



Republic of the Philippines
Department of Finance
INSURANCE COMMISSION
1071 United Nations Avenue, Manila



27 June 2025

MR. GILBERT T. SADSAD
President
Philippine Public School Teachers Association
245 Banawe St., Quezon City

SUBJECT: **Appointment of Independent Trustees in the Board of Philippine Public School Teachers Association (PPSTA)**

Dear Mr. Sadsad:

This refers to your letter dated 15 January 2025 requesting clarification on whether or not the selection process of independent trustees of PPSTA can be left to the discretion of the regular members of PPSTA Board since the association is no longer under conservatorship, and to your follow-up letter dated 02 March 2025.

As mentioned in the first letter, Article 6, Section 7 of PPSTA's By-Laws which was amended in 2021 during the conservatorship provides:

"x x x

Likewise, the Board of Trustees from Luzon, Visayas, and Mindanao shall each elect at least three (3) personalities respectively from whom the Insurance Commission may choose and/or appoint one (1) for each island as Independent Trustees. Provided that these Independent Trustees are composed of: one (1) lawyer, one (1) Certified Public Accountant, and one (1) retiree of the Department of Education.

x' x x."

This Commission notes that PPSTA was already released from conservatorship three (3) years ago, and it also recognizes the capacity of the current members through the

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General Assembly to select and elect competent trustees who will oversee the affairs of the association.

However, based on the records of this Commission, the amendment of the By-Laws of PPSTA was one of the conditions for the lifting of the conservatorship status of the association, and made to consider the previous condition of the Association and to ensure the protection of its members

In addition, in the case of Peña vs. Court of Appeals (GR No. 91478, February 7, 1991) the Honorable Supreme Court recognized the required compliance with the bylaws of a corporation, to wit:

*"The by-laws of a corporation are its own private laws which substantially have the same effect as the laws of the corporation. They are in effect, written, into the charter. **In this sense they become part of the fundamental law of the corporation with which the corporation and its directors and officers must comply.**"*

In view of the foregoing, and in the absence of any other compelling reason not to implement the provision of the PPSTA's bylaws, this Commission hereby upholds its participation in the appointment of the independent trustees pursuant to the existing bylaws of the association.

In line with this and after careful evaluation of the academic background, work experiences and the ability to provide the necessary attention and assistance to the Association while taking into consideration their current work responsibilities and commitments, this Commission hereby appoints the following nominees as the new independent directors of PPSTA:

	Name of Nominee	Category
Luzon	Atty. Suzette Tagal Gannaban-Medina	Lawyer
Visayas	Luisa Bautista-Yu	DepEd Retiree
Mindanao	Ms. Rodolyn Andres	Certified Public Accountant

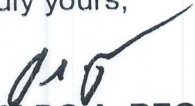
Further, to properly preserve the independence of the association in managing its business dealings, you are hereby directed to process the amendment of the By-laws of PPSTA to remove from the Commission the authority to select or appoint the independent directors of the Association.

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Please reminded also that the amendment must be compliant with this Commission's existing Circular Letter on good governance.

For your information and appropriate action.

Very truly yours,


REYNALDO A. REGALADO
Insurance Commissioner

