

FINANCE AND RISK OVERSIGHT COMMITTEE

(formerly Risk Oversight Committee)

Major Initiatives and Accomplishments for 2022

The Finance and Risk Oversight Committee convened seven (7) meetings in 2022. Its major initiatives and accomplishments for the year are as follows:

A. Discussed and endorsed to the Governing Board for approval/consideration the following:

1. December 2021 Financial Statements (1st Closing)
2. Allowance for Credit Losses/Loan Loss Provisioning as of December 31, 2021
1. Recognition of Cross Default
2. Corporate Operating Budget for 2023
3. Policy Adjustments on the Loan Floor Amounts and Post-Dated Check Requirement Under SBCorp's Retail Loan Products
4. SB Corporation 2022-2025 Loan Portfolio Plan and 2022 Corporate Operating Budget (COB)
5. SB Corporation P3 Wholesale Lending Interest Rate from Conduit/MFIs to End Borrowers
6. Presentation of the Php191 Million P3 Mobilization Fund Breakdown
7. Definition of Terms, Pricing and Repayment Term Policies for Loan Restructuring, for Loan Remediation and for Compromise Agreement under RETAIL LENDING and for ROPA Installment Sales
8. Financial Statements as of June 2022
9. Wholesale Lending Portfolio Catch up Plan with Policy Recommendations
10. Interest Rate and Penalties for Enterprise Rehabilitation Facility (ERF) Accounts under Compromise Agreement
11. Strategic Solutions on How to Address Fraudulent Accounts Discussion
12. Financial Statement as of September 2022
13. Amendment of loan drawdown policy under P3 and Regular Microfinance Wholesale Program
14. Policy on release of collaterals of existing borrowers with outstanding balance under collateral-free loan program/facility
15. Approving authority on Foreclosure Bid Price
16. Adoption of Risk Control Self-Assessment (RCSA) in the Development/Enhancement of Risk Opportunities Register (ROR)
17. Waiver of Penalty relative to disposal of Davao Area Marketing Cooperative, Inc. (DAMCO, Inc.) in favor of Gravity Irrigators Sustainable Agricultural
18. Financial Statements as of October 2022
19. Write-off Policy
20. Interest rates and Penalties for Enterprise Rehabilitation Facility (ERF) Accounts under Compromise Agreement and Loan Restructuring

B. Discussed and noted the following:

1. Review and Analysis of the 2021 Loan Loss Provisioning Budget
2. Ad Hoc Team's report on the status of the investigation on complaints against Ms. Reyell Viado
3. Instructions on Handling of Aged Past Due Accounts
4. SBCorp Regular Retail Lending Interest Rates' alignment with RISE UP Program Interest Rates
5. SBCorp's Loan Restructuring Interest Rates
6. SBCorp's Financial Dashboard
7. Presentation of Progress of Account Management System
8. Repayment Term for Loan Restructuring Under Board-approved Interest Rates
9. Update on Legal Action Against KASAPI Microfinance and Rural Development Inc.
10. Presentation of the Retained Earnings before Unrealized Losses on the 2022 Corporate Operation Budget
11. Presentation of the Itemized Breakdown of the P20.690M Variance/increase in the Information Technology Operational Cost
12. Updates on the PDC Warehousing Offered by the Land Bank of the Philippines
13. Updates on the Legal Action Against KASAPI Microfinance and Rural Development Inc.
14. Hiring of Ms. Jean Rose Lim under COS (JG 13-equivalent) under the Enterprise Risk Management Group
15. Liquidation Policies of Loan Releases under Wholesale Lending
16. Loan Collection Policy recommendations
17. Status of Accounts Written-off
18. Updates on Collection Agencies
19. Guidelines on Risk Events Reporting
20. Policy and Procedure for Handling Past Due Accounts More Than 30 Days by Legal Services Group