSETS FOR THREE SUCCEEDING CALENDAR PERIODS		
2019	2020	2021
3,267,245,942	3,603,744,833	3,828,002,852

LIABILITIES FOR THREE SUCCEEDING CALENDAR PERIODS		
2019	2020	2021
1,431,997,838	1,423,486,453	1,283,462,518

MEMBERS EQUITY FOR THREE SUCCEEDING CALENDAR PERIODS		
2019	2020	2021
1,835,248,104	2,180,258,380	2,544,540,334

PAID-UP CAPITAL & DEPOSIT FOR ADDITIONAL SUBSCRIPTION FOR THREE SUCCEEDING CALENDAR PERIODS		
2019	2020	2021
1,646,168,400	1,839,833,000	2,219,480,800

NET SURPLUS FOR THREE SUCCEEDING CALENDAR PERIODS		
2019	2020	2021
286,910,213	294,121,740	20,980,918

COST OF GOVERNANCE

DIVIDEND RATE FOR THREE SUCCEEDING CALENDAR PERIODS		
2019	2020	2021
10%	8%	1%

EXPERIENCE AND PATRONAGE REFUND RATE FOR THREE SUCCEEDING CALENDAR PERIODS		
2019	2020	2021
6.66%	6.89%	0.21%

AUDIT AND INVENTORY COMMITTEE HONORARIUM FOR THREE SUCCEEDING CALENDAR PERIODS		
2019	2020	2021
304,568	508,186	315,262

ELECTION COMMITTEE HONORARIUM FOR THREE SUCCEEDING CALENDAR PERIODS		
2019	2020	2021
237,568	460,686	239,943

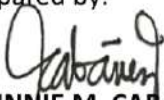
BOARD MEETINGS HELD AND ATTENDED BY DIRECTORS

Prior to the 47 th Annual General Assembly, Board Meetings were held on: January 28, March 02, April 08, 2021.			The Board of Directors subsequent to the 47 th Annual General Assembly/Election of Officers on April 24, 2021. Board Meetings were held on: April 29, May 27, June 29, July 29, August 26, September 23, October 28, November 25 and December 21, 2021.		
Name of Director	Position	Attendance	Name of Director	Position	Attendance
1. Fr. Antonio Cecilio T. Pascual	Chairperson	3	1. Fr. Antonio Cecilio T. Pascual	Chairperson	9
2. Mr. Isagani B. Daba	Vice-Chairperson	3	2. Mr. Isagani B. Daba	Vice-Chairperson	9
3. BGen. Lorenzo R. Sumicad AFP (Ret)	Director	3	3. BGen. Lorenzo R. Sumicad AFP (Ret)	Director	9
4. Mr. Roberto C. Mascariña	Director	3	4. Mr. Roberto C. Mascariña	Director	9
5. Mr. George J. Pupa	Director	3	5. Mr. George J. Pupa	Director	9
6. Mr. Nestor D. Ortigoza	Director	3	6. Mr. Nestor D. Ortigoza	Director	9
7. Engr. Raymond Joseph L. Salvador	Director	3	7. BGen. William P. Turalde AFP (Ret)	Director	9
8. Engr. Armen A. Cuenca, MPA	Independent Director	3	8. MGen. Isagani P. Silva AFP (Ret)	Interim Independent Director	8
9. Ms. Marilou R. Almario	Independent Director	3	9. Mr. Jerson S. Remo	Interim Independent Director	8

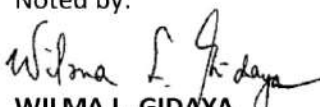
AUDIT AND INVENTORY ACTIVITY REPORT 2021

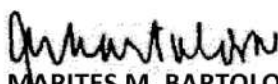
MEETINGS CONDUCTED FOR THE YEAR 2021		
Date of Audit (Prior to the 47 th Annual GA)	Present	Absent
January 22, 2021	Wilma L. Gidaya; Marites M. Bartolome; Jaysan Ray N. Chee	None
February 26, 2021	Wilma L. Gidaya; Marites M. Bartolome; Jaysan Ray N. Chee	None
April 22, 2021	Wilma L. Gidaya; Marites M. Bartolome; Jaysan Ray N. Chee	None
Date of Audit (Subsequent to the 47 th Annual GA)	Present	Absent
May 21, 2021	Wilma L. Gidaya; Marites M. Bartolome; Jaysan Ray N. Chee	None
June 18, 2021	Wilma L. Gidaya; Marites M. Bartolome; Jaysan Ray N. Chee	None
July 21, 2021	Wilma L. Gidaya; Marites M. Bartolome; Jaysan Ray N. Chee	None
August 20, 2021	Wilma L. Gidaya; Marites M. Bartolome; Jaysan Ray N. Chee	None
September 13, 2021	Wilma L. Gidaya; Marites M. Bartolome; Jaysan Ray N. Chee	None
October 13, 2021	Wilma L. Gidaya; Marites M. Bartolome; Jaysan Ray N. Chee	None
November 19, 2021	Wilma L. Gidaya; Marites M. Bartolome; Jaysan Ray N. Chee	None
December 16, 2021	Wilma L. Gidaya; Marites M. Bartolome; Jaysan Ray N. Chee	None

Prepared by:


QUINNIE M. CABAÑEZ
 AIC Secretariat

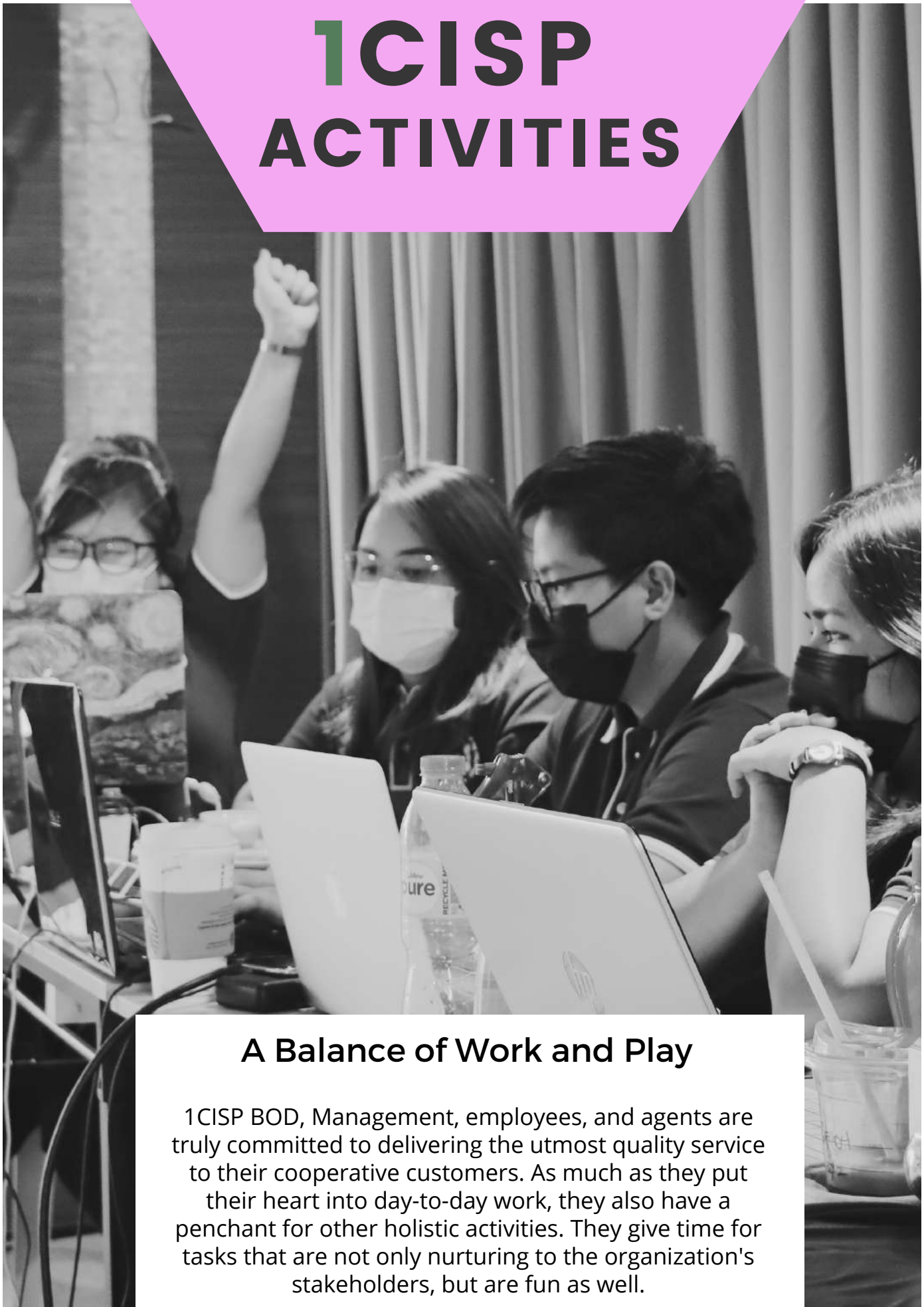
Noted by:


WILMA L. GIDAYA
 AIC Chairperson


MARITES M. BARTOLOME
 AIC Secretary


JAYSAN RAY N. CHEE
 AIC Member

1CISP ACTIVITIES



A Balance of Work and Play

1CISP BOD, Management, employees, and agents are truly committed to delivering the utmost quality service to their cooperative customers. As much as they put their heart into day-to-day work, they also have a penchant for other holistic activities. They give time for tasks that are not only nurturing to the organization's stakeholders, but are fun as well.

1CISP ACTIVITIES



IC renews 1CISP's Certificate of Authority



The Insurance Commissioner, Atty Dennis B. Funa (center), handed over the new Certificate of Authority for 1 Cooperative Insurance System of the Philippines Life and General Insurance (1CISP) to Chairperson Fr Anton CT Pascual (left) and President Roy S. Micalat (left) last February 1, 2021.

1CISP has been granted the renewal of its three-year Certificate of Authority (composite) by the Insurance Commission. The certificate is for the period of January 2021 to December 2023.

1CISP presents in ICMIF's The Digital Mutual

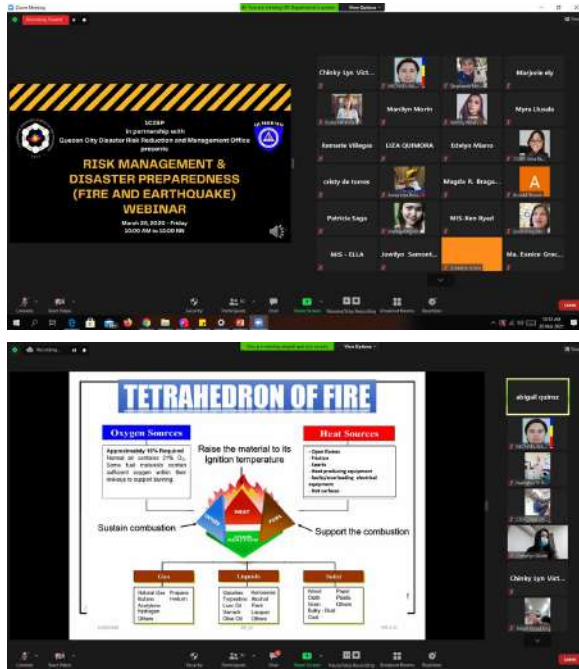
On March 3, 2021, the 10th episode of International Cooperative and Mutual Insurance Federation (ICMIF)'s The Digital Mutual Series featured how 1CISP revolutionize the way Filipino Cooperatives serve their members through digitalization.

In the online session, Ms. Jackelyn Ballena, Vice President for Life Operations, and Ms. Honey Daba, 1KIN Program Specialist, presented 1CISP's digitalization initiatives.





1CISP ACTIVITIES



1CISP undergoes Risk and Disaster Preparedness Webinar

1CISP commemorated Fire Prevention Month with a Risk and Disaster Preparedness Webinar attended by its management and employees last March 26, 2021.

In the webinar, preparedness for common yet devastating events, such as fire and earthquake were emphasized. The resource speaker for the event was Ms. Abigail D. Quiroz, RN, EMT-B of the Quezon City Risk Reduction and Management Office.

1CISP celebrates Women's Month with Koop4Her Launch

1CISP launched its women's program called Koop4HER in celebration of International Women's Month via Zoom last March 30, 2021. In the activity, 1CISP introduced the H.E.R. solutions specially made to address cooperative women's needs namely: Holistic Learning, Entrepreneurship, and Risk Mitigation.

Some 20 cooperatives signed their commitment to support the said program and to make this relevant initiative available to their own women members.



1CISP ACTIVITIES



1CISP employees attend HR Orientation and 'Wednesday Learning Habit'

1CISP's HR Department led the virtual employee orientation and 'Wednesday Learning Habit' a series of midweek supplemental learning sessions via Zoom during the months of August to November 2021.

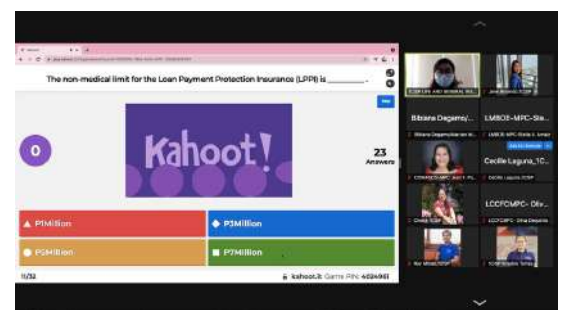
The goals of these activities were to update the employees of 1CISP's products and services and to help develop each employee's potential holistically.

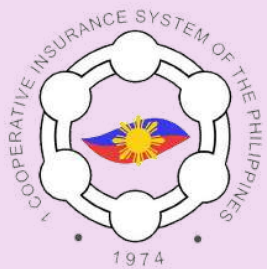


Cooperatives take part in 1CISP's InsureTalk

In efforts to inform both potential and existing member-cooperatives about the latest updates in cooperative insurance, 1CISP conducted monthly webinars, InsureTalk on September 29, October 29, and November 29, 2021.

Coops from Luzon, Visayas and Mindanao attended the information-filled events. Fun and engaging games were participated by enthusiastic attendees as they learned about 1CISP's value-added services.





1CISP ACTIVITIES

1CISP organizes its first E-sports Fest

1CISP conducted its first E-Sports Fest last October - November 2021. Employees and the Sales Team participated in online games such as Mobile Legends, Call of Duty Mobile, and Virtual Chess Tournament. The activity was initiated to foster the spirit of good sportsmanship and camaraderie in games, despite limitations set by the COVID-19 pandemic.

The following are the winners of the tournaments: Mobile Legends Champion - Team Wolf Pack; Call on Duty - Mighty Lions; and Virtual Chess - Sar Buksh.



1CISP goes Trick or Treating for Halloween 2021

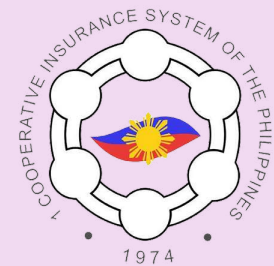
1CISP Employees donned their spookiest clothing as they celebrated Halloween last October 29, 2021. The HR Department organized costume contests to showcase the staff's creativity and fun-loving spirit.



Ms. Marry Ann Ramos (Life Underwriting Dept), Ms. Chinky Lyn Victoria (Actuarial/ Reinsurance Dept), and Ms. Anna Liza Besinga (Region 13 CSA) were the winners of the contests. Special awards were given to the Life Operations Team, Admin and Finance Group, and Support Division for their group-themed costumes.



1CISP ACTIVITIES



1CISP conducts Strategic Planning 2022

Last November 2021, the 1CISP Board of Directors, Management, and Employees collaborated together to formulate plans to boost organizational growth in 2022-2026. After a series of meetings and workshops, they had come up with the following strategies that would mainly drive market penetration, product development, market penetration, and diversification.

Output of the sessions was compiled by the Corporate Planning Department and was duly approved by 1CISP's Board of Directors.

1CISP employees and staff spread Cheer for Holidays 2021

1CISP employees from all parts of the country jumpstarted the holidays with contests that exhibited their ingenuity and resourcefulness with festive outfits and Christmas-themed offices last December 2021.

Departments decked their offices with decors with their themes of choice. Employees put on their best costumes to demonstrate the spirit of the season.

Winners of the Christmas Decoration Contest were the ff: Admin and Finance (First Place), Life Operations (Second Place), Support Division (Third Place). Winners of the Christmas Costume Contest were Archie Villa (First Place) and Honeybee Castillo and Chinky Lyn Victoria (tied in Second Place).



1CISP ACTIVITIES

1CISP's YLP engages cooperative's young leaders with webinars and online contests



Proper Mental Health Care: What to Develop and to Discontinue with the Impacts of Covid-19 Crisis?

The 1CISP Young Leaders Program started the year 2021 with its 1st webinar on coping with the challenging COVID-19 times last March 24, 2021. During the session, cooperative young leaders also shared the different ways to become resilient. The session activities were guided by the invited resource speaker – Dr. Ryan Coroña.



Making Future Proof Ready Cooperatives: What's in and What's Out?

An interactive webinar was once again conducted by the 1CISP YLP last July 16, 2021. It focused on making cooperatives to junk what is not efficient and to adapt new skills to prepare for any challenges in the future. The participants learned from the Executive Vice President of the ICMIF, Ms. Liz Green.

Financial Literacy: Obstacles to Prosperity

Last October 15, 2021, the 3rd webinar offering from 1CISP YLP centered on Financial Literacy and on activities to become financially independent. It was attended by 296 cooperative young leaders. Participants learned from the expertise of our invited speaker – Mr. Jerson Remo.



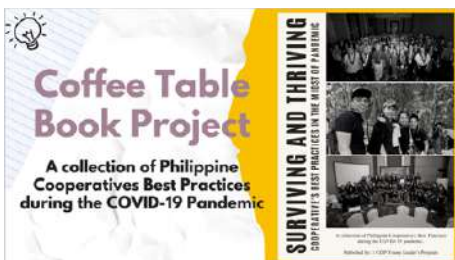
Staying Relevant in the VUCA World

Last December 10, 2021, the last 1CISP YLP webinar for 2021 led coop youth to the next level. Mr. Mark Cancino, the guest speaker, provided insights on how to stay relevant in the volatile, uncertain, complex, and ambiguous VUCA world.



COFFEE TABLE BOOK PROJECT

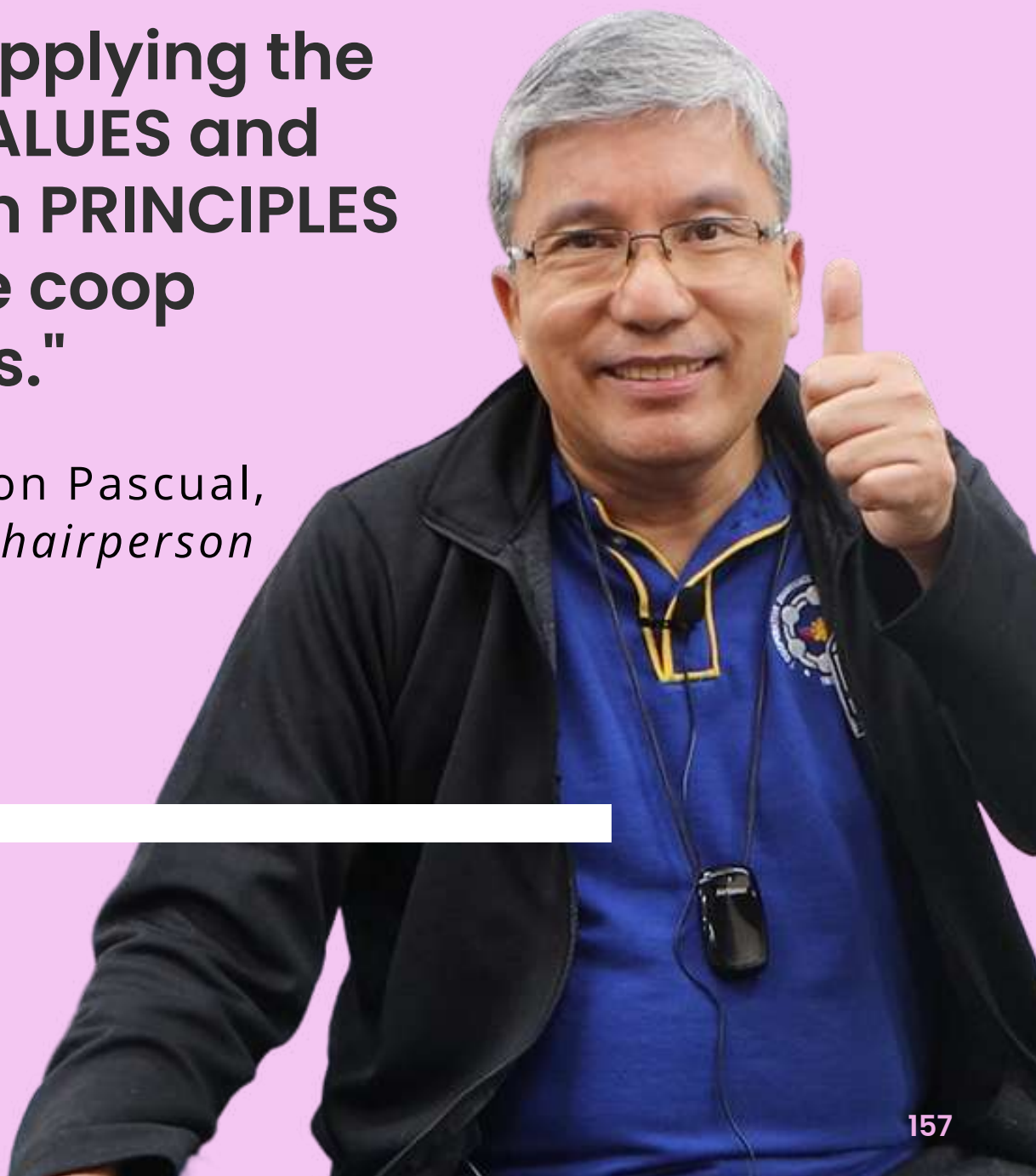
With the aim of inspiring to adopt best practices demonstrated by the cooperative industry, 1CISP will be publishing an electronic coffee table book entitled "Surviving and Thriving: Cooperatives Best Practices in the Midst of Pandemic". It will feature how cooperatives thrived and triumphed despite the global challenges.



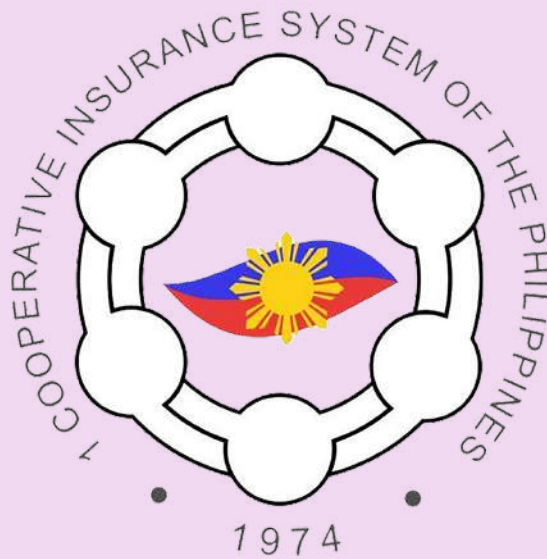
**"Living the
COOPERATIVE
IDENTITY is the
COOP WAY of
doing coop.**

**It is applying the
six VALUES and
seven PRINCIPLES
of the coop
ideals."**

Fr. Anton Pascual,
1CISP Chairperson



BOARD OF DIRECTORS



REV. FR. ANTONIO CECILIO T. PASCUAL

*1CISP Chairperson
(Simbayanan ni Maria MPC)*



BOARD OF DIRECTORS



ISAGANI B. DABA

*1CISP Vice Chairperson
(First Community Cooperative)*

BGEN LORENZO R. SUMICAD AFP (RET)

*1CISP Board of Director
(ACDI MPC)*



BOARD OF DIRECTORS



ROBERTO C. MASCARIÑA

*1CISP Board of Director
(Barangka Credit Cooperative)*

GEORGE J. PUPA

*1CISP Board of Director
(USPD Savings & Credit Cooperative)*



BOARD OF DIRECTORS



NESTOR D. ORTIGOZA

*1CISP Board of Director
(King MPC)*

BGEN WILLIAM P. TURALDE AFP (RET)

*1CISP Board of Director
(Koop King MPC)*



BOARD OF DIRECTORS



**MGEN ISAGANI P.
SILVA AFP (RET)**

*Interim Independent Director
(Air Cavaliers Credit Cooperative)*

JERSON S. REMO

*Interim Independent Director
(Model Cooperative Network)*



COOPERATIVE OFFICERS



LEONILA R. MEDINA

*Treasurer
(Sacred Heart Parish Development
Cooperative)*



**ATTY. LYMAN A.
MANZANARES**

Co-operative Secretary

COMMITTEES

Executive Committee:

1. Fr. Antonio Cecilio T. Pascual, Chairperson
 2. Isagani B. Daba, Vice-Chairperson
 3. BGEN Lorenzo R Sumicad AFP (Ret), Director
 4. Roberto C. Mascariña, Director
 5. MGEN Isagani P Silva AFP (Ret), Interim Independent Director
 6. Leonila R. Medina, Treasurer
 7. Atty. Lyman A. Manzanares, Cooperative Secretary
- Secretariat: Anna Marin B. Crisolo, MIS Head/Board Secretariat

Governance Committee:

1. Fr. Antonio Cecilio T. Pascual, Chairperson
 2. Nestor D. Ortigoza, Director
 3. BGEN William P Turalde AFP (Ret), Director
 4. MGEN Isagani P Silva AFP (Ret), Interim Independent Director
 5. Jerson S. Remo, Director
 6. Atty. Lyman A. Manzanares, Cooperative Secretary
- Secretariat: Anna Marin B. Crisolo, MIS Head/Board Secretariat

Risk Management Committee:

1. Isagani B. Daba, Vice-Chairperson
 2. MGEN Isagani P Silva AFP (Ret), Interim Independent Director
 3. Jerson S. Remo, Director
- Secretariat: Aiza G. Malonzo, VP for Finance and Admin

Investment & Credit Committee:

1. Isagani B. Daba, Vice-Chairperson
 2. George J. Pupa, Director
 3. BGEN Lorenzo R Sumicad AFP (Ret), Director
 4. Nestor D. Ortigoza, Director
 5. Jerson S. Remo, Interim Independent Director
 6. Leonila R. Medina, Treasurer
 7. Senen C. Bacani, Ex-Officio
- Secretariat: Jeric C. Pangan, Investment Head

Education & Membership Committee

1. Isagani B. Daba, Vice-Chairperson
 2. Nestor D. Ortigoza, Director
 3. BGEN William P Turalde AFP (Ret), Director
- Secretariat: Marjorie L. Ely, HR Business Partner

Personnel & Remuneration Committee:

1. Nestor D. Ortigoza, Director
 2. Roberto C. Mascariña, Director
 3. Jerson S. Remo, Interim Independent Director
 4. Leonila R. Medina, Treasurer
- Secretariat: Michael R. Navarette, HR/OD Head



DANILO CAPILI
Election Committee



NICK M. ABARIENTOS
Election Committee



FREDERICO A. BLANCO
Election Committee



MADELINE A. LAGAZO
Ethics Committee



REV. FR. CIRILO O. ORTEGA, SVD
Ethics Committee



G. ANTONIO T. ARBIS
Ethics Committee



ANTONIO SAYO
Mediation & Conciliation Committee



JOCELYN P. RIVERA
Mediation & Conciliation Committee

COMMITTEES

Related Party Transactions Committee:

1. George J. Pupa, Director
 2. MGEN Isagani P Silva AFP (Ret), Interim Independent Director
 3. Jerson S. Remo, Interim Independent Director
- Secretariat: Sar C. Buksh, Legal and Compliance Supervisor

Merger & Consolidation Committee:

1. Fr. Antonio Cecilio T. Pascual, Chairperson
 2. Isagani B. Daba, Vice-Chairperson
 3. BGEN Lorenzo R Sumicad AFP (Ret), Director
 4. Roy S. Mclat, ICISP President
 5. Senen C. Bacani, Ex-Officio
- Secretariat: Gelizabeth DT. Cabuhat, Marketing Development Specialist

ELECTED COMMITTEES:

Election Committee:

1. Danilo M. Capili (PPA MPC)
 2. Frederico A. Blanco (SFGEMPC)
 3. Nick M. Abarientos (EPCC)
- Secretariat: Ansell Gabriel Del Ayre, IT Dept Head

Audit Committee:

1. Wilma D. Gidaya (ICP CD)
 2. Marites M. Bartolome (MPM DC)
 3. Jaysan Ray N. Chee (XUCCCO)
- Secretariat: Quinnie Cabanez, Internal Auditor

APPOINTED COMMITTEES:

Ethics Committee:

1. Madeline A. Lagazo (CG MPC)
 2. G. Antonio T. Arbis (CP MPC)
 3. Rev. Fr. Cirilo O. Ortega, SVD (ADTEMPCO)
- Secretariat: Gladly Jean De Vera, Underwriting Head

Mediation & Conciliation Committee:

1. Antonio Ll. Sayo (ABC DF)
 2. Atty. Raul V. Macatangay (BFP MPC)
 3. Jocelyn P. Rivera (KBP MPC)
- Secretariat: Michael Navarette, HR / OD Head

Gender & Development Committee:

1. Dra. Jovita V. Mateo (SJDMS SC)
 2. Gemma D. Pena (MDC)
 3. Genara N. Desacula (CHMF)
- Secretariat: Harold Kim Maggay, HR Business Partner



WILMA L. GIDAYA
Audit Committee



JAYSAN RAY N. CHEE
Audit Committee



MARITES M. BARTOLOME
Audit Committee



DRA. JOVITA V. MATEO
Gender & Development
Committee



GEMMA D. PENA
Gender & Development
Committee



GENARA N. DESACULA
Gender & Development
Committee

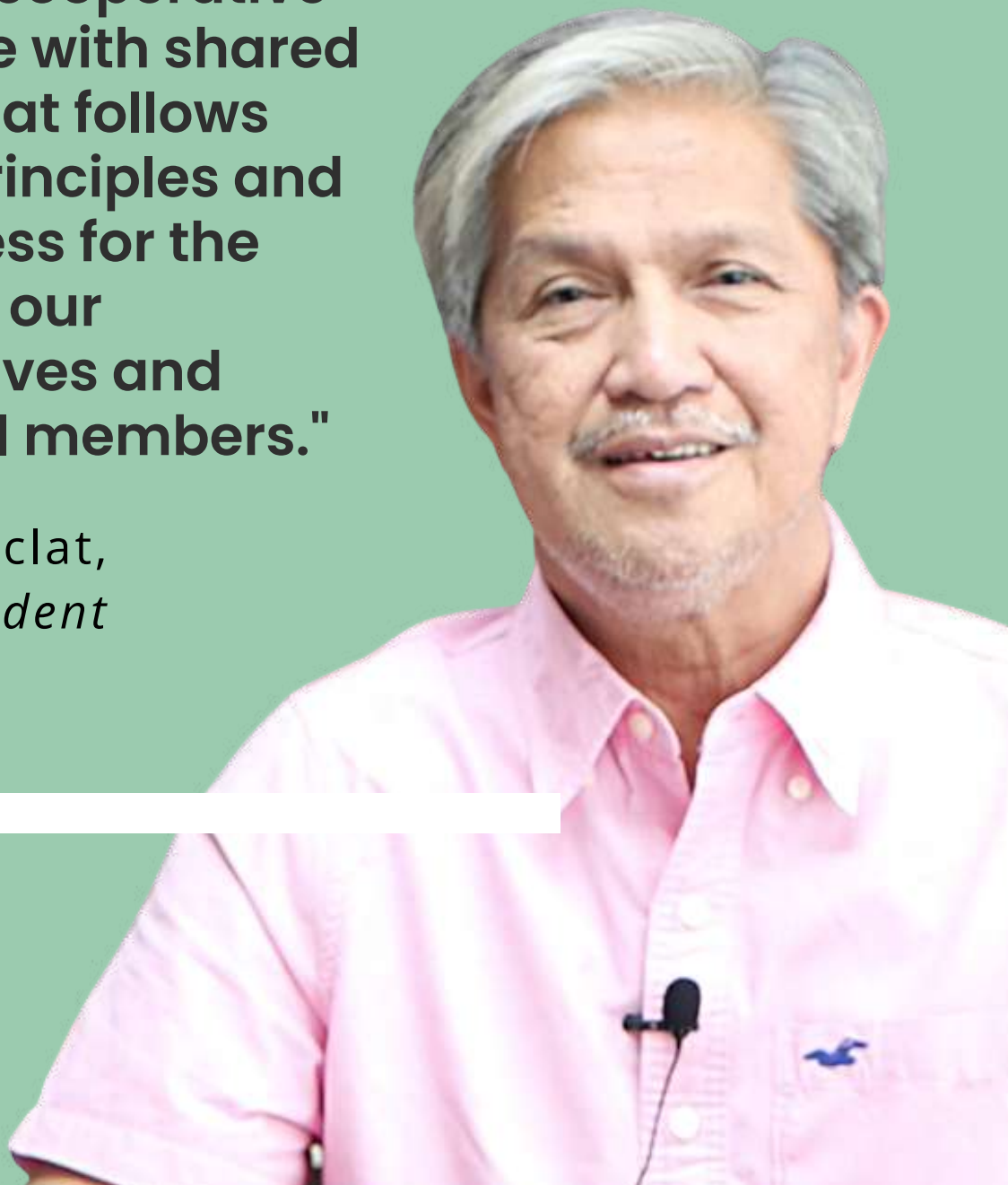


ATTY. RAUL V. MACATANGAY
Mediation & Conciliation
Committee

"Let's distinguish ourselves *as COOPERATIVE ENTERPRISE*, not a social enterprise."

We are a cooperative enterprise with shared values, that follows certain principles and do business for the benefit of our cooperatives and individual members."

Mr. Roy Miclat,
1CISP President



SENIOR MANAGEMENT



ROY S. MICLAT

*President and
Chief Executive Officer*

CECILIA M. LAGUNA

*Executive Vice President and
Chief Operating Officer*



SENIOR MANAGEMENT



**AIZA G. MALONZO,
CPA, FLMI**

*Vice President for Admin and
Finance*



SYLVIA R. QUINESIO

*Vice President for Sales and
Marketing*

SENIOR MANAGEMENT



**JACKELYN P.
BALLENA, FLMI, ARA,
ACS, CTRS**

*Vice President for Operations
(Life)*



**CHRISTOPHER Y.
MARQUEZ**

*Vice President for Operations
(Non Life)*

1CISP EMPLOYEES



EMPLOYEES



ACCOUNTING DEPARTMENT

MARY ANN ALDE
Accounting Head

RENE MANTILLA
Junior Accountant

RONALD BUENDIA
Accounting Analyst

CHRISTIAN LLANA
Accounting Analyst

MARY MAE ODULIO
Accounting Analyst

JOBEE LOU TROGON
Accounting Analyst

ARCHIE VILLA
Accounting Analyst

TREASURY AND INVESTMENT DEPARTMENT

JONEL GADILLA
Treasury Head

PAULINE MAGLONZO
Cash Assistant

NICKO VILLANUEVA
Cash Assistant

JERIC PAÑGAN
Investment Head

MA. REGEL AGOOT
Cash Assistant

JEREINA MAE R. MAGSOMBOL
Cash Assistant



ADMIN AND GENERAL SERVICES DEPARTMENT

JOEL FULACHE
Admin and Gen. Services Head

KRIZZA MAE GUNABE
Asset Management Specialist

RANDY BAROT
Inventory and Records

JULITO ELLA
Messenger

ISAGANI MAGNO
Records Custodian

JOSEPH MIGUEL
Receiving Clerk

ROBERT JAMES URBANO
Purchasing Assistant



EMPLOYEES



UNDERWRITING DEPARTMENT (LIFE)

GLADY JEAN DE VERA
Underwriting Head (Life)

EDWIN BUENA
Underwriting Analyst (Life)

SHANE MAE NOVALES
Underwriting Analyst (Life)

MARRY ANN RAMOS
Underwriting Analyst (Life)

JOANNA MAE CRUZ
Underwriting Supervisor
(Life)

ROXY DE VERA
Underwriting Analyst (Life)

IRENE KRIZIA OCENAR
Underwriting Analyst (Life)

**KRISTINA KATRINA
SANTOS**
Underwriting Analyst (Life)

LIYANA MANSUL
Underwriting Analyst (Life)

HANNY RABINO
Underwriting Analyst (Life)



CLAIMS DEPARTMENT (LIFE)

**DONNA JADE JUSTINE
PINEDA**
Claims Supervisor (Life)

CARL JOSHUA CHUA
Claims Analyst (Life)

CHRISTINE MIONES
Claims Analyst (Life)

**PATRICIA MAE
SAMINADO**
Claims Analyst (Life)

**JOSE ROY ALEJANDRO
MENDOZA**
Claims Analyst (Life)

ALJUN GALVE
Claims Analyst (Life)

NORILYN NERY
Claims Analyst (Life)

**PAMELA DENISE SAN
JUAN**
Claims Analyst (Life)

JHOY ANN LUBA
Claims Analyst (Life)

JOEL REYES
Claims Analyst (Life)

EMPLOYEES



UNDERWRITING DEPARTMENT (NON-LIFE)

EUGENE DE OMAÑA
Underwriting Manager (Non-Life)

MARY JESSANIE JAMERA
Underwriting Analyst (Non-Life)

ARNOLD JOSEPH TECSON
Underwriting Analyst (Non-Life)

JEREMIAH DIZON
Underwriting Analyst (Non-Life)

LIZA QUIMORA
Underwriting Analyst (Non-Life)

JOSEPHINE TUMALIUAN
Underwriting Analyst (Non-Life)



CLAIMS DEPARTMENT (NON-LIFE)

ALVIN GREGORIO
Claims Supervisor (Non-Life)

JAYSON MARQUEZ
Claims Evaluator (Non-Life)

PATRICIA TERESE SAGA
Claims Analyst (Non-Life)

EMPLOYEES



ACTUARIAL AND REINSURANCE DEPARTMENT

JOYCE SERVITO
Actuarial & Reinsurance Head

JEREMIAH ARANETA
Reinsurance Assistant (Life)

WENDY NUAL
Actuarial Specialist (Life)

CHINKY LYN VICTORIA
Actuarial Specialist (Non-Life)

HUMAN RESOURCES DEPARTMENT

MICHAEL NAVARETTE
HR/OD Head

MARJORIE ELY
HR Business Partner

HAROLD KIM MAGGAY
HR Business Partner

STEPHANIE GRACE MENDOZA
HR Business Partner



INTERNAL AUDIT DEPARTMENT

QUINNIE CABAÑEZ
Internal Audit Head

AILEEN CAYETANO
Internal Auditor

JOHN CLAUDE RAMOS
Internal Auditor

EMPLOYEES



INFORMATION TECHNOLOGY DEPARTMENT

ANSELL GABRIEL DEL AYRE
IT Head

MARY ROSE GUEVARA
Graphic Designer

JAYSON REGALARIO
IT Assistant

MANAGEMENT INFORMATION SYSTEM DEPARTMENT

ANNA MARIN CRISOLO
MIS Head

KEN RYAD BERIN
Encoder

ARON JAMES DADULA
Encoder

ROBERT ESPERANZA
Encoder

PRINCESS ELLA PELAGIO
Encoder

IVY RAÑO A
Encoder



LEGAL AND COMPLIANCE DEPARTMENT

SAR BUKSH
Legal & Compliance Supervisor

AIDON DE JESUS
Compliance Specialist



EMPLOYEES



SALES AND MARKETING DIVISION

JANE JAQUELYN BINONDO
Sales Development Specialist

GELIZABETH CABUHAT
Marketing & Branding Development Specialist

HONEY CIELO DABA
1KIN Program Development Specialist

LORELIE MARIE DURALIZA
Research & Customer Service Specialist

KRISTINE TORRES
Business and Product Development Specialist

CUSTOMER SERVICE ASSOCIATES



EMPLOYEES



CAGAYAN DE ORO BRANCH

IRENEA MEGUILLO
Branch Head (CDO)

LORENZO SAMUYA
Non-Life Insurance In-Charge

JHUN CARL ABARQUEZ
Underwriting Analyst (Life)

CHARMENE ABRAGAN
Claims Evaluator (Non-Life)

RENEL AQUINO
Claims Evaluator (Non-Life)

DONNA MARIE ARNAN
Cash Assistant

NOVEFE CABALDA
Accounting Analyst

KYLE ROD DE LEON
Claims Analyst (Life)

KARL MICHAEL ESTRELLA
IT/MIS Assistant

JEANNY FABELA
Underwriting Analyst (Non-Life)

CRESELYN GROTE
Claims Analyst (Life)

MINNIE MARIE LAURETA
Administrative & General Services Assistant

MYRA LOU LLUSALA
Claims Analyst (Life)

CHERRIE MAE MERTO
Cash Assistant

EDELYN MIANO
Non-Life Insurance Assistant

ERLWIN MIJARES
Sales Coordinator - FICCO

KRISTINE ROWAYNE OJAS
Underwriting Analyst (Life)

HAZEL CRISTY ORINA
Underwriting Analyst (Life)

JOEPIT PARADILLO
Claims Evaluator (Non-Life)

ELLAINIE MAE SARBIDA
Encoder

JESSA SUAFFIELD
Accounting Analyst

AINA MAUREEN TAMPUS
Customer Service Associate



DAVAO CITY BRANCH

ANALOU VILLARIES
Officer-In-Charge (Davao Office)

HONEYBEE CASTILLO
Accounting Analyst

CRISTY DE TORRES
Cash Assistant

LENNON GUBUAN
IT/MIS Assistant

FRAULIEN GUMBAN
Underwriting Analyst (Life)

CRISTIAN JAY MAYOR
Claims Analyst (Life)

RICHARD PALADA
Underwriting Analyst (Life)

GAY MARIE SAYLOON
Claims Analyst (Life)

JERARD TAMONLANG
Claims Analyst (Life)

SALES TEAM

REGIONAL AREA MANAGERS



SALES TEAM

FINANCIAL ADVISORS



VALUE ADDED SERVICES



77% of Filipinos
do not have insurance

**source: 2019 BSP Financial Inclusion Survey*

1Kooperative Insurance Network aims to empower cooperatives in delivering affordable and reliable Risk Protection products to their members and their families.

Ask your friendly 1CISP Financial Advisor today for more information.



Join us!



1KOOPMART



NCCC Tra^oion

JOIN US!

Uplift the Coop Brand and build your own 1KoopMart.



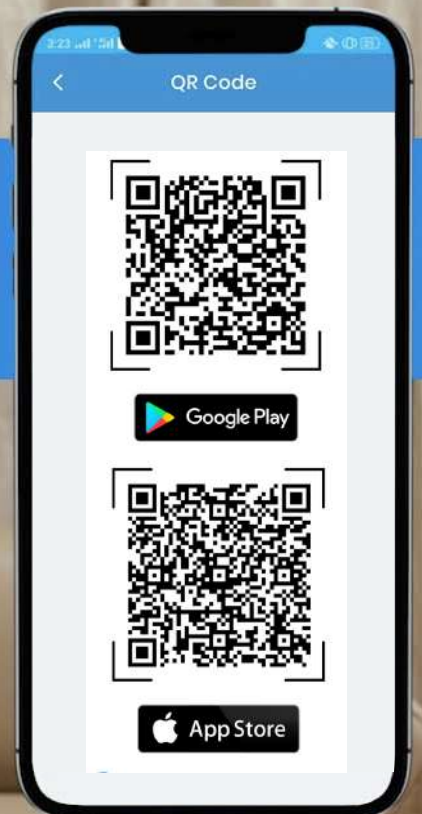
Contact your Friendly 1CISP Financial Advisor NOW!

digicoop
POWERED BY Tra^oion

EARN AS MUCH AS

Php 50,000/MONTH

Scan the QR code to download the app or visit digicoop.ph for more details.





1CISP OFFICES

HEAD OFFICE

1CISP Bldg., 11 Mapagbigay corner Maunlad Street, Barangay Pinyahan, Central District, Diliman, Quezon City, Philippines
Contact No/s: (02) 8556-2700, (02) 8-424-53-60
(02) 7-0920-529
Email Address: support@cisp.coop

CDO BRANCH OFFICE

1CISP Bldg., 11 Fernandez Street, Cagayan de Oro City
Contact No/s: (02) 8556-2700

REGION 1

3/F Boy Construction Bldg., National Hi-way,
San Nicolas, Ilocos Norte
Contact No/s.: (077) 670-6537, 0922-843721

REGION 2

Room 105, 1/F Fort MASCOOP, Caritan Sur, Tuguegarao
Contact No/s.: (078) 396 2334, 0925-7136654

REGION 3

Guagua MPC Bldg., Ceferino de Mesa St., Corner Sto. Niño
Public Market, Guagua, Pampanga
Contact No/s.: (045) 458 1702

REGION 4B

2nd Floor, PMMG Medical Plaza, Malvar St., Mandaragat,
Puerto Princesa City, Palawan
Contact No/s.: 0945 439 0810

REGION 5

2/F Bichara Commercial Complex, General Luna St., Naga City
Contact No/s. (054) 473-3311, 0922-5136357

REGION 6 - Bacolod City

CENECO Employees Multipurpose Cooperative Bldg.,
Gonzaga, Mabini St., Brgy. 26,
Bacolod City, Negros Occidental
Contact No/s. (032) 232 1361

REGION 6 - Iloilo City

RM. 2-B, 2nd Flr., of B&C Square Bldg., Corner,
Iznart-Solis St., Iloilo City
Contact No/s. (033) 337 9431

REGION 6 - Kalibo

2nd Floor, GM Reyes Street, Kalibo, Aklan
Contact No/s. (036) 500 8025

REGION 7 - Cebu City

3rd Flr., Room 306 PCF Bldg.,
#20 M. Zosa St., Capitol Site, Cebu City
Contact No/s. (032) 232-1361

REGION 7 - Tagbilaran City

3rd Flr., Manigque Bldg., CPG. Corner B. Inting St.,
Tagbilaran City
Contact No/s. (038) 411-5281 / (038) 500-9255

REGION 8 - Tagbilaran City

VICTO National Building, 2nd Floor EVACOH Room,
Main Street, Sampaguita Village, Tacloban City
Contact No/s. (+63) 919-651-3679
(+63) 932-873-3594

REGION 11 - Davao City

31-A-G.B. CAM Bldg., Monteverde St., Davao City
Contact No/s. (082) 225-4705

REGION 11 - Tagum

Door 5 Nazareno Commercial Bldg.,
Prk. Galingan, Mankilam,
Tagum, Davao Del Norte
Contact No/s. (+63)963-242-3304

REGION 12 - General Santos City

Door 1 Acharon Bldg., Sampaloc St.,
Brgy. Dadiangas West, General Santos City
Contact No/s. (+63) 908-897 -5450

REGION 12 - Kidapawan City

2nd Floor, KingMPC Bldg., Datu Joseph,
Sibug Ave., Sudapin, Kidapawan City
Contact No/s. (+63) 908-897 -5450

REGION 13

2/F Balibrea, Pili Drive, Butuan City
Contact No/s. (+63) 908-897 -5450



photos by: Marin Crisolo

HOUSE RULES

HYBRID GENERAL ASSEMBLY

For those who are attending via Zoom:

1. Check your internet connection;
2. Ensure work-appropriate background and eliminate noise distractions;
3. Turn on your video so that everyone can see you;
4. Rename your ZOOM ID/NAME with the NAME OF COOPERATIVE you are representing. For example, 1CISP – Juan Dela Cruz; and
5. Be aware of your audio and video settings. Your microphone will be muted once you enter the meeting.
6. For the process to move, second, object, and ask questions via ZOOM, simply do the following:
 - a. Open the chat box by clicking the chat button;
 - b. Type either of the following words: MOTION, SECOND, OBJECTION, or QUESTION;
 - c. Send your message to the chat box following these instructions:
 - i. For motion and second, send your message to “MOVE/SECOND”;
 - ii. For questions and objections, send your message to “QUESTIONS/OBJECTIONS”
 - d. Once your message appears on the screen, the team will immediately transfer to the chairperson the member’s name and the cooperative that he or she is representing to be acknowledged;
 - e. Once acknowledged by the chairperson, the technical team will unmute your account and you will be given an opportunity to speak. A member will only be given a maximum of 3 minutes to express his/her opinion;
 - f. For transparency, 1CISP will give the general assembly a copy of the transcript of the chat box, duly certified by ZOOM Incorporated

For those who are present at the venue:

1. Upon entry, everyone is required to scan the QR code for the health declaration;
2. All participants at the venue are then requested to fall in line at the registration desk for the 1CISP personnel to validate if their health declaration has been received. The said health declaration will also serve as their attendance;
3. Once their health declaration has been validated, the participants will each be given an Identification Card (ID);
4. Once their ID has been received, the participants are requested to proceed to the Kit Booth area to claim their AGA Kit. They may simply present the provided ID and the confirmation email;
5. All participants are requested to fill up the front seats first;
6. Whenever a delegate wishes to speak or raise an objection or motion, s/he should first ask for recognition from the chairperson. Once recognized, he/she should state his/her name and the cooperative s/he represents. S/he will then be given not more than three (3) minutes to explain his/her position. Thus, in presenting one’s position, s/he is advised to go straight to the point; and
7. Everyone is required to wear their face masks at all times and observe physical social distancing.



1 COOPERATIVE INSURANCE SYSTEM OF THE PHILIPPINES

LIFE AND GENERAL INSURANCE

We provide

LIFE INSURANCE

GROUP TERM PLANS

1. LOAN PAYMENT PROTECTION INSURANCE (LPPI)
2. SAVINGS INCENTIVE INSURANCE (SII)
3. GROUP YEARLY RENEWABLE TERM (GYRT)
- YOUTH AND ELDERLY SHIELD (YES)

MICROINSURANCE

1. GROUP-BASIC LIFE INSURANCE SECURITY SYSTEM (GBLISS)
2. STUDENT INSURANCE PLAN (SIP)
3. PERSONAL ACCIDENT INSURANCE CARD (I-CARD)
4. KOOPAMILYA PLAN

INDIVIDUAL PLANS

1. 5 PAY 15 YEARS ENDOWMENT
2. 7 PAY 15 YEARS ENDOWMENT
3. WHOLE LIFE WITH ANTICIPATED ENDOWMENT

NON-LIFE INSURANCE

FIRE INSURANCE

COMPREHENSIVE CAR INSURANCE

1. PRIVATE CAR INSURANCE
2. COMMERCIAL VEHICLE INSURANCE
3. MOTORCYCLE INSURANCE
4. LTO VEHICLE INSURANCE

COMPULSORY THIRD PARTY LIABILITY (CTPL) INSURANCE

MISCELLANEOUS CASUALTY INSURANCE

1. CONTRACTORS' ALL RISK INSURANCE
2. PROPERTY FLOATER INSURANCE
3. PERSONAL ACCIDENT INSURANCE
4. COMPREHENSIVE GENERAL LIABILITY (CGL) INSURANCE
5. MONEY, SECURITIES, AND PAYROLL ROBBERY (MSPR) INSURANCE
6. HOMEPROTECT
7. ACHIEVERS
8. NEGOSEGURO

MARINE CARGO INSURANCE

SURETY

1. BOND FOR ACCOUNTABLE OFFICERS (SURETY BOND IN ACCORDANCE WITH ARTICLE 56 OF R.A. NO. 9520)
2. PERFORMANCE BOND
3. BIDDER'S BOND
4. ADVANCE PAYMENT BOND
5. RETENTION MONEY BOND
6. WARRANTY BOND
7. FORESTRY BOND
8. FIDELITY BOND

VALUE-ADDED SERVICES

1. KOOPERATIVE INSURANCE NETWORK
2. DIGICOOP APP/PLATFORM POWERED BY TRAXION TECHNOLOGY SERVICE COOPERATIVE
3. CAPACITY AND CAPABILITY TRAINING PROGRAM IN PARTNERSHIP WITH MCN, VICTO, WVAC, AFFCUI, CUBCL
4. HEALTH AND ALLIED SERVICES IN PARTNERSHIP WITH ICOOPHEALTH
5. IKOOPMART IN PARTNERSHIP WITH NCCC
6. KOOP4HER IN PARTNERSHIP WITH MALAYAN INSURANCE
7. CREDIT SCORING IN PARTNERSHIP WITH TRANSUNION

GET YOUR INSURANCE COVERAGE WITHOUT GOING TO COOP! LOG IN TO YOUR **digicoop ACCOUNT TO APPLY FOR YOUR INSURANCE COVERAGE ONLINE.**



Want a RISK PROTECTION AND FINANCIAL LITERACY PROGRAM for your members?

BE OUR 1KIN PARTNER COOP!





A PROSPEROUS PHILIPPINES IS A COOPERATIVE PHILIPPINES



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