

**PHILIPPINE LIFE FINANCIAL ASSURANCE CORPORATION**  
**MINUTES OF THE EXECUTIVE COMMITTEE MEETING**  
**29 November 2021**

*Conducted through Remote Communication via Zoom  
due to Covid-19 Pandemic*

**Present:** MVJacob EHTanco  
JLTanco

**Also Present:** MLAmbagan YMBautista OCKho LFFadri

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**I. Call to Order**

The Chairman, Monico V. Jacob, called the meeting to order and presided over the same. The Corporate Secretary, Atty. Arsenio C. Cabrera, Jr., recorded the minutes of the proceedings.

**II. Certification of Notice and Quorum**

The Corporate Secretary certified that the notices of the meeting were sent to the Executive Committee. Thereafter, the Corporate Secretary conducted a roll call of the Executive Committee members present.

All Executive Committee members attended the meeting through remote communication via Zoom. The Executive Committee members confirmed that they could completely and clearly hear each other. They likewise confirmed receipt of the agenda and all of the materials for the meeting.

After the roll call and foregoing confirmations, the Assistant Corporate Secretary, thereafter, certified as to the existence of quorum for the valid transaction of business.

**III. Approval of 14 May 2021 Minutes**

Upon motion made and duly seconded, the minutes of the meeting of the Executive Committee on 14 May 2021 were unanimously approved.

**IV. Finance**

- ❖ MLAmbagan presented the snapshot of the YTD results of operations as of October 2021:

*Amount in Php* [REDACTED]

PERIOD	Oct - 21	Oct- 20	INC (DEC)	%
<b>Income from Insurance Business</b>	[REDACTED]			
Net Written Premium				
Underwriting Expenses				
<b>Underwriting Income (Loss)</b>				
Assumed interest income attributable to reserves				
<b>Underwriting Income (Loss) after interest income</b>				

PERIOD	Oct - 21	Oct- 20	INC (DEC)	%
<b>Income from Loan Business</b>				
Revenue on Loan Business				
Costs of Loan Business				
<b>Net Income from Loan Business</b>				
<b>Total Operating Expenses</b>				
<b>Income from Operations</b>				
<b>Income from Other Investments</b>				
<b>EBITDA</b>				
Interest Expense				
Depreciation Expense				
Provision for DTA				
<b>Net Income (Loss)</b>				

- ❖ MLAmabagan noted that there had been an increase in claims and that said increase could be attributed to a spike in the number of death claims.
- ❖ MLAmbagan noted that the Corporation had incurred an underwriting loss for the first time.
- ❖ MLAmbagan stated that the net loss of the Corporation stood at [REDACTED] as of October 2021.
- ❖ In response to the query of EHTanco, MLAmbagan stated that the loss ratio stood at [REDACTED].
- ❖ EHTanco stated that the Corporation should adjust premiums if the expected loss ratio of a client is high.
- ❖ MLAmbagan stated that the increase in loan business was substantial for 2021. She noted that the Corporation was planning to sell receivables amounting to approximately [REDACTED] in December 2021.
- ❖ MLAmbagan presented the following projected year end computation of the Corporation's net worth:

<b>Net Worth as of October 2021</b>	
Estimated Net Income – Nov. to Dec. 2021 (actual)	
Effect of 4Q discount rate on reserves- OCI	
<b>Estimated Net worth as of December 2021</b>	
Less: Non-Admitted Assets	
Salary Loans-DepEd	
Salary Loans-SLI	
Unlisted Shares of Stock- Riviera	
Other Receivables	
Non-IT Fixed assets	
Deposit & Prepayments	
Investment in AAMI	
Deferred Tax	
<b>Total Non-Admitted Assets</b>	
<b>Net Worth, net of non-admitted assets</b>	
Sell excess salary loans	
<b>Estimated Net Worth, 2021</b>	

Minimum Net Worth Requirement 2021	
Net Worth Surplus	

V. 2022 Operating Plan

- ❖ MLambagan presented the significant assumptions and highlights for the 2022 operating plan as follows:

Assumptions	Details																																					
Insurance Business	<ul style="list-style-type: none"> <li>▪ FY Revenue for Group: [REDACTED]</li> <li>▪ GCBP: [REDACTED]</li> <li>▪ Renewal Rate: [REDACTED]</li> </ul>																																					
Loans Business	<table border="1"> <thead> <tr> <th></th> <th>2022</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td>Loan Volume</td> <td>[REDACTED]</td> <td>[REDACTED]</td> </tr> <tr> <td>Estimated Sale</td> <td>[REDACTED]</td> <td>[REDACTED]</td> </tr> <tr> <td>Discount Rate</td> <td>[REDACTED]</td> <td>[REDACTED]</td> </tr> </tbody> </table> <p>No significant disruptions/movement restrictions in 2022</p>			2022	2021	Loan Volume	[REDACTED]	[REDACTED]	Estimated Sale	[REDACTED]	[REDACTED]	Discount Rate	[REDACTED]	[REDACTED]																								
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- ❖ MLambagan presented the following snapshot of the 2022 operating plan:



Amounts in Php	OP	EA	Variance	
	2022	2021	Amount	%
<b>Income from Insurance Business</b>				
Net Written Premium				
Underwriting Expenses				
<b>Underwriting Income</b>				
<b>Income from Loan Business</b>				
Revenue on Loan Business				
Costs of Loan Business				
<b>Net Income from Loan Business</b>				
Total Operating Expenses				
<b>Income from Operations</b>				
Income from Other Investments				
<b>EBITDA</b>				
Interest Expense				
Depreciation Expense				
Provision for Income Tax				
<b>Net Income</b>				

- ❖ The Executive Committee approved the operating plan and requested management to present the 2022 operating plan to the Board of Directors for approval during the next Board meeting.

**VI. Adjournment**

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

  
**ARSENIO C. CABRERA, JR.**  
*Corporate Secretary*

**ATTEST:**

  
**MONICO V. JACOB**  
*Chairman*

  
**EUSEBIO H. TANCO**  
*Member*

  
**JOSEPH AUGUSTIN L. TANCO**  
*Member*