



Republic of the Philippines
DEPARTMENT OF LABOR AND EMPLOYMENT
EMPLOYEES' COMPENSATION COMMISSION
ECC Building, 355 Sen. Gil J. Puyat Avenue, City of Makati

Tel. No. 899-4251 • Fax. No. 897-7597 • E-mail: ecc_mails@yahoo.com • Website: <http://www.ecc.gov.ph>

**EXERPTS FROM THE MINUTES OF
THE SECOND (2nd) REGULAR COMMISSION MEETING,
EMPLOYEES' COMPENSATION COMMISSION, SERIES OF 2015,
Ichikawa Hall, Occupational Safety and Health Center, North Avenue cor. Agham Road,
Diliman, Quezon City on Friday, 27 February 2015 at 8:00 A.M.**

BOARD RESOLUTION NO. 15-02-11

**Adopting the SSS "Guidelines for Stop-Loss/Cut-Loss Program" for ECC
Investments**

WHEREAS, Article 178 of P.D. No. 626, as amended, partly provides:

"ART. 178. Management of Funds.- All revenues collected by the System under this Title shall be deposited, invested, administered and disbursed in the same manner and under the same conditions, requirements and safeguards as provided by Republic Act numbered eleven hundred sixty-one, as amended, and Commonwealth Act number one hundred eighty-six, as amended..."

WHEREAS, in relation to the said provision, Art. 179 of P.D. No. 626, as amended, partly reads:

*"ART. 179. Investment of funds. - xxx All amounts accruing to the State Insurance Fund, which is hereby established in the SSS and GSIS, respectively, shall be deposited with any authorized depository bank approved by the Commission, or invested with due and prudent regard for the liquidity needs of the System."
(As amended by Sec. 4, P.D. 1368)*

WHEREAS, on the basis of the said provisions, the investment of the SIF shall be governed by the respective charters of both Systems with the limitation that the SIF should be "invested with the due and prudent regard for the liquidity needs of the System";

WHEREAS, the ECC Board approved ECC Board Resolution No. 14-10-43 dated 15 October 2014 authorizing the SSS to expand the investment portfolio of the SIF to include domestic equities and fixed income securities;

WHEREAS, the SSS adopted a “Guidelines for Stop-Loss/Cut-Loss Program (Selling at a Loss) in case of cut-loss threshold breaches in the Held for Trading (HFT) and Available for Sale (AFS) stocks of investee companies”;

WHEREAS, the Stop-Loss/Cut-Loss Program of SSS is a “disciplined/ programmed divestment of losing stocks triggered by certain conditions (i.e. cut loss level among others) until all subject shares have been fully divested for the primary purpose of limiting losses to the Equities Portfolio”;

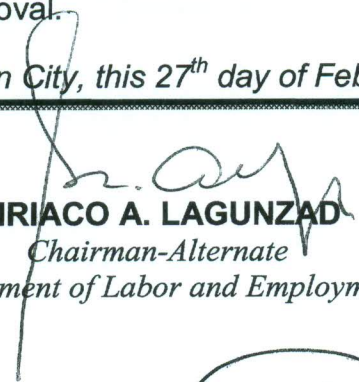
WHEREAS, the Commission finds the need to also adopt a similar guideline in protecting the investments from the EC SIF;


NOW, THEREFORE, ON MOTION DULY MADE AND SECONDED;

The Commission **RESOLVES** as it hereby **RESOLVED** to authorize the SSS to adopt and apply the Stop-Loss/Cut-Loss Program (Selling at a Loss) of SSS for ECC investments;

RESOLVED FURTHER that a copy of this resolution be furnished to the SSS for information and approval.

APPROVED in Quezon City, this 27th day of February 2015.


CIRIACO A. LAGUNZAD
Chairman-Alternate
Department of Labor and Employment


BRENDA P. VIOLA
Member-Designate
Social Security System


DIONISIO C. EBDANE, JR
Member-Designate
Government Service Insurance System


CARLITO P. ROBLE
Member
Employees' Sector


MIGUEL B. VARELA
Member
Employers' Sector



