



MINUTES OF THE MEETING OF THE FORTY-FIFTH (45TH) ANNUAL GENERAL ASSEMBLY/SHAREHOLDERS MEETING OF 1 COOPERATIVE INSURANCE SYSTEM OF THE PHILIPPINES LIFE AND GENERAL INSURANCE (1CISP) HELD ON **APRIL 13, 2019**, AT CROWNE PLAZA HOTEL, ORTIGAS

Attendees:

1. Board of Directors
2. Members of the Election Committee
3. Members of the Audit Committee
4. Members of the Mediation & Conciliation Committee
5. Members of the Ethics Committee
6. Member-Cooperatives
7. 1 CISP Officers, Staff and Marketing Agents
8. External Auditors
9. Guests

PART I - REGISTRATION

- A. Registration of delegates and guests started at 8:00 a.m.

PART II - OPENING PROGRAM

- A. Opening Prayer (AVP and music-guided)
- B. National Anthem (AVP and music-guided)
- C. Cooperative Pledge led by Ms. Amneris Gabriel of Philippine Air Traffic Controllers' MPC.
- D. Singing of 1 CISP Hymn (AVP and music-guided)
- E. Audio Visual Presentation of the highlights of activities on April 12, 2019.
- F. Acknowledgement of 1CISP member-shareholders, board of directors, management and guests.
- G. Welcome Remarks
President Roy S. Micalat thanked all the delegates for attending the 45th Annual General Assembly of 1CISP. He extended his gratitude, in behalf of the Board and Management, for the continuous support and belief the members bestowed upon the people of 1CISP. He invited all members, to continue building the dream of having a prosperous Philippines.

PART III - BUSINESS PROPER

I. CALL TO ORDER

Chairperson BGen. Teodoro P. Evangelista (Ret), called the meeting to order at 09:39 a.m.

II. PROOF OF DUE NOTICE

As proof of due notice, Atty. Lyman Manzanares informed the general assembly that the member-shareholders were duly notified on February 4, 2019 through the following modes: 1) announcement of the holding of 45th Annual G.A. in the 1CISP website; 2) electronic announcement/emails. These methods satisfied the requirement of Sec. IV Art VI of the 1CISP By-laws which require that the "members entitled to vote must be duly notified of the holding of a general assembly not later than 20 days thereof."

59 **III. DETERMINATION OF QUORUM**

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Atty. Manzanares certified that 1CISP is compliant with Article 6 Section 6 of the By Laws, as there were 1,038,928,381.72 number of shares which is equivalent to 83.11% of the 1.25 Billion total capital shares of 1CISP. Accordingly, a quorum was present to hold the 45th Annual General Assembly.

IV. APPROVAL OF THE AGENDA FOR THE 45TH ANNUAL GENERAL ASSEMBLY/ SHAREHOLDERS MEETING

No other comments or questions were raised therein, Mr. Marcelino Sales Jr. of Bugasong MPC moved for the approval of the agenda and duly seconded severally. Thus, the following Resolution was adopted, to wit:

G.A. RESOLUTION NO. 01 S. 2019

BE IT RESOLVED, AS IT IS HEREBY RESOLVED that the agenda matters of today's 45th Annual General Assembly/Shareholders Meeting of 1 Cooperative Insurance System of the Philippines Life and General Insurance (1CISP), as presented,

BE, AS IT IS HEREBY, APPROVED.

V. CONSIDERATION/APPROVAL OF THE MINUTES OF THE 44TH ANNUAL GENERAL ASSEMBLY/SHAREHOLDERS MEETING

Considering that the Minutes of the 44th General Assembly were sent in advance to the member-shareholders, Mr. Gil Gilot of PERA MPC moved to dispense the reading of the minutes and duly seconded severally. Thus, the following Resolution was approved, to wit:

G.A. RESOLUTION NO. 02 S. 2019

BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the member-shareholders approved the minutes of the 44th Annual General Assembly/Shareholders Meeting of 1 Cooperative Insurance System of the Philippines Life and General Insurance (1CISP) held on April 14, 2018, as presented,

BE, AS IT IS HEREBY, APPROVED.

VI. MATTERS ARISING FROM THE MINUTES

None was taken up.

VII. CONFIRMATION OF THE BOARD RESOLUTIONS FOR THE YEAR 2018

Atty. Manzanares informed the General Assembly that there are one hundred fifty one (151) Board Resolutions for the year 2018 by summary there around twelve (12) to thirteen (13) Board Resolutions per month, 15% of which are investment related resolutions, 9% are compliance related resolutions and 70% of which are appointments and designations that are significant both internal and external in nature. The summary of all Board Resolutions for Calendar Year 2018 was printed in the annual report.

Mr. Isagani Daba, representing Consolidated Cooperative Bank, raised his concern on Board Resolution No.38 regarding an investment to a certain individual named Melvin Rivera who 1CISP invested twenty million pesos (Php 20,000,000).

Chairperson Evangelista clarified that Mr. Melvin Rivera is the account officer and representative of AP Securities where 1CISP invested in for stocks.

117 Mr. Daba raised his second question regarding the basis of 1CISP in granting loans and time
118 deposits. Chairperson Evangelista clarified that investments done by 1CISP follows a certain criteria
119 and has limits. He added, the Board of Directors study every investment proposal to protect the
120 good standing of 1CISP.

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122 Accordingly, Mr. Jerson Remo of Silangan MPC moved for the approval of the Board Resolutions
123 for the year 2018, duly seconded severally. Thus, the following Resolution was approved, to wit:

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125 **G.A. RESOLUTION NO. 03 S. 2019**

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127 **BE IT RESOLVED, AS IT IS HEREBY RESOLVED,** that all Resolutions
128 adopted and/or approved by the Board of Directors for Calendar Year 2018,
129 be confirmed and ratified,

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

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133 **VIII. APPROVAL OF THE JOINT REPORT**

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135 **A. JOINT REPORT OF THE BOARD OF DIRECTORS AND MANAGEMENT FOR THE YEAR**
136 **2018**

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138 With the aid of audio-visual presentation, the joint report was presented to the general assembly.
139 Its full text was printed in the Annual Report, highlights of which, are as follows:

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141 **FIVE-YEAR FINANCIAL HIGHLIGHTS, 2014 - 2018**

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143 **1. Assets Growth, Asset Quality, and Liquidity**

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145 The Total Assets amounts to P2.565 billion as of the end of 2018 from P1.553 billion as of the end
146 of the immediately preceding year. This is attributable to the almost P600 million or about 63%
147 increase in share capital infusion from our member-cooperatives. In 2018, we also attained the
148 highest Net Surplus of P216.08 million.

149
150 Loans Receivable increased by four (4) times from the prior year, from P75 million in 2017 to
151 P394 million as of the end of 2018, primarily due to the financial assistance granted to our
152 member-cooperatives. The loans granted bear interest rates ranging from 5% to 7%. This facility
153 decreased the ratio of the Liquid Assets to Total Assets of 1CISP, from 89% in 2017 to 76% in
154 2018; however, it doubled the earnings contributed by our Interest Income, from P15.3 million in
155 2017 to P38.8 million in 2018.

156
157 **2. Profitability**

158
159 For the last five years, 1CISP has a consistent growth in revenue and net surplus. The highest
160 gross revenue and net surplus was attained in 2018 of P746 million and P216 million,
161 respectively. These numbers signify the members' boosted patronage in the products 1CISP
162 offer. We consistently performed above targets since its rehabilitation in 2013. 1CISP's profitable
163 operation provides an assurance to all the members/shareholders that their contributions are in
164 good hands - securing return on their investment and, at the same time, ensuring the receipt of
165 patronage and experience refund.

166
167 **3. Expense distribution**

168
169 The five-year average, it shows that Benefits and Claims paid accounted for 46.18% of the Total
170 Operating Cost of 1CISP- the biggest share of expenditures. The ratio of the total benefits and
171 claims paid of 46.63% in 2018 is slightly higher than the average claims of 46.18% and the 45.22%
172 in 2017. The second highest share of the total operating cost is the Service Fee of 21.73% in 2018,
173 which is better than the 2017 ratio of 22.49% but a bit higher than the average rate for the last 5
174 years of 20.6%. This is followed by the increase in policy reserves of 12.7% in 2018, better than

175 the 2017 ratio of 14.15% and is much better than the five (5) year average rate of 15.9%. Salaries
176 and benefits accounted for 11.14% share in the total operating cost for 2018 due to the opening
177 of our branch in Cagayan de Oro and the increase in the number of our personnel in the head
178 office and the adjustment of salaries and benefits.

179 180 **4. Stability**

181
182 RA No. 10607, otherwise known as the *Amended Insurance Code of the Philippines*, requires all
183 insurance companies to increase their Net Worth to ₱ 1.3 billion by 2022. 1CISP being a
184 cooperative is only mandated to meet 50% or P650 million by the end of 2022. The Insurance
185 Commission strictly monitors the compliance by all insurance companies to this requirement. As
186 of the end of 2018, the Net Worth of 1CISP is at P1.706 billion or 60% growth compared to P1.069
187 billion in 2017 which is beyond the required Net Worth as of the end of 2022 (See Graph 5).
188 Likewise, its paid-up capital leaped by 63% from P951 million as of the end of 2017 to P1.551
189 billion as of December 31, 2018. With this substantial increase in Net Worth and Paid Up capital,
190 1CISP assures that it is stable, sustainable, and expanding.

191 192 **5. Membership Growth**

193
194 The year 2018 is another exceptional year for 1CISP as it sets a new record of having the highest
195 number of new member-patronizing cooperatives. 1CISP welcomed 117 new members in Luzon,
196 36 in Visayas and 57 in Mindanao. We were able to bring in a total of 507 new member-
197 patronizing cooperatives in the last five (5) years, the highest of which was in 2018 with 210
198 registered new member coops followed by 2017 which registered 116 new member coops. The
199 increasing membership base enabled 1CISP to generate additional capital, gain more patronage,
200 and extend its reach to individual members of cooperatives without access to affordable
201 insurance. Likewise, with our good governance, efficient operations, and transparent dealings
202 with stakeholders, generous support was provided by the members. Due to compliance to BSP
203 Circular No. 682 series of 2010 under Section 9, member-Cooperative Banks withdrew their
204 memberships, however, their support and patronage to 1CISP continued on.

205
206 In 2014, we were able to recruit 48 new cooperatives that saw the opportunity in supporting our
207 direction of "*Renewing Itself through Efficiency and Good Governance*". In 2015, with the theme of
208 "*Sustaining Growth and Stability through Service Quality*", we attracted 51 new member-
209 cooperatives. In 2016, with 1CISP embracing the theme of "*Securing Lives... Securing Future*", we
210 generated 82 new members that contributed their resources and provided patronage and
211 support, thereby, propelling the growth of the system. And by 2017, 116 additional cooperatives
212 were welcomed as new members. True to its theme in 2018, "*Leadership and Innovation: Sustaining
213 Growth, Empowering Communities*", we embraced 210 new member cooperatives which resulted
214 to 1CISP being recognized as one of the fastest growing cooperative life insurers globally. We are
215 confident that with our aggressive campaign this year, there will be more coops coming in, in
216 the next few months as we embrace our theme for this year's General Assembly, "*LEAP @ 45;
217 Lead, Excel, Advocate and Prosper*".

218
219 As of December 31, 2018, 1CISP is owned and patronized by a total of 3,031 member-cooperatives
220 catering to more than a million individual members. We continually engage new members to
221 expand 1CISP's reach and to be able to share the products and services that existing members
222 are now enjoying.

223 224 **6. Human Resource Development**

225
226 1CISP considers its human resource as its greatest asset. It is our goal to provide capacity
227 development for all personnel keeping the vision in mind, to be "A globally competitive
228 Cooperative Insurance System". In line with this, 1CISP implemented a comprehensive and
229 holistic program that is expected to enhance the skills and capabilities of its personnel. A total
230 of 41 trainings, seminars, workshops, and conferences both domestic and international, were
231 attended by the Board of Directors, top management, department managers, supervisors, rank

232 and file personnel, and marketing team, to update and upgrade their knowledge and
233 proficiencies to contribute to operational excellence. There were a total of ten (10) international
234 trainings and conferences attended by 22 individuals and 23 local/ domestic trainings, seminars,
235 and conferences participated in by 50 individuals.

236 237 **7. Cooperative Social Responsibility (CSR)** 238

239 1CISP, through the initiatives of its personnel, strongly supports various activities and projects
240 for social development and nation building. It advocates programs that aim to improve the lives
241 of individuals, communities, and the environment where we feel assistance is of utmost
242 necessity. The following are the various CSR activities conducted by the employees in 2018:

243
244 1CISP employees were organized to form several groups and were tasked to formulate,
245 implement and assess their chosen CSR activities.

- 246
247 a. Humanitarian work does not stop at helping people who are financially less fortunate than
248 most, but it also extends to people who are differently abled and have special needs. 1CISP
249 believes that, it is one of our moral responsibilities to extend a helping hand to people who
250 are in need of our help, especially to those with special needs. Last February 17, 2018 the
251 company's Corporate Social Responsibility event was held at Guanella Center Servants of
252 Charity, as part of the company's dedication in helping build a better life for the Filipinos.
253 This initiative was spearheaded by Human Resources Department in line with their advocacy
254 to help people with special needs.
- 255 b. A medical health awareness lecture on *"Reduce Child Mortality and Improve Maternal*
256 *Health"* was conducted on August 8, 2018 at Krus na Ligas covered court in Quezon City. This
257 was participated by the pregnant women and undernourished kids of the area. Dr. Malicsi, an
258 Obstetrician-Gynecologist, was invited to provide relevant information about Pregnancy. The
259 team also conducted interview from among the chosen participant-beneficiaries regarding
260 their health and they were given grocery items with rice. The conditions of the chosen
261 beneficiaries were closely monitored to check if there are improvement.
- 262 c. A seminar workshop was conducted last October 19, 2018 with a theme: *"Reach Out and*
263 *Break the Stigma: A Mental Health Awareness Seminar"* held at PUP Sta. Mesa, Manila
264 participated by 70 students. The event aims to spread awareness about the Mental Health
265 issues.
- 266 d. 1CISP conducted a seminar workshop on *"Introduction of Urban Agriculture/Gardening as a*
267 *means of Livelihood"* on October 27 -28, 2018. The said seminar workshop was participated
268 by 35 individuals from Salupungan - Basuit Road, San Ildefonso, Bulacan. It was facilitated by
269 Agricultural Training Institute (ATI) in partnership with Department of Agriculture, National
270 Housing Authority and Bureau of Plant Institute (BPI).
- 271 e. Another social responsibility project was conducted last November 16, 2018 in Angel M.
272 Rosario High School located at Pulong Yantok, Angat, Bulacan that focuses on youth
273 leadership with the theme: *#YOULEAD: Youth Leading Society*. The program was
274 participated by thirty (30) selected students in the school. The group believed that by giving
275 this kind of program would definitely help the students to develop themselves as an effective
276 leader.

277
278 1CISP has continually supported the scholarship program of Caritas Manila, Inc. during the
279 last three years, which enabled 12 students to continue their college education in 2018.

280 281 **8. Linkages and Network Building** 282

283 *Local* 284

285 The 1CISP, in partnership with the FOCCUS Group of Cooperatives, NCCC Chain of Stores and
286 Ateneo de Davao University (AdDU), empowered start-up initiatives among cooperatives for
287 the first leg of Coop Kicks in Mindanao. The program featured entrepreneurship and technology
288 bootcamps, pitching competitions, mentorship, incubation and marketplace support, and access

289 to financing for innovative business ideas and models. The winners received seed funding from
290 the Cooperative partners for the incubation of their projects. The 1CISP will bring the Coop Kicks
291 program in other parts of Mindanao and Visayas.

292
293 For the Luzon leg of Coop Kicks, 1CISP partnered with the **Institute for Climate and Sustainable**
294 **Cities (ICSC)** in launching the pilot **LEadership and ADvocacy School for Cooperatives in**
295 **Renewable Energy and Transformative Economies (LEADS>CREATE)**. The LEADS>CREATE
296 is a program designed for young cooperators to build their capacity, ensure that the Cooperative
297 Movement remains at the cutting edge of the movement for social development, and become
298 champions of renewable energy.

299
300 Our partnership with Model Cooperative Network (MCN) in Mindanao produced a total of 25
301 seminars/trainings/workshops provided to our member-cooperatives in Mindanao. The
302 enhancement in the capacity and capability of the Board of Directors and employees of our
303 member-cooperatives will assure their financial viability and sustainability and ensure
304 continued service to their individual members. Our patronizing members enjoy full subsidy
305 while non-patronizing members get 50% subsidy. 1CISP has allocated ₱4 million to support
306 capacity development programs for 2017-2018. Lastly, 1CISP is an active member of the
307 Philippine Life insurance Association (PLIA), Home Office Life Underwriters Association of the
308 Philippines (HOLUAP), People Management Association of the Philippines (PMAP), and Life
309 Insurance Claims Association of the Philippines (LICAP). We actively participate in various
310 activities and events conducted by these associations to learn and share the best practices in the
311 insurance industry.

312 *International*

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314
315 1CISP continues to participate in the seminars/workshops being sponsored by The Foundation
316 for the Advancement of Life & Insurance Around the world (FALIA) in Yokohama, Oriental Life
317 Insurance Cultural Development Center (OLIS), the Institute of Actuaries of Japan (IAJ),
318 International Cooperative and Mutual Insurance Federation (ICMIF) and International
319 Cooperative Alliance (ICA). These exchanges of Directors, Officers and Personnel enabled us to
320 participate in knowledge sharing with different countries and formulate the strategic course of
321 1CISP.

322
323 One significant exchange in 2018 is the visit of Board of Directors and Senior Management of
324 1CISP to the most prominent insurance cooperatives in Japan to benchmark its current practices
325 and adopt their sustainable practices especially in this age of disruption and increasing impact
326 of climate change.

327
328 1CISP also actively promotes young leadership. 1CISP Vice President for Life Operations,
329 Jackelyn P. Ballena, was invited to be part of the Young Leaders Forum (YLF) of ICMIF, and was
330 the only Asian representative in the group. She attended the YLF Meeting and Intelligence
331 Committee Meeting in Helsinki, Finland wherein she was exposed to the current opportunities
332 and challenges of insurance cooperatives and mutuals around the world, with special focus on
333 the latest technologies used. Aside from that, she was given the opportunity to organize the
334 Young Leaders Program in Asia during the Asia Oceania Association (AOA) Seminar 2018 in
335 Hong Kong along with Mr. Yoshikazu Sato (Zenrosai) and the AOA Secretariat. This Young
336 Leaders Program is set to be introduced in the Philippines at the 45th Annual General Assembly
337 of 1CISP.

338 **9. Cooperative Health Management Federation (CHMF)**

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340
341 The CHMF or “1 Coop Health” sustained its growth and expanded its reach as individual
342 members’ enrollment increased to 41,088 coming from 116 member-coops in 2018 compared to
343 23,843 from 81 member coops in 2017. Barely four (4) years in operation, CHMF’s remarkable
344 growth showed a tenfold increase in enrollments compared to its first year of operation. This

345 resulted from your active support in marketing the products and services offered by 1 Coop
346 Health.

347

348 In 2018, 1CISP generated a total of ~~₱~~**4.45million** as gross premiums from the life and accident
349 coverage of their 39,022 individual member-subscribers. The Management continuously assists
350 1 Coop Health in promoting its products and services as part of our commitment to provide
351 affordable and quality risk protection and mitigation schemes for cooperatives.

352

353 **10. 2018 Theme**

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355 Last year's theme, "*Leadership and Innovation: Sustaining Growth and Empowering*
356 *Communities*", highlights the two (2) critical factors that ensure the continued growth of 1CISP
357 and strengthen its impact on the communities where our member-cooperatives are present. It is
358 with conviction that 1CISP commits to strive towards excellence and continue to touch the lives
359 of Filipino cooperators.

360

361 1CISP's theme for this year is **LEAP@45: Lead, Excel, Advocate, and Prosper**. The word LEAP
362 describes the unprecedented success and growth of 1CISP in its 45 years of existence from its
363 rebranding launched last year.

364 1CISP is now **LEADING** its member cooperatives to greater heights, a stage never imagined. The
365 cooperative is continuously **EXCELLING** in providing Risk Mitigation Solutions in areas of Life
366 and General Insurance, as well as in Health Insurance through partnerships and collaborations.
367 In addition, **ADVOCATING** young leadership to shape principle-centered and excellence-
368 oriented future cooperative leaders, and strengthening the human resources of the Cooperatives.
369 Moreover, 1CISP strives that each of its member-cooperatives **PROSPER** through its various
370 capacity and capability development programs. Indeed, 1CISP is living to its advocacy that *A*
371 *Prosperous Philippines is a Cooperative Philippines*.

372

373 **11. Other initiatives:**

374

- 375 • 1CISP continuously extends its credit facility through loans with minimal interest rates as our
376 way of support to its member coops.
- 377 • 1CISP started the construction of a 6-storey green building on its 523.70sq.m. lot in Quezon
378 City. It is expected to be finished within 2019.
- 379 • 1CISP also started the renovation of its acquired property in Cagayan de Oro which will house
380 its CDO branch. The renovation is estimated to be completed by the end of June 2019.
- 381 • 1CISP engages CLIMBS to revive the exploratory talks on the merger to pursue our dream of
382 having only one coop insurance that will service the insurance needs of the cooperative sector
383 in the country. Feedback from CLIMBS is being awaited.
- 384 • 1CISP launched the Coop Kicks program to introduce the Youth into the Third Path or the
385 Cooperative Way.

386

387 **Questions and Discussions:**

388

389 Mr. Daba raised his 1st question regarding the deposits for subscription to 1CISP. He wanted to clarify
390 if it will also earn dividends. Chairperson Evangelista confirmed that the deposit for subscription to
391 1CISP will earn dividends.

392

393 Mr. Daba raised his 2nd concern regarding the honorarium of the Board of Directors. The gentleman
394 asked how much the current honorarium is and the reason for its slight yearly increase from 2016.

395

396 Chairperson Evangelista clarified that the increase in budget for the honorarium is due to the meetings,
397 seminars and events related to improve the Board's governance over 1CISP. He also clarified that
398 increase in budget is backed up by Board Resolutions and approved by the General Assembly.

399

400 Mr. Daba wanted to clarify, per his assessment of the Board Resolutions, 68% of it are approval of the
401 minutes, approval of reports and other related matters. There were only twenty four (24) to twenty five

402 (25) resolutions that are focused in business development, thirteen (13) about personnel and ten (10)
403 resolutions about fix assets.

404

405 Chairperson Evangelista requested Mr. Daba and the rest of the General Assembly to study the
406 performance of 1CISP in the year 2018. The Chair also invited members to visit and audit 1CISP if there
407 are questions or concerns they wanted to clarify.

408

409 Consequently, Mr. Daba moved for the confirmation of the Joint Report of the Board of Directors and
410 Management detailing the results of 1CISP's operation for the Year 2018 by the general assembly duly
411 seconded severally. Thus, the following Resolution was approved, to wit:

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413 **G.A. RESOLUTION NO. 04 S. 2019**

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415 **BE IT RESOLVED, AS IT IS HEREBY RESOLVED,** that the Joint Report of
416 the Board of Directors and Management detailing the results of 1CISP's
417 operation for the Year 2018, as presented and discussed,

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

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421 **IX. APPROVAL OF THE 2018 AUDITED FINANCIAL STATEMENT**

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423 Chairperson Evangelista introduced the representative of 1CISP's External Auditor: Reyes
424 Tacandong & Co., Ms. Carolina Angeles. Conversely, the Chair advised the general assembly to see
425 the 2018 Audited Financial Statements, printed in pages 37 to 79 of the Annual Report. The
426 highlights of the 2018 AFS are as follows:

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<u>ASSETS</u>	<u>2018</u>	<u>2017</u>
Current Assets		
Cash and Cash Equivalents	P 1,074,142,094	P 704,016,339
Short-term Investments	464,440,558	333,477,637
Insurance Receivables	51,909,947	13,241,718
Reinsurance Assets	40,179,634	19,653,111
Financial assets at cost	71,861,549	51,861,549
Fin. assets at fv through profit or loss	24,167,226	11,070,824
Loans and Receivables	46,605,024	22,913,362
Other current assets	12,071,616	1,260,479
Total Current Assets	1,785,377,648	1,157,495,019
Noncurrent Assets		
Financial Assets at amortized cost	P 244,245,34	P 258,759,083
Financial assets at cost	72,113,062	26,881,501
Loans Receivable	367,150,281	52,000,000
Property and Equipment:		
At revalued amounts	37,745,746	38,946,133
At cost	36,370,862	18,504,879
Other noncurrent assets	22,086,188	
Total Noncurrent Assets	779,711,483	395,091,596
TOTAL ASSETS	P 2,565,089,131	P 1,552,586,615

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<u>LIABILITIES</u>	<u>2018</u>	<u>2017</u>
Current Liabilities		
Insurance Contract Liabilities	P 423,132,847	P 279,171,020
Due to reinsurers	29,935,663	12,251,844
Dividend and Patronage Refund Payable	229,898,307	159,625,907
Other Current Liabilities	168,096,442	27,202,391
Total Current Liabilities	851,063,259	478,251,162

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460	Noncurrent Liability		
461	Net Retirement Liability	7,729,472	5,066,291
462	TOTAL LIABILITIES	858,729,731	483,317,453
463			
464	EQUITY	2018	2017
465	Capital Stock	P 1,262,740,100	P 951,029,200
466	Deposit for Share Capital Subscription	P 287,894,966	-
467	Contributed Surplus	85,298	85,298
468	Revaluation Surplus	6,150,000	6,150,000
469	Statutory funds:		
470	General Reserve Fund	81,862,037	60,254,212
471	Optional Fund	29,698,064	27,537,282
472	Cooperative Educ. and Training Fund	20,952,346	12,361,449
473	Community Development Fund	16,913,589	11,851,721
474	Total Equity	1,706,296,400	1,069,269,162
475	TOTAL LIABILITIES AND MEMBER'S EQUITY	P 2,565,089,131	P 1,552,586,615
476			
477	REVENUE	2018	2017
478	Gross Premiums on Insurance Contracts	P 779,904,306	P 553,264,813
479	Reinsurer's share on of GP on ins. Contracts	(76,368,594)	(35,894,823)
480	Net Insurance Premiums	703,535,712	517,369,990
481	Interest Income	38,845,291	15,283,600
482	Other Income	3,783,227	2,295,748
483	TOTAL REVENUES	746,164,230	534,949,338
484			
485	BENEFITS, CLAIMS AND EXPENSES		
486	Benefits and claims on insurance contracts	247,156,033	169,331,311
487	Increase in legal policy reserves	67,300,000	53,000,000
488	Collection cost	64,356,866	51,988,873
489	Salaries and benefits	59,035,907	37,469,229
490	Commission Expense	50,842,149	32,242,079
491	General and administrative expenses	36,894,346	27,175,770
492	Depreciation	4,500,682	3,283,367
493	Total Benefits, Claims and Expenses	530,085,983	374,490,629
494	NET SURPLUS	P 216,078,247	P 160,458,709
495			
496	ALLOCATION OF NET SURPLUS		
497	Dividend and patronage refund payable	168,541,033	131,243,029
498	General reserve fund	21,607,825	16,780,130
499	Cooperative education and training fund	17,286,260	2,808,028
500	Community development fund	6,482,347	4,813,761
501	Optional Fund	2,160,782	4,813,761
502		216,078,247	160,458,709

Mr. Daba raised his concern regarding the approved budget for 1CISP's new building. He wanted to clarify the difference from the approved budget and actual construction cost of the building. Chairperson Evangelista clarified that the difference will be allotted for the furniture and fixtures of the new building.

Another query was raised by Mr. Daba regarding the nature of the time deposit of R&B in behalf of 1CISP. EVP/COO Ms. Cecilia Laguna clarified that the 82 Million is reclassification of accounts payable, the investments of R&B has corresponding recognized interest in favor of R&B Corporation.

Consequently, Mr. Daba moved for the approval of the 2018 Audited Financial Statements, duly seconded severally. Thus, the assembly unanimously approved the 2018 AFS, to wit:

517 **G.A. RESOLUTION NO. 05 S. 2019**

518
519 **BE IT RESOLVED, AS IT IS HEREBY RESOLVED**, that the Audited
520 Financial Statements of 1 Cooperative Insurance System of the Philippines Life
521 and General Insurance (1CISP) for Calendar Year ended December 31, 2018, as
522 presented to, and discussed by, the General Assembly,
523

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

525
526 **X. APPROVAL OF THE AUDIT COMMITTEE REPORT FOR THE YEAR 2018**

527
528 Ms. Wilma L. Gidaya, Chairperson of the Audit Committee, presented the report of the committee
529 under page 80 of the Annual Report. The extent of their audit covered 1CISP's operations for year
530 2018, which includes but was not limited to audit of cash receipts, cash counts, and minutes of
531 meetings of the Board of Directors. She said that the Audit Committee had also discussed its audit
532 findings and recommendations to management which the latter already acted upon.
533

534 No objection or question was raised therein, hence, Ms. Miriam Lajon of Abra Diocesan Teachers
535 and Employees MCP moved for the approval of the report of Audit Committee, duly seconded by
536 Fernanda Maliksi of Talibon Credit Cooperative. Thus, the following Resolution was approved, to
537 wit:

538 **G.A. RESOLUTION NO. 06 S. 2019**

539
540 **BE IT RESOLVED, AS IT IS HEREBY RESOLVED**, that the report of the
541 Audit Committee on the financial and operations performances of 1CISP for
542 Calendar Year 2018, as presented and discussed,
543

544 **BE, AS IT IS HEREBY ACCEPTED AND APPROVED.**

545
546 **XI. APPROVAL OF DISTRIBUTION OF NET SURPLUS FOR THE YEAR 2018**

547
548 President Miclat presented the following allocation of net surplus for Calendar Year 2018:

549

550 <u>NET SURPLUS</u>	216,078,247.00	
551		
552 <u>ALLOCATION/DISTRIBUTION:</u>		
553 DIVIDEND AND PATRONAGE/EXP. REFUND	168,541,033.00	78.00%
554		
555 STATUTORY RESERVES:		
556 General Reserve Fund	21,607,825.00	10.00%
557 Reserve for Education & Training	17,286,260.00	8.00%
558 Community Development Fund	6,482,347.00	3.00%
559 Optional Fund	2,160,782.00	1.00%
560		
561	Total:	P216,078,247.00
562		
563 <u>DISTRIBUTION OF DIVIDEND AND PATRONAGE/EXPERIENCE REFUND:</u>		
564 DIVIDEND RATE	- - - - -	12.00%
565 PATRONAGE/EXPERIENCE REFUND RATE	- - - - -	7.19%
566		

567 No question or comment was raised on the proposed allocation of net surplus, thus, Mr. Ernesto
568 Victorino of Mandaluyong MPC moved for the approval of the aforesaid appropriations as presented
569 and discussed, which was severally seconded, thus, the following Resolution was adopted, to wit:

570
571 **G.A. RESOLUTION NO. 07 S. 2019**

572
573 **WHEREAS**, as a result of the remarkable performance of 1 Cooperative
574 Insurance System of the Philippines Life and General Insurance (1CISP) on its

575 operation for Calendar Year 2018, its Audited Financial Statements recorded a
 576 net surplus of **Php 216,078,247.00**;

577
 578 **WHEREAS**, the Board of Directors in its financial report to the General
 579 Assembly recommended for the approval of the Member-Shareholders the
 580 allocation of net surplus which include statutory/mandatory reserves, land
 581 acquisition and building improvement and/or construction, patronage
 582 refund, experience refund and dividend for preferred and common shares,
 583

584 **WHEREFORE, FOREGOING PREMISES CONSIDERED, BE IT**
 585 **RESOLVED, AS IT IS HEREBY RESOLVED**, that 1 CISP General Assembly
 586 approved the abovementioned distribution of net surplus as presented and
 587 discussed and the following appropriations for dividend, patronage refund,
 588 and experience refund for the year ended December 31, 2018, to wit:
 589

590 **RESOLVED FURTHER**, that the distribution of cash dividend to 1CISP
 591 member-shareholders shall take effect immediately upon approval by the
 592 Insurance Commission of the allocation of net surplus.
 593

594 **BE, AS IT IS HEREBY, APPROVED.**
 595

596 **XII. PROPOSED BUDGET FOR THE YEAR 2019**

597
 598 **1 COOPERATIVE INSURANCE SYSTEM OF THE PHILIPPINES LIFE AND GENERAL**
 599 **INSURANCE PROPOSED BUDGET FOR 2019**
 600

601 **STATEMENT OF OPERATION**

	ACTUAL 2018	VA	BUDGET 2018	VA	VARIANCE	PROPOSED BUDGET 2019	VA
REVENUES						21%	31%
Gross premiums on insurance contracts	779,904,306	110.85%	719,300,000	106.94%	60,604,306	944,900,000	111.10%
Reinsurer's share of gross premium	(76,368,594)	9.79%	(46,700,000)	6.49%	(29,668,594)	(94,400,000)	9.99%
<i>Net Insurance Premiums</i>	703,535,712	100.00%	672,600,000	100.00%	30,935,712	850,500,000	100.00%
Investment Income	38,845,291	5.52%	25,300,000	3.76%	13,545,291	32,900,000	3.86%
Other Income	3,783,227	0.54%	1,100,000	0.16%	2,683,227	1,400,000	0.16%
	746,164,230	106.06%	699,000,000	103.93%	47,164,230	884,800,000	104.03%
BENEFITS AND EXPENSES							
Increase (decrease) in legal policy reserves	67,300,000	9.57%	67,300,000	10.01%	-	85,100,000	10.00%
Gross benefits and claims paid	247,156,033	35.13%	220,200,000	32.74%	26,956,033	280,700,000	33.00%
Net Insurance benefits and claims	314,456,033	44.70%	287,500,000	42.74%	26,956,033	365,800,000	43.01%
Commission	115,199,015	16.37%	107,600,000	16.00%	7,599,015	136,000,000	15.99%
Compensation and Benefits	59,035,907	8.39%	66,600,000	9.47%	(7,564,093)	78,600,000	9.24%
Utilities	3,789,446	0.54%	4,700,000	0.67%	(910,554)	5,700,000	0.67%
Depreciation	4,500,682	0.64%	9,000,000	1.28%	(4,499,318)	11,100,000	1.31%
Postage, Telephone & Telegram	2,667,467	0.38%	2,500,000	0.36%	167,467	3,300,000	0.39%
Travelling Expenses	3,711,142	0.53%	3,500,000	0.50%	211,142	4,500,000	0.53%
Professional, Legal & Audit Fee	3,337,117	0.47%	3,000,000	0.43%	337,117	4,000,000	0.47%
Printing, Stationery & Supplies	1,718,090	0.24%	1,600,000	0.23%	118,090	2,100,000	0.25%

Officers Honorarium and Allowance	2,658,202	0.38%	2,500,000	0.36%	158,202	3,900,000	0.46%
Conference and Sales Meeting	3,018,753	0.43%	2,800,000	0.40%	218,753	3,700,000	0.44%
Representation and Entertainment	1,753,452	0.25%	2,100,000	0.30%	(346,548)	2,500,000	0.29%
Membership and Association Dues	257,931	0.04%	1,000,000	0.14%	(742,069)	900,000	0.11%
Board Meeting Expenses	1,828,983	0.26%	2,300,000	0.33%	(471,017)	3,900,000	0.46%
General Assembly Expenses	3,377,708	0.48%	3,500,000	0.50%	(122,292)	5,000,000	0.59%
Provisions	4,598,535	0.65%	1,000,000	0.14%	3,598,535	1,000,000	0.12%
Advertising/Donation Expenses	2,262,142	0.32%	1,800,000	0.26%	462,142	3,000,000	0.35%
Business Development Expenses	1,144,668		-	0.00%	1,144,668	1,200,000	0.14%
General and administrative expenses	770,709	0.11%	800,000	0.11%	(29,291)	1,600,000	0.19%
	530,085,983	75.35%	503,800,000	74.90%	26,285,983	637,800,000	74.99%
Excess (Deficiency) Of Revenue Over Expenses	216,078,247	30.71%	195,200,000	29.02%	20,878,247	247,000,000	29.04%
Other Comprehensive Income							
			-		-	-	
Total Comprehensive Income (Loss) For The Year	216,078,247		195,200,000		20,878,247	247,000,000	

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603
604
605

**1 Cooperative Insurance System of the Philippines
2019 Capital Outlay**

	Amount	Qty	Amount
<u>Computer / IT Equipment</u>			
Desktop/Laptop	40,000.00		
Head Office (Vacant Position)		10	400,000
Branch Office		8	320,000
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
Projector	50,000.00	4	200,000
Sophos Cloud Endpoint Protection Advance (Anti-virus)			200,000
Integrated Software (Branch Office & Non Life)			3,000,000
Server	300,000.00		
Head Office		2	600,000
Branch Office		3	900,000
Sub-Total			6,020,000
<u>Office Equipment</u>			
Aircon (inverter)			
Head Office	70,000.00	7	490,000
Branch Office	70,000.00	6	420,000
Regional Office	70,000.00	3	210,000
Emergency Light	5,000.00	11	55,000
Photocopying machine			
Head Office		1	100,000
Branch Office	100,000.00	3	300,000
Sub-Total			1,575,000
Head Office (for the new building)			32,000,000.00

	Amount	Qty	Amount
Branch Office (for the newly renovated building)		3	3,000,000.00
Sub-Total			35,000,000.00
	Amount	Qty	Amount
Regional Office			
Clerical Office Chair w/ arm	4,000.00	14	56,000.00
Executive Chair w/ arm	3,000	14	42,000.00
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			824,000.00
<u>Land/Building/Improvements</u>			
Land			80,000,000.00
Head Office (newly acquired land)			
Construction of Building (Balance)			150,000,000.00
Head Office (newly acquired land)			
Interior Designer			6,000,000.00
Branch Office (CDO)			
Renovation of Building			16,000,000.00
Branch Office (Davao)			
Acquired land & Bldg.			5,000,000.00
Renovation of Building			15,000,000.00
Branch Office (Visayas)			
Acquired land & Bldg.			5,000,000.00
Renovation of Building			15,000,000.00
Sub-Total			292,000,000.00
TOTAL			335,419,000.00

607

608 **Questions and Discussions:**

609

610 Mr. Daba raised his concerned as there is an increase in expenses for governance, officer's honorarium,
611 travels, representation expenses and board meeting expenses. He suggested that the expenses for the
612 following may be brought down a bit and increase the budget for claims.

613

614 Chairperson Evangelista acknowledged the concern and explained the increase in expenses. Due to the
615 organizations fast growth, the Board needs to catch up and increase its productivity compared before.
616 The Board wants to clear out that as the organization grows, expenses are also expected to increase,
617 and as a result, the revenue grows due to the increase of members. The Chairperson clarified that 1CISP
618 is not a social organization, it is a business.

619

620 Ms. Amelita Lachica of Zamboanga Social Welfare and Devt. MPC, suggested the increase of
621 honorarium for the Board of Directors due to the great performance of the cooperative. It was noted by
622 the Board and recommended it to be discussed in the future.

623

624 Ms. Lolita Sarmiento of Talisayon MPC moved for the approval of the aforesaid appropriations as
625 presented and discussed, which was severally seconded. With that, the general assembly unanimously
626 approved the proposed budget. Thus, the following Resolution was adopted, to wit:

627
628 **G.A. RESOLUTION NO. 08 S. 2019**
629

630 **BE IT RESOLVED, AS IT IS HEREBY RESOLVED**, that the proposed Budget
631 for Calendar Year 2019 as presented to, and deliberated on, by the General
632 Assembly of 1 Cooperative Insurance System of the Philippines Life and
633 General Insurance (1CISP),
634

635 **BE, AS IT IS HEREBY, APPROVED.**
636

637 **XIII. APPOINTMENT OF EXTERNAL AUDITOR FOR THE YEAR 2019**
638

639 On the recommendation of the Board and management, Ms. Yolanda Briones of Banapra Devt.
640 Cooperative moved for the approval to retain the external audit services of Reyes Tacandong & Co. as
641 1CISP's external auditor for Calendar Year 2019, duly seconded severally, thus, the following
642 Resolution was adopted, to wit:
643

644 **G.A. RESOLUTION NO. 09 S. 2019**
645

646 **BE IT RESOLVED, AS IT IS HEREBY RESOLVED**, that 1 Cooperative
647 Insurance System of the Philippines Life and General Insurance (1CISP),
648 re-engage the audit services of Reyes Tacandong & Co. as 1CISP's Independent
649 Auditors for Calendar Year 2019,
650

651 **BE, AS IT IS HEREBY, APPROVED.**
652

653 **XIV. PROPOSED AMENDMENTS TO THE ARTICLES OF COOPERATION (AC) AND BY-LAWS**
654 **(BL) OF 1CISP**
655

656 Co-op Secretary, Atty. Manzanares, grouped the proposed amendments presentation into three (3)
657 types. First type of amendment is due to the format requirement of CDA in line with CDA's model
658 Bylaws. Second is to conform to the provisions of RA 9520. Third is mainly clerical corrections, spellings
659 and stylistics. As we change and correct the format and typographical errors, we adjusted the
660 numbering and/or labeling of some items. The amendment with regards the increase in capitalization,
661 is a must. Due to the growth of 1CISP, there is a need to increase the authorized capital stock to support
662 the plans for 2019.
663

664 The following are the provisions in the AC and BL for amendments:
665

666 **I. ARTICLES OF COOPERATION**
667

668 Amended Articles of Cooperation
669 of the
670 1 Cooperative Insurance System of the Philippines
671 Life and General Insurance
672

673 **KNOW ALL MEN BY THESE PRESENTS:**
674

675 We, the undersigned, of legal age, citizens and residents of the Philippines, duly authorized
676 representative of our respective cooperatives, all of legal age and Filipino citizens, this 25th day of
677 January, 1974, in Quezon City, voluntarily associated ourselves together to form, **A SECONDARY**
678 **COOPERATIVE**, under the laws of the Republic of the Philippines.
679

680 **AND WE HEREBY CERTIFY:**
681

682 **ARTICLE I**
683 **NAME OF THE FEDERATION**
684

xxxx

685 ARTICLE II
686 PURPOSES

687 xxxx

688
689 ARTICLE III
690 GOALS

691
692 THE GOALS OF THE SYSTEM ARE TO HELP IMPROVE THE QUALITY OF SERVICES
693 OF ITS AFFILIATES AND IN FURTHERANCE THERETO SHALL AIM:

694
695 A. TO CARRY ON ANY COOPERATIVE ENTERPRISE AUTHORIZED UNDER ARTICLE 6 OF
696 RA 9520 THAT COMPLEMENTS, AUGMENT, SUPPLEMENTS BUT DOES NOT CONFLICT,
697 COMPETE WITH NOR SUPPLANT THE BUSINESS OR ECONOMIC ACTIVITIES OF ITS
698 AFFILIATES;

699
700 B. TO CARRY ON, ENCOURAGE AND ASSIST EDUCATIONAL AND ADVISORY WORK
701 RELATING ITS AFFILIATE COOPERATIVES;

702
703 C. TO RENDER SERVICES DESIGNED TO ENCOURAGE SIMPLICITY, EFFICIENCY, AND
704 ECONOMY IN THE CONDUCT OF THE BUSINESS OF ITS AFFILIATES AND TO
705 FACILITATE THE IMPLEMENTATION OF THEIR BOOKKEEPING, ACCOUNTING, AND
706 OTHER SYSTEMS AND PROCEDURES;

707
708 D. TO PRINT, PUBLISH, AND CIRCULATE ANY NEWSPAPER OR OTHER PUBLICATION IN
709 THE INTEREST OF ITS AFFILIATES AND ENTERPRISES;

710
711 E. TO COORDINATE AND FACILITATE THE ACTIVITIES OF ITS AFFILIATE
712 COOPERATIVES;

713
714 F. TO ENTER INTO JOINT VENTURES WITH NATIONAL OR INTERNATIONAL
715 COOPERATIVES IN THE MANUFACTURE AND SALE OF PRODUCTS AND/OR SERVICES
716 IN THE PHILIPPINES AND ABROAD; AND

717
718 G. TO PERFORM SUCH OTHER FUNCTIONS AS MAY BE NECESSARY TO ATTAIN ITS
719 OBJECTIVES.

720
721 ARTICLE IV
722 POWERS AND CAPACITIES

723
724 THAT THE POWERS, RIGHTS AND CAPACITIES OF THE SYSTEM ARE THOSE
725 PRESCRIBED UNDER ARTICLE 9 OF REPUBLIC ACT 9520.

726
727 A. TO THE EXCLUSIVE USE OF ITS REGISTERED NAME;

728
729 B. TO SUE AND BE SUED;

730
731 C. OF SUCCESSION;

732
733 D. TO AMEND ITS ARTICLES OF COOPERATION IN ACCORDANCE WITH THE
734 PROVISIONS OF RA 9520;

735
736 E. TO ADOPT BYLAWS NOT CONTRARY TO LAW, MORALS OR PUBLIC POLICY, AND TO
737 AMEND AND REPEAL THE SAME IN ACCORDANCE WITH RA 9520;

738
739 F. TO PURCHASE, RECEIVE, TAKE OR GRANT, HOLD, CONVEY, SELL, LEASE, PLEDGE,
740 MORTGAGE, AND OTHERWISE DEAL WITH SUCH REAL AND PERSONAL PROPERTY AS
741 THE TRANSACTION OF THE LAWFUL AFFAIRS OF THE COOPERATIVE MAY
742 REASONABLY AND NECESSARILY REQUIRE, SUBJECT TO THE LIMITATIONS
743 PRESCRIBED BY LAW AND THE CONSTITUTION;

744
745 G. TO ENTER INTO DIVISION, MERGER, OR CONSOLIDATION, AS PROVIDED UNDER
746 RA 9520;

747
748 H. TO AVAIL OF LOANS, BE ENTITLED TO CREDIT AND TO ACCEPT AND RECEIVE
749 GRANTS, DONATIONS AND ASSISTANCE FROM FOREIGN AND DOMESTIC SOURCES
750 SUBJECT TO THE CONDITIONS OF SAID LOANS, CREDITS, GRANTS, DONATIONS OR
751 ASSISTANCE THAT WILL NOT UNDERMINE THE AUTONOMY OF THE COOPERATIVE.
752 THE AUTHORITY, UPON WRITTEN REQUEST, SHALL PROVIDE NECESSARY
753 ASSISTANCE IN THE DOCUMENTARY REQUIREMENTS FOR THE LOANS, CREDIT,
754 GRANTS, DONATIONS AND OTHER FINANCIAL SUPPORT;

755
756 I. TO AVAIL PREFERENTIAL RIGHTS GRANTED TO COOPERATIVES UNDER RA 7160,
757 OTHERWISE KNOWN AS THE LOCAL GOVERNMENT CODE, AND OTHER LAWS,
758 PARTICULARLY THOSE IN THE GRANT OF FRANCHISES TO ESTABLISH, CONSTRUCT,
759 OPERATE AND MAINTAIN FERRIES, WHARVES, MARKETS OR SLAUGHTERS HOUSES
760 AND TO LEASE PUBLIC UTILITIES, INCLUDING ACCESS TO EXTENSION AND ON-SITE
761 RESEARCH SERVICES AND FACILITIES RELATED TO AGRICULTURE AND FISHERY
762 ACTIVITIES; AND

763
764 J. TO EXERCISE SUCH OTHER POWERS GRANTED UNDER RA 9520 OR NECESSARY TO
765 CARRY OUT ITS PURPOSES AS STATED IN THIS ARTICLES OF COOPERATION.

766
767 ARTICLE V
768 TERM OF EXISTENCE

769 xxxx

770
771 ARTICLE VI
772 AREA OF OPERATION

773 xxxx

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775 ARTICLE VII
776 NAME AND ADDRESS OF COOPERATORS

777 xxxx

778
779 ARTICLE VIII
780 COMMON BOND OF MEMBERSHIP

781
782 THE SYSTEM IS COMPOSED OF DULY REGISTERED COOPERATIVES IN THE
783 PHILIPPINES, WILLING TO PATRONIZE THE SERVICES OF THE SYSTEM, AND
784 POSSESS ALL THE QUALIFICATIONS AND NONE OF THE DISQUALIFICATIONS
785 PROVIDED FOR IN THE BY-LAWS.

786
787 ARTICLE IX
788 BOARD OF DIRECTORS

789 Xxxx

790
791 ARTICLE X
792 CAPITALIZATION

793
794 The capital stock of this System is FOUR BILLION PESOS (Php 4,000,000,000.00) divided
795 into:

796
797 A. THREE BILLION SEVEN HUNDRED FIFTY MILLION PESOS (Php 3,750,000,000.00)
798 worth of common shares or equivalent to 37,500,000 shares with par value of Php 100
799 per share. Common shares shall be issued only to regular members; and

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801 B. xxxx

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ARTICLE XI
SUBSCRIBED SHARE CAPITAL

The amount of capital stock which has been actually subscribed is **ONE BILLION FOUR HUNDRED NINETY TWO MILLION TWO HUNDRED THIRTY THREE THOUSAND TWENTY TWO AND 83/100 (P1,492,233,022.83)** and hereto attached as Annex "G" the list of member-cooperatives which have subscribed for the number of shares and the amount of their capital stock.

xxxx

ARTICLE XII
PAID-UP SHARE CAPITAL

xxxx

ARTICLE XIII
ARBITRAL CLAUSE

xxxx

BE IT KNOWN THAT:

xxxx

II. BY-LAWS

Amended By-laws
of
1 Cooperative Insurance System of the Philippines
Life and General Insurance

KNOW ALL MEN BY THESE PRESENTS:

xxxx

ARTICLE I
POWERS AND PURPOSES

xxxx

ARTICLE II
SHARES OF STOCK

Section 1. xxxx

Section 2. xxxx

xxxx

xxxx

Section 3. xxxx

ARTICLE III
MEMBERSHIP

Section 1. **Membership.** - The following may qualify as regular members:

1. Duly registered cooperatives and their federations or unions; and
2. Duly registered trade unions, federations and other non-government organizations with cooperative orientation;

860 **Section 2. ASSOCIATE MEMBERS.** - All members not falling under the immediately preceding
861 section shall be considered associate members, including policy holders of the System who are
862 natural persons, who may be accepted as associate members, subject to such rules and regulations
863 as may be set by the Board of Directors.
864

865 **SECTION 3. REQUIREMENTS FOR MEMBERSHIP - A MEMBER MUST HAVE COMPLIED**
866 **WITH THE FOLLOWING REQUIREMENTS:**

- 867
- 868 a. **APPROVED APPLICATION OF MEMBERSHIP;**
 - 869
 - 870 b. **BOARD RESOLUTION INDICATING MEMBERSHIP AND**
871 **SHARE CAPITAL CONTRIBUTION TO THIS FEDERATION;**
 - 872
 - 873 c. **CERTIFICATION OF LINE OF BUSINESS ACTIVITIES**
874 **ENGAGED IN; AND**
 - 875
 - 876 d. **SUBSCRIBED AND PAID REQUIRED MINIMUM SHARE**
877 **CAPITAL AND MEMBERSHIP FEE.**
 - 878

879 **SECTION 4. MINIMUM SHARE CAPITAL REQUIREMENT. AN APPLICANT COOPERATIVE**
880 **FOR MEMBERSHIP SHALL SUBSCRIBE AT LEAST ONE THOUSAND (1,000) SHARES AND**
881 **PAY THE VALUE OF AT LEAST ONE HUNDRED (100) SHARES UPON APPROVAL OF ITS**
882 **MEMBERSHIP.**

883

884 **Section 5. Rights, Privileges, and Limitations of Members.** xxx

885

886 **Section 6. Liability of Members.** - xxx

887

888 **Section 7. Withdrawal.** - xxx

889

890 **Section 8. Expulsion.** - xxx

891

892 **Section 9. Death, Dissolution, Liquidation, Insolvency, or Inactivity.** - xxx

893

894 **Section 10. Appraisal and Payment of Member's Interest Upon Termination of Membership.** -
895 xxx

896

897 **ARTICLE IV**

898 **BOARD OF DIRECTORS**

899

900 **Section 1. POWERS - THE BOARD OF DIRECTORS SHALL BE RESPONSIBLE FOR THE**
901 **STRATEGIC PLANNING, DIRECTION-SETTING AND POLICY-FORMULATION**
902 **ACTIVITIES OF THE SYSTEM.**

903

904 xxx

905

906 **Section 2-B. Independent Director.** - An independent director is a person whose cooperative or
907 organization he/she is representing must not own a substantial share in the capital stock of the
908 System and who is not affiliated with any other cooperative, union, federation, or other
909 organizations the activities of which and/or his/her affiliations therein might significantly interfere
910 or influence his/her independent judgment, or give rise to a conflict of interest, in carrying out
911 his/her duties and responsibilities as an independent director for the exclusive benefit of the System
912 and one who also:

- 913
- 914 a) **IS NOT OR WAS NOT A REGULAR DIRECTOR, OFFICER OR EMPLOYEE OF**
915 **THE SYSTEM, ITS SUBSIDIARIES, AFFILIATES OR RELATED COMPANIES**
916 **DURING THE PAST THREE (3) YEARS COUNTED FROM THE DATE OF HIS**
917 **ELECTION/APPOINTMENT;**

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- b) xxxx
- c) xxxx
- d) IS NOT AN OWNER OF MORE THAN 2/100 OF 1% OF THE OUTSTANDING SHARES THE COOPERATIVE WITH SHARES OF STOCK SUFFICIENT TO ELECT ONE (1) SEAT IN THE BOARD OF DIRECTORS OF THE COVERED ENTITY, OR IN ANY OF ITS RELATED COMPANIES OR OF ITS MAJORITY COOPAERTIVE SHAREHOLDERS;
- e) IS NOT A RELATIVE BY AFFINITY OR CONSAGUINITY WITHIN THE FOURTH (4TH) DEGREE OF A DIRECTOR, OFFICER, OR STOCKHOLDER HOLDING SHARES OF STOCK SUFFICIENT TO ELECT ONE (1) SEAT IN THE BOARD OF THE COVERED ENTITY OR ANY OF ITS RELATED COMPANIES OR OF ANY OF ITS SUBSTANTIAL STOCKHOLDERS; AND
- f) IS NOT OR WAS NOT RETAINED AS PROFESSIONAL ADVISER, AUDITOR, CONSULTANT, AGENT OR COUNSEL OF THE COVERED ENTITY, ANY OF ITS RELATED COMPANIES OR ANY OF ITS SUBSTANTIAL SHAREHOLDERS, EITHER IN HIS PERSONAL CAPACITY OR THROUGH HIS FIRM DURING THE PAST THREE (3) YEARS COUNTED FROM THE DATE OF HIS ELECTION/APPOINTMENT

Section 2-C. QUALIFICATIONS OF AN INDEPENDENT DIRECTOR. - AN INDEPENDENT DIRECTOR SHALL HAVE THE FOLLOWING MINIMUM QUALIFICATIONS:

1. HE SHALL BE AT LEAST A COLLEGE GRADUATE OR HE SHALL HAVE BEEN ENGAGED OR EXPOSED TO THE BUSINESS OF THE COOPERATIVE FOR AT LEAST FIVE (5) YEARS; AND
2. HE SHALL POSSESS PROVEN INTEGRITY, PROBITY AND INDEPENDENCE.

Section 2-D. Disqualifications of Directors. - The following are disqualified to become directors:

- a. xxxx
- b. xxxx

xxxx

Section 3-A. TERM LIMIT OF INDEPENDENT DIRECTORS. AN INDEPENDENT DIRECTOR SHALL SERVE FOR A MAXIMUM CUMULATIVE TERM OF NINE (9) YEARS.

A NEWLY ELECTED INDEPENDENT DIRECTOR SHALL SERVE 5 CONSECUTIVE YEARS.

AFTER COMPLETION OF THE FIVE-YEAR SERVICE, AN INDEPENDENT DIRECTOR HAS TO UNDERGO COOLING OFF PERIOD OF TWO (2) YEARS.

xxxx

An independent director re-elected after the cooling-off period can serve for another **FOUR (4) CONSECUTIVE YEARS.** After serving for **A TOTAL OF 9 YEARS ON AGGREGATE,** the independent director shall be perpetually **BANNED** from being elected as such by the 1CISP, **HOWEVER, MAY CONTINUE THEREIN AS A NON-INDEPENDENT DIRECTOR.**

xxxx

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Section 5. Vacancies. – A vacancy in the position of director may occur by:

- a. expiration of term;
- b. death;
- c. resignation;
- d. removal from office for lawful or authorized causes;
- e. incapacity;
- f. withdrawal of his/her representative capacity by the concerned member-organization; and/or
- g. the inactivity, dissolution, expulsion, or suspension of voting rights of the organization he/she represents.

VACANCY OCCURRING IN THE BOARD OF DIRECTORS, EXCEPT AS MENTIONED IN PARAGRAPH (A) ABOVE,

1. MAY BE FILLED-UP BY A MAJORITY VOTE OF THE REMAINING DIRECTORS,

IF STILL CONSTITUTING A QUORUM; OTHERWISE, SUCH VACANCY SHALL BE FILLED BY THE GENERAL ASSEMBLY IN A REGULAR OR SPECIAL MEETING CALLED FOR THE PURPOSE. THE ELECTED DIRECTOR SHALL SERVE ONLY FOR THE UNEXPIRED TERM OF HIS PREDECESSOR IN OFFICE.

IN THE EVENT THAT THE GENERAL ASSEMBLY FAILED TO MUSTER A QUORUM TO FILL THE POSITIONS VACATED BY DIRECTORS WHOSE TERM HAVE EXPIRED AND SAID DIRECTORS REFUSE TO CONTINUE THEIR FUNCTIONS ON A HOLD-OVER CAPACITY, THE REMAINING MEMBERS OF THE BOARD TOGETHER WITH THE MEMBERS OF THE AUDIT COMMITTEE SHALL DESIGNATE, FROM THE QUALIFIED REGULAR MEMBERS OF THE GENERAL ASSEMBLY, THEIR REPLACEMENTS WHO SHALL SERVE TEMPORARILY AS SUCH UNTIL THEIR SUCCESSORS SHALL HAVE BEEN ELECTED AND QUALIFIED IN A REGULAR OR SPECIAL GENERAL ASSEMBLY MEETING CALLED FOR THE PURPOSE.

2. xxxx

3. xxxx

4. IF A VACANCY OCCURS IN ANY ELECTIVE COMMITTEE IT SHALL BE FILLED BY THE BOARD OF DIRECTORS WITH THE RECOMMENDATION OF THE REMAINING MEMBERS OF THE SAID COMMITTEE, IF STILL CONSTITUTING A QUORUM.

Section 6. xxxx

Section 7. xxxx

Section 8. xxxx

Section 9. xxxx

1034 Section 10. xxxx

1035 **ARTICLE VI - A**
1036 **COMMITTEES**

1037
1038 xxxx
1039

1040 **Section 6. GENDER AND DEVELOPMENT COMMITTEE. - A GENDER AND DEVELOPMENT**
1041 **COMMITTEE IS HEREBY CREATED AND SHALL BE COMPOSED OF THREE (3) MEMBERS,**
1042 **PROVIDED THAT AT LEAST ONE MEMBER SHALL COME FROM THE BOARD. THE**
1043 **COMMITTEE SHALL ELECT FROM AMONG THEMSELVES A CHAIRPERSON. THE**
1044 **COMMITTEE MEMBERS SHALL HOLD OFFICE UNTIL REPLACED BY THE BOARD.**

1045
1046 xxxx

1047
1048 xxxx

1049 **ARTICLE VIII**
1050 **RESERVES AND ALLOCATION OF SAVINGS**

1051
1052 **Section 1. Reserves and Allocation of Savings. - xxxx**

1053
1054 A) xxxx.

1055
1056 B) xxxx

1057
1058 C) xxxx

1059 D) Optional Fund. THE SYSTEM SHALL ALLOCATE A MAXIMUM OF SEVEN
1060 **PERCENT (7%) FOR LAND BUILDING AND ANY OTHER NECESSARY FUND.**

1061
1062 xxxx

1063 **ARTICLE IX**
1064 **DISSOLUTION AND LIQUIDATION**

1065
1066 **Section 1. Dissolution and Liquidation. -The dissolution and liquidation of the System shall be**
1067 **effected in the following manner:**

1068
1069 a) By resolution adopted and signed by at least **THREE-FOURTHS (3/4)** of all
1070 members entitled to vote in a regular or special meeting called for the purpose; and

1071
1072 b) xxxx

1073
1074 xxxx

1075 **ARTICLE XI**
1076 **AMENDMENTS**

1077
1078 **SECTION 1. AMENDMENTS. - THESE BY-LAWS MAY BE AMENDED,**
1079 **REPEALED, OR ALTERED, IN WHOLE OR IN PART, IN ANY GENERAL OR SPECIAL**
1080 **MEETING OF THE MEMBERS CALLED FOR THE PURPOSE BY A VOTE OF TWO-**
1081 **THIRDS (2/3) OF THE MEMBERS ENTITLED TO VOTE.**

1082
1083 xxxx

1084
1085 Thereafter, Atty. Bleu Mendoza of Silangan MPC, clarified that under RA 9520, there's a need to have
1086 the approval of at least 2/3 of all members of a Cooperative. The question raised was, whether or not
1087 it is 2/3 of the membership or 2/3 of the authorized capital stockholders withholding rights.
1088 Chairperson Evangelista responded by confirming that it is 2/3 of the total shares. Co-op Secretary
1089 Atty. Manzanares confirmed that the total number of attendees in percentage is 83.11% which is more
1090 than 2/3. Atty. Mendoza, responded by thanking and affirming his trust and confidence to the Board
1091 of Directors of 1CISP.

1092 Another concern was raised by Atty. Hernandez of Mapag-Ampon Parish MPC regarding the
1093 typographical errors and grammar corrections with the report. Atty. Manzanares assured that all
1094 typographical errors will be corrected and the submitted report will be free from any possible errors.
1095

1096 Mr. Frederico Blanco of SAFRAGEMC raised his question regarding independent directorship with
1097 1CISP. Atty. Manzanares explained that 1CISP is under two main regulatory bodies, namely
1098 Cooperative Development Authority (CDA) and Insurance Commission (IC). Under Circular letter
1099 2018-36 of the Insurance Commission, we must follow the regulatory orders with regards independent
1100 directors. Mr. Blanco expressed his appreciation for his answered query and moved for the approval of
1101 the proposed amendments to the Articles of Cooperation and By-laws of 1CISP, duly seconded
1102 severally, thus, the following Resolution was adopted, to wit:

1103
1104 **G.A. RESOLUTION NO. 10 S. 2019**
1105

1106 **BE IT RESOLVED, AS IT IS HEREBY RESOLVED,** that 1CISP member-
1107 shareholders approved the proposed amendments to the Articles of
1108 Cooperation and By-laws of 1CISP, as presented,
1109

1110 **BE, AS IT IS HEREBY, APPROVED.**
1111

1112 **XV. APPROVAL OF FIVE-YEAR STRATEGIC PLAN (2019-2023)**
1113

1114 The Five-Year Strategic Plan for 2019 to 2023 was presented in a form of audio video presentation
1115 and its texts were printed on page 84 to 88 in the Annual Report. Chairman Evangelista explained
1116 that it has been the practice of the board and management to review the strategic plans yearly and
1117 revise the strategies based on the operating environment of 1CISP and how it will pursue the goals
1118 set therein.

1119 **1CISP FIVE YEAR STRATEGIC PLAN**
1120

1121 **2019 Strategies**
1122

1123 **Financial Perspective**

	Life		Non-Life	
Asset	2.71B	18% increase	423.57M	9% increase
Premium	944.90M	30% increase	88.00M	20% increase
Net Income	248.90M	27.01% increase	6.20M	463.64% increase

1124
1125 **Internal Business Process Perspective**

- 1126
- 1127 • Strengthen Research and Development Team through Knowledge Management
 - 1128 • Strengthen Brand Positioning
 - 1129 • Implement New Distribution Channel (Koop Insurance Network)
 - 1130 • Intensify 1CISP Investment Group
 - 1131 • Implement new Integrated Management System (IMS)
 - 1132 • Adopt Enterprise Risk Management (ERM) model for 1CISP Business Continuity Plan (BCP)
 - 1133 • Employer branding to become employee's choice

1134 **Customer Perspective**

- 1135
- 1136 • Establish new 1CISP Head Office (green building) and fully operating branch in Davao
 - 1137 • Fully complement 1CISP regional offices
 - 1138 - Region 4 (Lucena or Calapan)
 - 1139 - Region 8 (Tacloban City)
 - 1140 - Region 9 (Zamboanga or Dipolog)
 - 1141 - Region 12 (General Santos City)
 - 1142 • Availability of wide range of selection of risk protection and mitigation solutions
 - 1143 • Provide more accessibility to wide range of selection of risk protection and mitigation solutions
through digital technology (website and IOS/android application)
 - 1144 • Availability of new premium payment facility

- 1145 • Implement newly approved Customer Service (Handling Objections) Manual – include here
- 1146 social media strategies (contents strategy and response strategy)
- 1147 • Design and implement Customer Rewards System
- 1148 • Establish strong partnership with regulators

1149
1150 **Learning and Growth Perspective**

- 1151 • Continuous learning and development of employees and agents through internal and external
- 1152 trainings as well as international trainings.
- 1153 • Continuous capacity building of Board of Directors and Committee members regarding 1CISP
- 1154 business lines.
- 1155 • Continuous capacity building of members during owners’ forum and assembly meetings.
- 1156 • Encourage and empower young leaders to play a role in coop movement through various
- 1157 activities
- 1158 • Educational support to qualified employees thru enrolment in St. Mary’s University of Canada

1159
1160 *Note: Learning and growth is focused on holistic development to ensure optimum productivity (for employees and*

1161 *agents) and high retention.*

1162
1163 **2020 Strategies**

1164
1165 **Financial Perspective**

	Life		Non-Life	
Asset	3.22B	19% increase	464.87M	10% increase
Premium	1.23B	30% increase	105.60M	20% increase
Net Income	324.50M	30.37% increase	7.5M	20.97% increase

1166
1167 **Internal Business Process Perspective**

- 1168 • Preparation for ISO certification
- 1169 • Explore other business lines outside of the core business

1170
1171 **Customer Perspective**

- 1172 • Utilize web application as part of Integrated Management System (IMS) to keep agents and
- 1173 customers updated of insurance applications
- 1174 • Establish fully operating branch in Iloilo
- 1175 • Form merger and alliances domestically

1176
1177 **Learning and Growth Perspective**

- 1178 • Continuous learning and development of employees and agents through internal and external
- 1179 trainings as well as international trainings.
- 1180 • Continuous capacity building of Board of Directors and Committee members regarding 1CISP
- 1181 business lines.
- 1182 • Continuous capacity building of members during owners’ forum and assembly meetings.
- 1183 • Encourage and empower young leaders to play a role in coop movement through various
- 1184 activities

1185
1186 *Note: Learning and growth is focused on holistic development to ensure optimum productivity (for employees and*

1187 *agents) and high retention.*

1188
1189 **2021 Strategies**

1190
1191 **Financial Perspective**

	Life		Non-Life	
Asset	3.89B	21% increase	514.67M	11% increase
Premium	1.60B	30% increase	126.80M	20% increase
Net Income	422.20M	30.11% increase	9.10M	21.33% increase

- 1194 **Internal Business Process Perspective**
- 1195 • Strong investment and asset management group
- 1196 • Be ISO Certified (Actuarial and Reinsurance, Underwriting Department, Claims Department)

1197

1198 **Customer Perspective**

- 1199 • Establish fully operating branch in North Luzon
- 1200 -Baguio Branch and La Union (Satellite Office)
- 1201 • Promote 1CISP as an insurance of choice
- 1202 • Scan opportunities in the ASEAN Market

1203

1204 **Learning and Growth Perspective**

- 1205 • Continuous learning and development of employees and agents through internal and external trainings as well as international trainings.
- 1206 • Continuous capacity building of Board of Directors and Committee members regarding 1CISP business lines.
- 1207 • Continuous capacity building of members during owners' forum and assembly meetings.
- 1208 • Encourage and empower young leaders to play a role in coop movement through various activities

1209

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1213 *Note: Learning and growth is focused on holistic development to ensure optimum productivity (for employees and agents) and high retention.*

1214

1215

1216 **2022 Strategies**

1217

1218 **Financial Perspective**

	Life		Non-Life	
Asset	4.73B	22% increase	575.46M	12% increase
Premium	2.08B	30% increase	152.20M	20% increase
Net Income	549.10M	30.06% increase	11.00M	20.88% increase

- 1219
- 1220 **Internal Business Process Perspective**
- 1221 • Be ISO Certified (other departments)

1222

1223 **Customer Perspective**

- 1224 • Establish fully operating branch in South Luzon
- 1225 • 1CISP is recognized as financially sustainable insurance cooperative
- 1226 • Form alliances in the ASEAN Market

1227

1228 **Learning and Growth Perspective**

- 1229 • Continuous learning and development of employees and agents through internal and external trainings as well as international trainings.
- 1230 • Continuous capacity building of Board of Directors and Committee members regarding 1CISP business lines.
- 1231 • Continuous capacity building of members during owners' forum and assembly meetings.
- 1232 • Encourage and empower young leaders to play a role in coop movement through various activities

1233

1234

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1236

1237 *Note: Learning and growth is focused on holistic development to ensure optimum productivity (for employees and agents) and high retention.*

1238

1239

1240 **2023 Strategies**

1241

1242 **Financial Perspective**

	Life		Non-Life	
Asset	5.80B	23% increase	647.81M	13% increase
Premium	2.70B	30% increase	182.70M	20% increase
Net Income	714.20M	30.07% increase	13.60M	23.67% increase

1243 **Internal Business Process Perspective**

- 1244 • Be ISO Certified (Non-Life Division and 1CISP CDO Branch)

1245

1246 **Customer Perspective**

- 1247 • Form partnerships in the ASEAN Market

1248

1249 **Learning and Growth Perspective**

- 1250 • Continuous learning and development of employees and agents through internal and external
1251 trainings as well as international trainings.
1252 • Continuous capacity building of Board of Directors and Committee members regarding 1CISP
1253 business lines.
1254 • Continuous capacity building of members during owners' forum and assembly meetings.
1255 • Encourage and empower young leaders to play a role in coop movement through various
1256 activities

1257

1258 *Note: Learning and growth is focused on holistic development to ensure optimum productivity (for employees and*
1259 *agents) and high retention.*

1260

1261 **Questions and Discussions:**

1262 Fr. Anton Pascual of Simbayanan ni Maria MPC asked the status of 1CISP and CLIMBS proposed
1263 merger. Chairperson Evangelista responded by saying that 1CISP is very positive in merging with
1264 CLIMBS. The Board even created a Merger Committee. 1CISP is very willing to continue talks with the
1265 possible merger with CLIMBS.

1266

1267 Thereafter, Ms. Amelita Lachica of Zamboanga Social Welfare Devt. MPC moved for the approval of
1268 the Five-Year Strategic Plan, duly seconded severally. With no further questions, the Assembly
1269 unanimously approved the Five-Year Strategic Plan for 2019 to 2023, thus, the following Resolution
1270 was adopted, to wit:

1271

G.A. RESOLUTION NO. 11 S. 2019

1272

1273 **BE IT RESOLVED, AS IT IS HEREBY RESOLVED,** that the Five Year
1274 Strategic Plan for year 2019 to 2023 of 1 Cooperative Insurance System of the
1275 Philippines Life and General Insurance (1CISP), as presented and discussed,

1276

1277 **BE, AS IT IS HEREBY, APPROVED**

1278

1279 **XVI. PRESENTATION OF ELECTION GUIDELINES**

1280

1281 Mr. Danilo M. Capili, Chairperson of the Election Committee (ELECOM), informed the general
1282 assembly that they will be voting for three (3) Board of Directors, one (1) Election Committee
1283 member and one (1) Audit Committee member. In compliance with the by-laws, the candidates
1284 must be physically present to qualify. Due to this requirement, Mr. Capili called on the candidates
1285 and confirmed their presence. Also, Mr. Capili clarified that the casting of votes will be in a
1286 "corporate cumulative" voting manner. For the Board Directorship, the elected candidates will serve
1287 for two (2) years until 2021.

1288

1289 Candidates for the Board Directorship:

- 1290 1. Ms. Veronica Large of Xavier University Community Credit Cooperative (XUCCCO)
1291 2. Mr. Nestor Ortigoza of King MPC
1292 3. Fr. Anton Pascual of Simbayanan ni Maria MPC
1293 4. Engr. Raymond Salvador of San Dionisio Credit Cooperative

1294

1295 Candidates for Election Committee membership:

- 1296 1. Frederico Blanco of San Francisco Growth Enhancement MPC (SAFRAGEMC)

1297

1298 Candidates for Audit Committee membership:

- 1299 1. Marites Bartolome of Mariveles Public Market Development Cooperative

1300

1301 All candidates were present and their campaign videos were presented to the General Assembly.

1302

1303 Accordingly, Mr. Frederico Blanco of San Francisco Government Employees MPC moved to
1304 dispense the reading of the election guidelines, which was severally seconded. No question or
1305 objection was raised therein, thus, the assembly unanimously adopted the following Resolution, to
1306 wit:

1307

G.A. RESOLUTION NO. 12 S. 2019

1308

BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that 1CISP member-
1310 shareholders approved presentation of election guidelines, as presented,

1311

BE, AS IT IS HEREBY, APPROVED.

1312

1313

XVII. ELECTION OF BOARD OF DIRECTORS AND COMMITTEE MEMBERS

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1315

Mr. Capili announced the election for the following vacant positions:

1317

- 3 Regular Members of the Board of Directors
- 1 Members of the Election Committee
- 1 Members of the Audit and Inventory Committee

1318

1319

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1321

For Regular Members of the Board of Directors:

Name	Cooperative/Organization Represented
1. Veronica Large	Xavier University Community Credit Cooperative (XUCCCO)
2. Nestor Ortigoza	King MPC
3. Anton Pascual	Simbayanan ni Maria MPC
4. Raymond Salvador	San Dionisio Credit Cooperative

1322

1323

For Members of the Election Committee:

Name	Cooperative/Organization Represented
1. Frederico Blanco	San Francisco Growth Enhancement MPC (SAFRAGEMC)

1324

1325

For Members of the Audit and Inventory Committee:

Name	Cooperative/Organization Represented
1. Marites Bartolome	Mariveles Public Market Development Cooperative

1326

XVIII. ANNOUNCEMENT OF ELECTION RESULT BY THE ELECOM

1327

1328

1329

After an hour, the ELECOM announced and the result of the election, as follows:

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1331

Regular Members of the Board of Directors

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1333

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1336

1. Nestor D. Ortigoza	4,139,474
2. Engr. Raymond Joseph L. Salvador	3,521,595
3. Fr. Antonio CT Pascual	2,603,737
4. Maria Veronica I. Large	142,067

1337

Regular Members of the Election Committee

1338

1339

1. Frederico A. Blanco	10,406,873
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1340

Regular Members of the Audit & Inventory

1341

1342

1. Marites M. Bartolome	10,406,873
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1343

1344

1345

Therefore, based on the foregoing the following are hereby declared winners and will assume their
1344 post as **REGULAR MEMBERS OF THE BOARD OF DIRECTORS** for a period of two (2) years,
1345 to wit:

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1347

1348

1349

1. Nestor D. Ortigoza
2. Engr. Raymond Joseph L. Salvador
3. Fr. Antonio CT. Pascual

1350 Therefore, based on the foregoing the following are hereby declared winners and will assume their
1351 post as **REGULAR MEMBERS OF THE ELECTION COMMITTEE**, to wit:

- 1352
1353 • **Frederico A. Blanco**

1354
1355 Therefore, based on the foregoing the following are hereby declared winners and will assume their
1356 post as **REGULAR MEMBERS OF THE AUDIT & INVENTORY**, to wit:

- 1357
1358 • **Marites M. Bartolome**

1359
1360 After the proclamation of winners, Mr. Capili turned over the floor to Chairman Evangelista.

1361
1362 **XIX. NEW BUSINESS**

1363
1364 Chairperson Evangelista asked Atty. Manzanares if there are unfinished or new business.

1365
1366 Atty. Manzanares confirmed that there is only one additional business to be discussed by President
1367 Roy S. Miclat regarding the Joint Communique of 1CISP and NATCCO.

1368
1369 Mr. Roy S. Miclat solicited a motion to authorize the Board and Management of 1CISP to start
1370 exploratory talks with NATCCO on possible consolidation efforts or any business undertaking.

1371
1372 Accordingly, Ms. Amelita Lachica of Zamboanga Social Welfare Devt. MPC moved for the approval
1373 of the 1CISP - NATCCO Consolidation talks which was severally seconded. No question or
1374 objection was raised therein, thus, the assembly unanimously adopted the following Resolution, to
1375 wit:

1376 **G.A. RESOLUTION NO. 13 S. 2019**

1377
1378 **BE IT RESOLVED, AS IT IS HEREBY RESOLVED**, that 1CISP member-
1379 shareholders approved the Board and Management to start consolidation
1380 talks with NATCCO,

1381
1382 **BE, AS IT IS HEREBY, APPROVED.**

1383
1384 **XX. ADJOURNMENT**

1385
1386 With no other matters to be discussed, the assembly meeting was adjourned at 2:01 p.m.

1387
1388
1389 Certified True and Correct:
1390
1391 
1392 **ATTY. LYMAN A. MANZANARES**
1393 Co-operative Secretary

1394 Attested:
1395
1396 
1397 **BGEN. TEODORO P. EVANGELISTA (RET)**
1398 Chairperson