# MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF PHILPLANS FIRST, INC.

Held on 17 September 2021 via Zoom

#### **PRESENT:**

MONICO V. JACOB
EUSEBIO H. TANCO
JOSEPH AUGUSTIN L. TANCO
MARTIN K. TANCO
ESTER T. GABALDON
MARIA VANESSA ROSE TANCO
PAOLO MARTIN O. BAUTISTA
JUAN KEVIN G. BELMONTE
JOHNIP G. CUA
JOSE F. BUENAVENTURA

#### **ALSO PRESENT:**

YOLANDA M. BAUTISTA VICTOR C. TAN RONALD BAUTISTA ARSENIO C. CABRERA, JR. AMOR ROSELLE S. HERRERA

#### ABSENT:

RAINERIO M. BORJA

\_\_\_\_\_

#### I. CALL TO ORDER

The Chairman, Mr. Joseph Augustin L. Tanco, called the meeting to order and presided over the same. The Corporate Secretary, Atty. Arsenio C. Cabrera, Jr., recorded the minutes of the meeting.

#### II. CERTIFICATION OF NOTICE AND QUORUM

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

The meeting was conducted through remote communication pursuant to Section 52 of the Revised Corporation Code of the Philippines which authorizes that directors who cannot physically attend or vote at board meetings can participate and vote through remote communication such as videoconferencing, teleconferencing, or other alternative modes of communication that allow them reasonable opportunities to participate.

All directors attended the meeting through remote communication via Zoom. The directors 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.

# III. <u>LIABILITY MANAGEMENT PROGRAM</u>

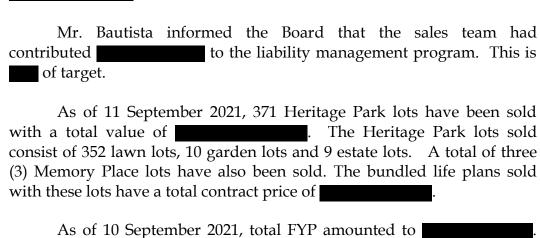
Mr. Ronald Bautista updated the Board on the status of the liability management program. As of 14 September 2021, availment amounted to \_\_\_\_\_\_. This represents an accomplishment rate of \_\_\_\_\_\_. January, March and July have been the strongest months for the liability management program. The current liability management program will end on 30 September 2021.

Mr. Bautista informed the Board that management would present suggestions regarding the extension of the liability management program for the fourth quarter of 2021.

In connection with the foregoing, Mr. Eusebio Tanco informed the Board that the Corporation has been buying back its liabilities at a discount. To fund the buyback of the liabilities, Mr. Tanco said that the Corporation has been liquidating its fixed income assets due to the low interest rates. He said that it not the best time to liquidate equities. The Corporation is also trying to liquidate its service assets including Heritage Park memorial lots and the former JASMS property. It hopes to generate from the sale of the service assets.

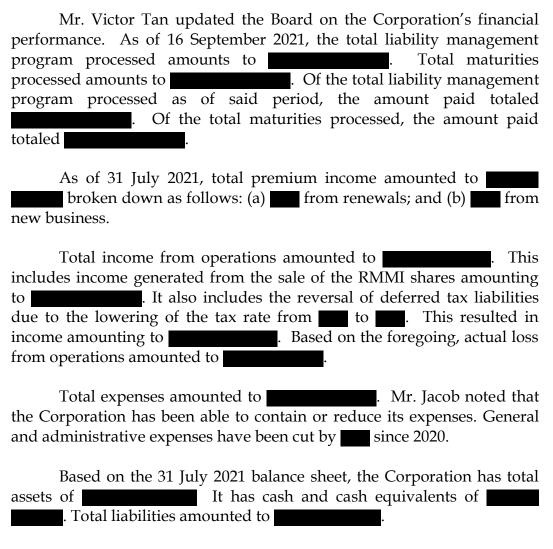
Mr. Jacob informed the Board that management has also been following up with the Insurance Commission regarding certain matters and is scheduled to have a meeting with the Insurance Commission. The Corporation has agreed not to set up a separate trust fund. For pre-need plans sold on installment basis, the Insurance Commission has also agreed that the entire purchase price should be considered paid.

### IV. SALES UPDATE



This is of the year-to-date target. There is pending FYP of

## V. <u>FINANCIAL UPDATE</u>



Mr. Tan also updated the Board on the adequacy of the trust fund as of 31 July 2021, as shown in the table below.

	UN-AUDITED	AUDITED
	July 31, 2021	Dec. 31, 2020
Trust Fund		
ARL		
Surplus / (Deficiency)		
Plan Benefit Payable		
Surplus / (Deficiency)		
VOLUNTARY TRUST FUND (VTF)		
PPFI		
Landbank - net of DTL		
Surplus / (Deficiency)		

The computation above does not include values deemed breaches by the Insurance Commission.

In response to queries of the Board, Mr. Tanco noted that the Corporation would not be able to earn from equities under current market conditions. Mr. Tanco noted that the priority would be to contain the Corporation's liabilities. Mr. Tanco also suggested a change in the pricing policies of the pre-need plans and a relaunch of the products. Mr. Tanco and Mr. Jacob informed the Board that the Corporation has taken a conservative approach.

#### VI. **ADJOURNMENT**

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

> ARSENIO CABRERA, JR. Corporate Secretary

ATTEST:

MONICO V. JACOB Director

**EUSEBIO H. TANCO** Director

JOSEPH AUGUSTIN L. TANCO

Director

**MARTIN K. TANCO** Director

ESTER T. GABALDON

Director

MARIA VANESSA ROSE TANCO Director

PAOLO MARTIN O. BAUTISTA

Director

**JUAN KEVIN G. BELMONTE** Director

JOHNIP G. CUA

Director

**JOSE F. BUENAVENTURA** Director