PAGASA NG PINOY
MUTUAL BENEFIT ASSOCIATION, INC.

MINUTES OF THE REGULAR SECOND QUARTER MEETING OF THE BOARD OF TRUSTEES OF PAGASA NG PINOY MUTUAL BENEFIT ASSOCIATION, INC. HELD ON 10 JULY 2026 AT COCOON BOUTIQUE HOTEL[1] AND *VIA* VIDEOCONFERENCE

Trustees personally present:

Jonnette C. Almanzar
Eufrecina T. De Jesus
Ricardo P. Lirio
Reena Concepcion G. Obillo
Joan D. Madriaga
Remedios Aquino
Jocelyn S. Pavia
Rossana G. Gibaga
Dennis L. Pascua
Richard G. Forcado, Jr.

Trustees present *via* videoconference:

Ramona G. Villafranca
Herwinjen C. Azucena
Salvacion Macapaar

Also Present:

Atty. Jose Paolo I. Brillantes – Corporate Secretary
Melanie Fularon
Rowena Masing

CALL TO ORDER / QUORUM: The President, Ms. Jonnette C. Almanzar, called the meeting to order and presided over the same as the Chairman. Atty. Jose Paolo I. Brillantes, the Corporate Secretary, recorded the minutes of the meeting.

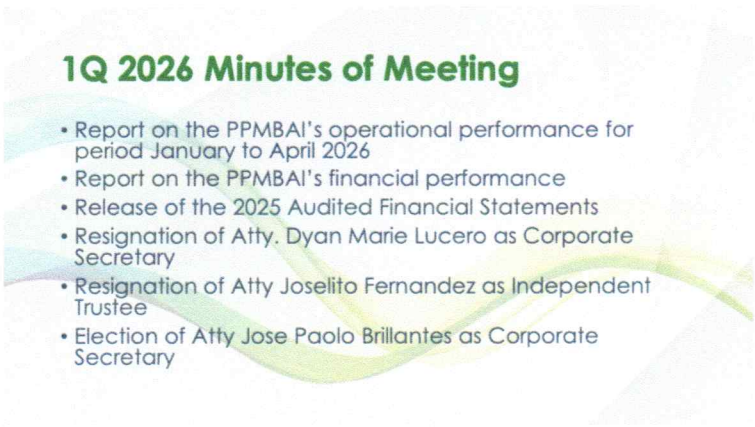
Upon request, Atty. Brillantes certified on the presence of majority of the members of the Board of Trustees of the Corporation thereby constituting a quorum for the transaction of business. Trustees who attended via videoconference declared their location, the device they were using and the fact that they can see and hear the meeting clearly.

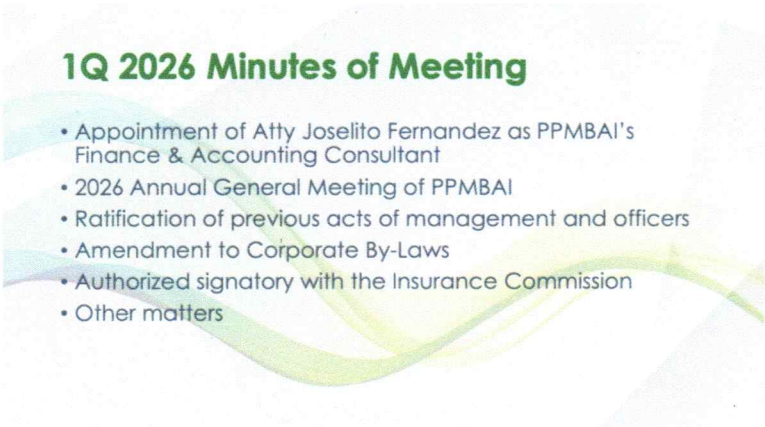
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[1] No. 61 Sct. Tobias cor. Sct. Rallos Sts., Brgy. Laging Handa, Quezon City.

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APPROVAL OF THE MINUTES OF THE FIRST QUARTER 2026 BOARD MEETING: The Chairman presented to the Board the Minutes of the 1st Quarter 2026 Regular Board Meeting held last 15 May 2026 wherein the following matters were taken and/or approved:





After several discussions, and upon motion duly made and seconded, the following resolution was unanimously approved and adopted:

Board Resolution No. 2026-0710-010-BA

*"**RESOLVED, as it is hereby resolved**, that the Minutes of the First Quarter Regular Meeting of the Board of Trustees of **Pagasa ng Pinoy Mutual Benefit Association, Inc.** ("Corporation") held last 15 May 2026 is hereby approved."*

PROPOSED AMENDMENTS TO THE ARTICLES OF INCORPORATION AND BY-LAWS OF THE CORPORATION: The Chairman presented to the Board the proposed amendments to the Articles of Incorporation ("AOI") and By-Laws ("BL") as follows:

Articles of Incorporation

Articles of Incorporation of PPMBAI	Proposed Revision
SECOND. That the purpose for which such association is formed are: a. To extend financial assistance to its members, spouse, children and parent in the form of death benefits, total and permanent disability (TPD), sickness benefits, retirement savings and loan redemption assistance (credit life); b. To ensure continued access to benefits/resources by actively involving the members in the management of the association that will include implementation of policies and procedures geared towards sustainability and improved services; and c. To ensure compliance with administrative and regulatory issuances, rulings and directives by professionalizing the association, management, research and development, and technical services operations.	SECOND. That the purpose for which such association is formed are: a. To extend financial assistance to its members, their spouses, children and parents, in the form of death benefits, total and permanent disability benefits, sickness benefits, retirement benefits and loan redemption assistance (credit life), as applicable; b. To ensure continued access of the members to benefits/resources by actively involving them in the management of the association that will include implementation of policies and procedures geared towards sustainability, improved microinsurance MBA services, and ultimately, helping the members be alleviated from their current financial state; and c. To ensure compliance with legal, financial, administrative and regulatory issuances, rulings and directives of the Insurance Commission, Securities and Exchange Commission and such other necessary government agencies

As regards the proposed amendment to sub-paragraph (a) of the Second Article of the AOI, Ms. Obillo suggested that the word "spouses" be changed instead to "spouse" to clearly indicate that the said term shall refer only to one "spouse" of each member.

By-Laws (Art II, Objective)

By-Laws of PPMBAI (Article II, Objectives)	Proposed Revision
Section 1. – Objectives. – The purpose for which such association is formed are: a. To extend financial assistance to its members, spouse, children and parent in the form of death benefits, total and permanent disability (TPD), sickness benefits, retirement savings and loan redemption assistance (credit life); b. To ensure continued access to benefits/resources by actively involving the members in the management of the association that will include implementation of policies and procedures geared towards sustainability and improved services; and c. To ensure compliance with administrative and regulatory issuances, rulings and directives by professionalizing the association, management, research and development, and technical services operations. d. In the event of dissolution, the assets of the corporation shall be transferred to similar institutions or to the government.	Section 1. – Objectives. – The purpose for which such association is formed are: a. To extend financial assistance to its members, their spouses, children and parents, in the form of death benefits, total and permanent disability benefits, sickness benefits, retirement benefits and loan redemption assistance (credit life), as applicable; b. To ensure continued access of the members to benefits/resources by actively involving them in the management of the association that will include implementation of policies and procedures geared towards sustainability, improved microinsurance MBA services, and ultimately, helping the members be alleviated from their current financial state; and c. To ensure compliance with legal, financial, administrative and regulatory issuances, rulings and directives of the Insurance Commission, Securities and Exchange Commission and such other necessary government agencies. d. In the event of dissolution, the assets of the corporation shall be transferred to similar institutions or to the government.

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By-Laws (Art III, Membership)

By-Laws of PPMBAI (Article III, Membership)	Proposed Revision
Section 1. Qualifications. a. Applicants must be at least eighteen (18) years old but not more than seventy (70) years old as of the enrollment date; and b. The applicant must be an active member of Pagasa Philippines Finance Corporation (PPFC) or Pagasa ng Masang Pinoy Microfinance, Inc. (PMPMI); or a staff, employee or otherwise personnel of PPFC, or PMPMI or PPMBAI or other organized groups duly accredited thereof.	Section 1. Qualifications for, and Classification of, Membership. a. Members shall be Filipinos, at least eighteen (18) years of age at the time of enrollment and shall possess all qualifications as shall be determined by the Board of Trustees. b. Membership in the Association shall be classified as either Voting or Non-Voting. Voting Members include: b.1. Members whose businesses are funded by a loan from the association or any of the latter's accredited partners; and b.2. Officers, employees, or staff of the association. All other members not falling within the above criteria are Non-Voting.

By-Laws of PPMBAI (Article III, Membership)	Proposed Revision
Section 7. Disqualifications. a. A member whose membership has been terminated due to various reasons, and/or has resigned from membership with PPFC or PMPMI or any of its affiliates, shall also be disqualified from being a member of PPMBAI. b. SUSPENSION, EXPULSION AND TERMINATION OF MEMBERSHIP. Suspension, expulsion and termination of membership shall be in accordance with the rules and regulations of the association. Any member of the association may file charges against a member by filling a written complaint with the Secretary of the association. The Board of Trustees shall call a special meeting to consider the charges. The affirmative vote of majority of all the trustees shall be necessary to suspend a member; provided that where the penalty is expulsion, the affirmative vote of majority of all members of the association shall be necessary.	Section 7. Suspension, Expulsion and Termination of Membership. – Suspension, expulsion and termination of membership, shall be in accordance with the rules and regulations of the association.

By-Laws (Art IV, Meetings)

By-Laws of PPMBAI (Article IV, Meetings)	Proposed Revision
Section 1. Annual Meetings. – The annual meetings of the members shall be held on such time, place, and date as may be declared by the Board of Trustees on 13th day May of each year. The President shall render his annual report to the members regarding the activities of the association. The election of trustees shall also be held during this regular meeting.	Section 1. Annual Meetings. – The annual meeting of the members shall be held on such time, place, and date as may be declared by the Board of Trustees on August 15 of each year. The President shall render his/her annual report to the members regarding the activities of the association. The election of trustees shall also be held during this annual meeting.
Section 4. Quorum. – A quorum for any meeting of the members shall consist of a majority of the members and majority of such quorum may decide any questions at the meeting, except those matters where the Corporation Code requires the affirmative vote of a greater proportion.	Section 4. Quorum. – A quorum for any meeting of the members shall consist of a majority of the voting members and majority of such quorum may decide any questions at the meeting, except those matters where the Corporation Code requires the affirmative vote of a greater proportion.

By-Laws (Art V, Trustees)

By-Laws of PPMBAI (Article V, Trustees)	Proposed Revision
Section 2. Composition. – The Board of Trustees of Pagasa ng Pinoy Mutual Benefit Association, Inc. shall consist of fifteen (15) members, seven (7) of such members shall be employees of the head office of Pagasa Philippines Finance Corporation (PPFC), Pagasa ng Pinoy Mutual Benefit Association, Inc. (PPMBAI) or Pagasa ng Masang Pinoy Microfinance, Inc. (PMPMI); one (1) from North Luzon Division; one (1) from National Capital Region/Central Luzon Division; one (1) from South Luzon Division; one (1) from Visayas Division; one (1) from North Mindanao Division; and one (1) from South Mindanao Division; and two (2) independent trustees, all of whom, shall be elected by the active members with existing loans funded by the PPFC and PMPMI or staff, employee or otherwise personnel PPFC, PPMBAI and PMPMI.	Section 2. Composition. – The Board of Trustees shall consist of fifteen (15) members as follows: a. Four (4) members shall be elected from among the active borrowers of any of the association's partners who are in good credit standing, provided that they are also active members of the association for at least one (1) year. b. Three (3) independent trustees, as defined by the Code of Corporate Governance applicable to the association, any amendments thereto, or rules and regulations similar or analogous thereto; and c. Eight (8) members shall be elected from the officers, employees, or staff of the association.

By-Laws of PPMBAI (Article V, Trustees)	Proposed Revision
Section 3. Term of Office. – The Board of Trustees shall be elected by a majority of its members during its annual meeting and shall hold office for a term of two (2) years unless earlier removed for a cause, or have resigned or become incapacitated due to illness or death, and until their successors have been elected, qualified and have discharge the duties of their officer provided, that during the election at the first annual meeting of registration. The trustees of the non-profit corporation or association do not receive any compensation or remuneration. The two (2) independent trustees shall be elected by the majority of its members upon the Nomination Committee of the Board of Trustees. Notwithstanding the foregoing, for the duration that the Association is under a conservatorship of the Insurance Commissioner, the independent trustees shall be appointed by, and shall serve at the pleasure of the Insurance Commission. The independent trustees are deemed members of PPFC and PMPMI and shall pay the usual membership dues. They have same obligations, rights and privileges are regular members in good standing.	Section 3. Term of Office. – The Board of Trustees shall be elected every two (2) years by a majority of the association's voting members during its annual membership meeting, unless earlier removed for a cause, or have resigned or become incapacitated due to illness or death, and until their successors have been duly elected and qualified. The trustees of the association shall not receive any compensation or remuneration. The three (3) independent trustees shall be elected by the majority of the voting members of the association from among the nominees of the Nomination Committee constituted by the Board of Trustees (BOT). Notwithstanding the foregoing, for the duration that the association is under conservatorship of the Insurance Commission, the independent trustees shall be appointed by, and shall serve at the pleasure of the Insurance Commissioner. The independent trustees are deemed members of the association and shall pay the usual membership dues. They have the same obligations, rights and privileges as voting members of the association in good standing.

By-Laws of PPMBAI (Article V, Trustees)	Proposed Revision
Section 4. Qualifications. – The trustees to be elected must be of legal age, recognized active beneficiary member of PPFC or PMPMI or staff, employee or otherwise personnel of PPFC, PPMBAI or PMPMI or any of its affiliates, has consistently performed very satisfactorily for at least one (1) year in his/her membership and has ongoing businesses funded by loan from PPFC or PMPMI or any of its affiliates or staff, employee or personnel of PPFC, PPMBAI & PMPMI and is willing to perform the functions of a trustee without any remuneration.	Section 4. Qualification. – Except for Independent Trustees, the following are the minimum qualifications to be elected as members of the Board: a. Must be a member of the association b. Must possess leadership skills and competence necessary to execute the duties of a Trustee c. Willing to perform the functions of a trustee without any remuneration d. For active members-borrowers of the association's partners, at the time of his/her nomination, said member should have consistently performed very satisfactorily as member of the association's partner with 100% repayment rate for at least three (3) years and has an ongoing business funded by loan of any of the association's partners. e. For officers, employees or staff of the association, at the time of his/her nomination, said member shall have served the association, or any of its partners, as an officer or an employee thereof for at least two (2) years.

By-Laws of PPMBAI (Article V, Trustees)	Proposed Revision
Section 5. Disqualifications. – No member convicted by financial judgment of an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of the Corporation Code of the Philippines committed within five (5) years prior to the date of her election or appointment, shall qualify as a Trustee or Officer. In addition, a member whose membership has been terminated due to various reasons, and/or has resigned from membership or employment with PPFC, PMPMI or PPMBAI or any of its affiliates, shall also be disqualified from being a Trustee or Officer.	Section 5. Disqualifications. – No member convicted by financial judgment of an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of the Corporation Code of the Philippines committed within five (5) years prior to the date of her election or appointment, shall qualify as a Trustee or Officer. In addition, a member whose membership has been terminated due to various reasons, and/or has resigned from membership with the association or any of its partners, shall also be disqualified from being a Trustee or Officer. A member shall also be disqualified being a Trustee or Officer if he/she has conflict of interest or is engaged in any business or activity similar to or in competition with the businesses or services offered by the association or any of its partners and if he/she has pending administrative, civil or criminal case.
Section 6. Assumption of Duties. – The elected members of the Board of Trustees shall serve beginning immediately following their election for a term of two (2) years until their successors shall have been elected.	Section 6. Assumption of Duties. – The elected members of the Board of Trustees shall serve beginning immediately following their election for a term of two (2) years until their successors shall have been duly elected and qualified.

After several discussions, and upon motion duly made and seconded, the following resolution was adopted:

Board Resolution No. 2026-0710-011-BA

***RESOLVED, as it is hereby resolved**, that the **Board of Trustees** of **Pagasa ng Pinoy Mutual Benefit Association, Inc.** ("Corporation") hereby approve the proposed amendments to the **Articles of Incorporation** and **By-Laws** of the Corporation as follows:*

*1. That additional wordings be inserted into the Second Article of the Articles of Incorporation and, as such, the **Second Article of the Articles of Incorporation** is hereby amended and shall read as follows:*

"SECOND. That the purpose for which such association is formed are:

a. To extend financial assistance to its members, **their** spouse, **children and parents**, in the form of death benefits, total and permanent disability **benefits**, sickness benefits, retirement **benefits** and loan redemption assistance (credit life)**, as applicable;**

b. To ensure continued access **of the members** to benefits/resources by actively involving **them** in the management of the association that will include implementation of policies and procedures geared towards sustainability, improved **microinsurance MBA services, and ultimately, helping the members be alleviated from their current financial state;** and

c. To ensure compliance with **legal, financial**, administrative and regulatory issuances, rulings and directives **of the Insurance Commission, Securities and Exchange Commission and such other necessary government agencies**"

2. That to be consistent with the amendments to Article II of the Articles of Incorporation, ***Section 1(a), (b) and (c) of Article II of the By-Laws*** *are hereby amended to read as follows:*

"Section 1. – Objectives. – The purpose for which such association is formed are:

a. To extend financial assistance to its members, **their** spouse, **children and parents**, in the form of death benefits, total and permanent disability **benefits**, sickness benefits, retirement **benefits** and loan redemption assistance (credit life), **as applicable**;

b. To ensure continued access **of the members** to benefits/resources by actively involving **them** in the management of the association that will include implementation of policies and procedures geared towards sustainability, improved **microinsurance MBA services, and ultimately, helping the members be alleviated from their current financial state**; and

c. To ensure compliance with **legal, financial**, administrative and regulatory issuances, rulings and directives **of the Insurance Commission, Securities and Exchange Commission and such other necessary government agencies.**"

3. That the required qualifications and disqualification of the members be amended and that a classification of members as voting and non-voting be incorporated in the By-Laws and, for this purpose, ***Sections 1, 2 and 7 of Article III of the By-Laws*** *are hereby amended and shall read as follows:*

"Section 1. Qualifications **for, and Classification of, Membership.**

a. **Members shall be Filipinos, at least eighteen (18) years of age at the time of enrollment and shall possess all qualifications as shall be determined by the Board of Trustees.**

b. **Membership in the Association shall be classified as either Voting or Non-Voting.**

Voting Members include:

b.1. Members whose businesses are funded by a loan from the association or any of the latter's accredited partners; and

b.2. Officers, employees, or staff of the association.

All other members not falling within the above criteria are Non-Voting."

"Section 2. Rights of Members. – A **Voting Member** shall have the following rights:

a. To exercise the rights to vote on all matters relating to the affairs of the association;

b. To be eligible to any elective or appointive office of the association;

c. To participate in all deliberations/meetings of the association;

d. To avail of all the facilities of the association; and

e. To examine all the records or books of the association during business hours.

A Non-Voting Member shall have the following rights:

a. To participate in all deliberations/meetings of the association without any voting right;

b. To avail of all the facilities of the association; and

c. **To examine all the records or books of the association during business hours.**"

"Section 7. **Suspension, Expulsion and Termination of Membership. – Suspension, expulsion and termination of membership, shall be in accordance with the rules and regulations of the association.**"

4. That the annual meeting of the Corporation be changed from the 13th day of May of each year ***to August 15 of each year****, and for this purpose,* ***Section 1, Article IV of the By-laws*** *is hereby amended to read as follows:*

"Section 1. Annual Meetings. – The annual meeting of the members shall be held on such time, place, and date as may be declared by the Board of Trustees on **August 15** of each year. The President shall render his/her annual report to the members regarding the activities of the association. The election of trustees shall also be held during this **annual** meeting."

*5. That to be consistent with the proposed amendment on classification of members, quorum during meeting of the members shall be based on the number of **voting** members present and, for this purpose, **Section 4, Article IV of the By-Laws** is hereby amended to read as follows:*

"Section 4. Quorum. – A quorum for any meeting of the members shall consist of a majority of the **voting** members and majority of such quorum may decide any questions at the meeting, except those matters where the Corporation Code requires the affirmative vote of a greater proportion."

*6. That to comply with the requirements of the Insurance Commission, the number of Independent Trustees **is increased to three (3)**. Further, the **composition** of the Board of Trustees is amended and, for this purpose, **Section 2, Article V of the By-Laws** is hereby amended to read as follows:*

"Section 2. Composition. – The Board of Trustees **shall consist of fifteen (15) members as follows:**

a. **Four (4) members shall be elected from among the active borrowers of any of the association's partners who are in good credit standing, provided that they are also active members of the association for at least one (1) year;**

b. **Three (3) independent trustees, as defined by the Code of Corporate Governance applicable to the association, any amendments thereto, or rules and regulations similar or analogous thereto; and**

c. **Eight (8) members shall be elected from the officers, employees, or staff of the association."**

*7. That to be consistent with the proposed classification of members, and the increase in the number of the Independent Trustees, **Section 3, Article V of the By-Laws** is hereby reworded and amended to read as follows:*

"Section 3. Term of Office. – The Board of Trustees shall be elected **every two (2) years by a majority of the association's voting members during its annual membership meeting**, unless earlier removed for a cause, or have resigned or become incapacitated due to illness or death, and until their successors have been **duly** elected **and qualified**. The trustees of **the association** shall not receive any compensation or remuneration.

The **three (3)** independent trustees shall be elected by the majority of th**e voting members of the association from among the nominees of the Nomination Committee constituted by the Board of Trustees (BOT)**. Notwithstanding the foregoing, for the duration that the association is under conservatorship of the Insurance **Commission**, the independent trustees shall be appointed by, and shall serve at the pleasure of the Insurance **Commissioner**.

The independent trustees are deemed members of **the association** and shall pay the usual membership dues. They have the same obligations, rights and privileges **as voting** members **of the association** in good standing."

8. That to be consistent with the proposed classification of members and in the change in the composition of the members of the Board of Trustees, the qualification of the Board of Trustees as provided in ***Section 4, Article V of the By-Laws*** *is hereby amended to read as follows:*

"Section 4. Qualification. – **Except for Independent Trustees, the following are the minimum qualifications to be elected as members of the Board:**

a. **Must be a member of the association.**

b. **Must possess leadership skills and competence necessary to execute the duties of a Trustee.**

c. **Willing to perform the functions of a trustee without any remuneration.**

d. **For active members-borrowers of the association's partners, at the time of his/her nomination, said member should have consistently performed very satisfactorily as member of the association's partner with 100% repayment rate for at least three (3) years and has an ongoing business funded by loan of any of the association's partners.**

e. **For officers, employees or staff of the association, at the time of his/her nomination, said member shall have served the association, or any of its partners, as an officer or an employee thereof for at least two (2) years.**"

9. That additional grounds for the disqualification of a member aspiring to be elected as trustee is incorporated and, for this purpose, ***Section 5, Article 5 of the By-Laws*** *is hereby amended to read as follows:*

"Section 5. Disqualifications. – No member convicted by financial judgment of an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of the Corporation Code of the Philippines committed within five (5) years prior to the date of her election or appointment, shall qualify as a Trustee or Officer. In addition, a member whose membership has been terminated due to various reasons, and/or has resigned **from membership with the association or any of its partners,** shall also be disqualified from being a Trustee or Officer.

A member shall also be disqualified being a Trustee or Officer if he/she has conflict of interest or is engaged in any business or activity similar to or in competition with the businesses or services offered by the association or any of its partners and if he/she has pending administrative, civil or criminal case."

10. That additional wordings be incorporated in Section 6, Article V of the By-Laws which is hereby amended to read as follows:

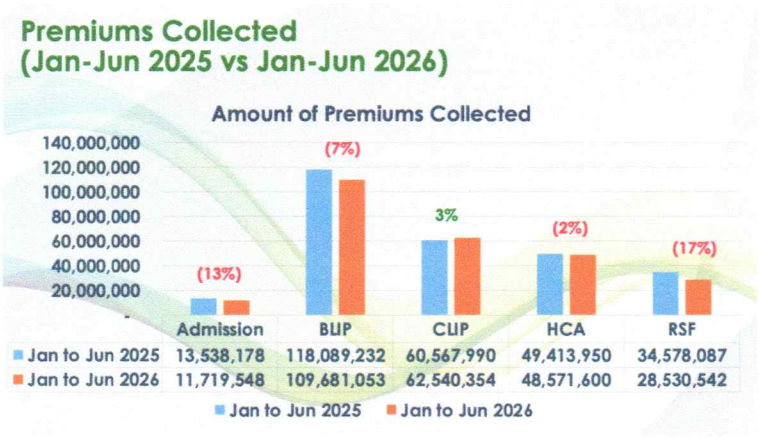
"Section 6. Assumption of Duties. – The elected members of the Board of Trustees shall serve beginning immediately following their election for a term of two (2) years until their successors shall have been **duly** elected and **qualified**."

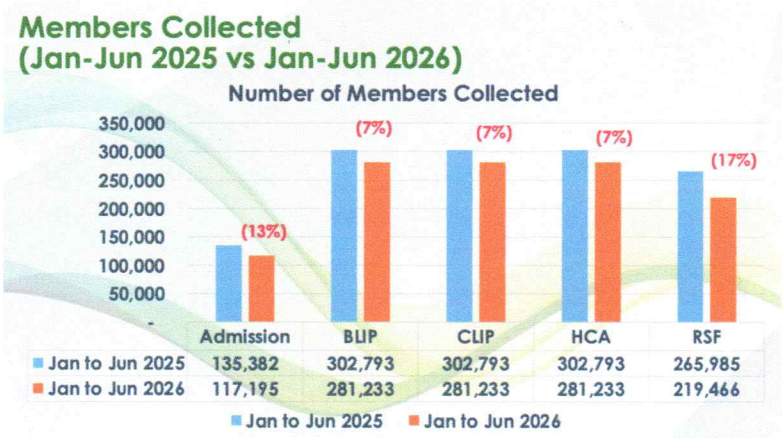
Resolved, further*, that the foregoing amendments shall be presented to the Members of the Corporation for their approval as required by law.*

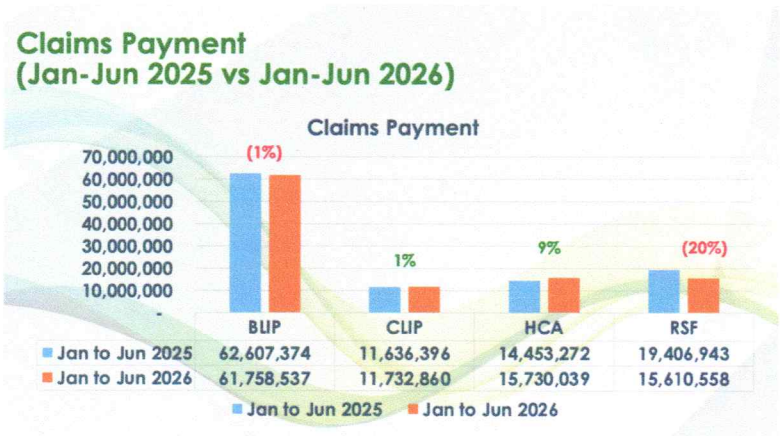
Resolved, finally*, that the Corporation's* ***President, Ms. Jonnette C. Almanzar****, and/or the Corporation's* ***Treasurer, Ms. Eufrecina T. De Jesus****, and/or the Corporation's* ***Corporate Secretary, Atty. Jose Paolo I. Brillantes****, be as they are hereby authorized, on behalf of the Corporation, to file the Amended Articles of Incorporation and By-Laws with the Securities and Exchange Commission, apply for and secure the endorsement from the Insurance Commission, and to sign, execute and deliver the applications, documents and/or other papers necessary to give effect to the foregoing resolutions."*

RESULTS OF OPERATIONS AS OF 30 JUNE 2026: The Chairman gave the floor to the Corporation's Treasurer, Ms. Eufrecina T. De Jesus, who rendered her report on the Operational Performance of the Corporation as of 30 June 2026.

First, Ms. De Jesus presented a ***comparative report*** on the **premiums collected**, **number of members who paid**, and **claims paid** for the period covering **January 2025 to June 2025 *vs.* January 2026 to June 2026** as follows:







Ms. De Jesus then proceeded to present a ***comparative report*** covering ***the period 2Q 2025 vs 2Q 2026*** on the breakdown of the afore-reported numbers of paid claims, *i.e.*, how many of the said claims were for payment of BLIP ***death benefits vs equity returns***, and how many of said death benefits claims were for ***members vs dependents***, as follows:

Claims breakdown for BLIP (Death Benefit v Equity Return)

Period	Death Benefit	Equity Return	Total
Jan to Jun 2025	31,569,000.00	31,038,374.00	62,607,374.00
Jan to Jun 2026	35,575,801.00	26,182,736.00	61,758,537.00
Difference (%)	13%	(16%)	(1%)

Claims breakdown for BLIP (Death Benefit: Member v Dependent)

Period	Member		Dependent		Total	
	Number	Amount	Number	Amount	Number	Amount
2Q 2025	545	22,511,500	1,046	9,057,500	1,591	31,569,000
2Q 2026	600	25,805,000	937	9,770,801	1,537	35,575,801
Difference	10%	15%	(10%)	8%	(3%)	13%

Thereafter, Ms. De Jesus reported on the **Financial Updates as of 30 June 2026** of the Corporation. For this purpose, Ms. De Jesus presented a **comparative report** on the Corporation's financial position, performance, insurance liabilities and reserves, and guaranty fund and risk-based capital ***as of the period 30 June 2025 vs as of 30 June 2026*** as follows:

Financial Position

FINANCIAL POSITION	As of June 30, 2026 (Php)	As of June 30, 2025 (Php)	Increase (decrease)	Percentage of Change (%)
Assets				
Cash and Cash Equivalents	894,871,717	735,428,710	159,443,007	22%
FVPL Investments	1,360,449	46,238,344	(44,877,895)	(97%
HTM Investments	150,009,537	120,061,943	29,947,594	25%
Loans and Receivables	133,086,508	146,360,471	(13,273,963)	-9%
Property and Equipment	12,155,767	11,708,394	447,373	4%
Intangible and Other Assets	576,228	249,124	327,104	131%
Total Assets	1,192,060,205	1,060,046,986	132,013,219	12%
Liabilities				
Due to Members (Equity and RSF)	789,511,464	694,522,251	94,989,213	14%
Reserve for Insurance Liability	52,148,988	43,340,497	8,808,490	20%
Hospitalization Care Assistance	22,973,712	18,793,893	4,179,818	22%
Other Liabilities	127,462,750	91,741,205	35,721,544	39%
Total Liabilities	992,096,914	848,397,846	143,699,067	17%
Fund Balance	199,963,291	211,649,139	(11,685,848)	-6%

Financial Performance

FINANCIAL PERFORMANCE	For the 6-Mo Period (Jan to Jun 2026) Php	For the 6-Mo Period (Jan to Jun 2025) Php	Increase (decrease)	Percentage of Change (%)
Revenue	**201,369,922**	**211,325,625**	**(9,955,703)**	**-4.71%**
Other Income	10,459,045	1,700,672	8,758,373	514.99%
Benefits and Expenses				
Insurance Benefit Expenses	132,981,509	115,861,374	17,120,135	14.78%
Reimbursement of Expenses	21,612,560	27,613,991	(6,001,431)	(21.73%)
General and Administrative Expenses	43,934,959	42,834,537	1,100,423	2.57%
Total	**198,529,028**	**186,309,901**	**12,219,127**	**6.56%**
Income Before Final Tax	**13,299,939**	**26,716,396**	**(13,416,457)**	**-50.22%**
Excess of Revenue over Expenses	13,299,939	26,716,396	(13,416,457)	-50.22%

Insurance Liabilities & Reserves

	As of June 30, 2026 (Php)	As of June 30, 2025 (Php)	Increase (decrease)	Percentage Change (%)
Reserves for Member's Equity Value	512,471,494	448,796,958	63,674,535	14%
Retirement Savings Fund	277,039,971	245,725,292	31,314,678	13%
Total Liabilities – To Members	789,511,465	694,522,251	94,989,213	14%
Reserves for Basic Life Insurance	23,028,856	17,367,953	5,660,903	33%
Reserves for Credit Life Insurance	12,588,017	11,437,583	1,150,434	10%
Policy and Contract Claims Payable	16,532,115	14,534,961	1,997,152	14%
Total Reserve Liabilities	52,148,988	43,340,497	8,808,490	20%
GRAND TOTAL	841,660,452	737,862,748	103,797,704	14%

Guaranty Fund and Risk-Based Capital (RBC)

	As of June 30, 2026	As of June 30, 2025
TOTAL GUARANTY FUND AS REQUIRED UNDER IMC NO. 2-2006	140,778,767	131,302,198
(IC REQUIREMENT)		
TOTAL GUARANTY FUND DEPOSITED w/ IC – GOV'T BONDS AND DEPOSIT CERTIFICATES	150,000,000	125,000,000
EXCESS (DEFICIENCY) IN GUARANTY FUND	9,221,233	(6,302,198)
Risk Based Capital (RBC) Ratio Requirement – Per IC	*should not be lower than 125%*	*should not be lower than 125%*
PPMBAI RBC	400%	350%
As of June 30, 2026	**As of June 30, 2026**	**As of June 30, 2025**
ADMITTED ASSETS	1,187,353,092	1,048,069,392
TOTAL LIABILITIES	992,096,914	848,397,846
Members Equity	195,256,178	199,671,546

Ms. De Jesus noted that the Insurance Commission only requires a Risk-Based Capital (RBC) ratio of 125%, but the Corporation, as of 30 June 2026, **has a RBC ratio of 400%**.

Based on the said financials of the Corporation, Ms. De Jesus presented the **Financial Highlights** of the Corporation ***demonstrating its compliance*** with the Insurance Commission's **Performance Indicators** as follows:

Financial Highlights – Performance Indicators (SEGURO)

Solvency Ratio =	Admitted Asset - Required Guaranty Fund / Total Liabilities	Liquidity Ratio =	Current Asset / Current Liabilities	Leverage Ratio =	Total Liabilities / Fund Balance
=	1,046,574,325.48 / 992,096,913.87	=	1,027,958,224.64 / 972,646,794.87	=	992,096,913.87 / 199,963,290.82
=	1.05	=	1.06	=	4.96

Ms. De Jesus emphasized to the Board that based on the afore-mentioned results, the Corporation has successfully met the established performance indicators. The outcomes demonstrate that the organization achieved its target objectives and maintained satisfactory performance throughout the period. This reflects the company's effective implementation of its strategies, efficient operations, and commitment to meeting its organizational goals. Continued monitoring and continuous improvement initiatives are recommended to sustain and further enhance its performance in the future.

ACCREDITATION OF WINERS LENDING CORP. AND KAAGAPAY SA PAG-UNLAD MICROFINANCE, INC. AS ADDITIONAL DISTRIBUTION CHANNELS: The Chairman reported to the Board that the Corporation has been in talks with **Winers Lending Corp.** and **Kaagapay sa Pag-Unlad Microfinance, Inc.**, both of which operate in the North Luzon areas for purposes of partnering with said companies as additional distribution channels of the Corporation's microinsurance products and services.

After several discussions, and upon motion duly made and seconded, the following resolution was unanimously approved and adopted:

Board Resolution No. 2026-0710-012-BA

"***RESOLVED, as it is hereby resolved***, *that the* ***Board of Trustees*** *of* ***Pagasa ng Pinoy Mutual Benefit Association, Inc.*** *("Corporation") hereby approve the accreditation of* ***Winers Lending Corp.*** *("Winers") and* ***Kaagapay sa Pag-Unlad Microfinance, Inc.*** *("KPMI") as additional distribution channels of the Corporation's microinsurance products and services and, for this purpose, the Corporation's* ***President, Ms. Jonnette C. Almanzar****, be as she is hereby authorized, on behalf of the Corporation, to:*

(i) continue meeting and negotiating with representatives of Winers and KMPI;

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(ii) sign, execute and deliver the Memorandum of Agreement, contract or any other agreement or document as may be necessary, and to do any and all acts as may be necessary, to give effect to the foregoing;

(iii) apply for and secure any and all permits, licenses, certificates of authority, as may be required by the Securities and Exchange Commission ("SEC"), the Insurance Commission ("IC") and such other necessary government agencies to give effect to the foregoing;

(iv) apply for and secure from the IC the approval and/or any other license, certificate or any such other document as may be required by the IC or any other necessary government agencies for the formal and legitimate launch of any microinsurance product or services to be offered by the Corporation by reason of its accreditation of, or partnership with, Winers and KPMI;

(v) and to do any and all other acts as may be necessary to give effect to the foregoing resolutions;"

OTHER MATTERS:

APPOINTMENT OF AUTHORIZED FILER WITH THE SEC FOR ON-LINE SUBMISSIONS: The Chairman advised the members of the Board that there is a need to appoint for the Corporation's designated representative and to act for and on behalf of the Corporation it in the submission of its reportorial requirements with the Securities and Exchange Commission through Online Submission Tool (OST). After several discussions, upon motion duly made and seconded, the Board unanimously approved and adopted the following resolution:

Board Resolution No. 2026-0710-013-BA

"**RESOLVED**, that the Corporation's **Corporate Secretary**, **Atty. Jose Paolo I. Brillantes**, is hereby appointed and designated to represent the **Pagasa ng Pinoy Mutual Benefit Association**, **Inc.** and to act for it in the submission of reportorial requirements with the **Securities and Exchange Commission** through **Online Submission Tool** (OST)."

APPOINTMENT OF AUTHORIZED REPRESENTATIVE / PERSON IN CONTROL OF THE EMAIL ADDRESSES AND CELLULAR PHONE NUMBERS OF THE CORPORATION: The Chairman advised the members of the Board that there is a need to change the contact numbers and email addresses of the Corporation as registered in the Securities and Exchange Commission due to network service change from Smart to Globe and in regard to the former email addresses of the Corporation, the same were deactivated and the Corporation has no access to the previous email accounts. After several discussions, upon motion duly made and seconded, the Board unanimously approved and adopted the following resolution:

Board Resolution No. 2026-0710-014-BA

*"**RESOLVED, as it is hereby resolved,** that **PAGASA NG PINOY MUTUAL BENEFIT ASSOCIATION, Inc. (the Corporation)** hereby changes its official and alternate email addresses from cs.ppfc@asa-international.com.ph and accounts@pagasa-mba.com.ph, respectively, to the **new official and alternate email addresses jalmanzar@pagasa-mba.com.ph and edejesus@pagasa-mba.com.ph**, respectively, and changes its old official mobile number 09992243565 to the **new official mobile number 09958455868** and its old alternate mobile number 09985902653 to be changed to the **new alternate mobile number 09608688301**.*

*The Corporation hereby further authorizes and designates the Corporation's Corporate Secretary, **Atty. Jose Paolo I. Brillantes**, as the Authorized Representative / Person in Control of the now official and alternate email addresses and mobile numbers designated by the Corporation as follows:*

*Official electronic mail address: **jalmanzar@pagasa-mba.com.ph***
*Official mobile number: **09958455868***
*Alternate electronic mail address: **edejesus@pagasa-mba.com.ph***
*Alternate mobile number: **09608688301***

To file with the Securities and Exchange Commission (SEC) the submission of E-Mail Addresses and Cellular Phone Numbers and to sign the Authorization / Certificate of Authorization required therein."

APPOINTMENT OF MS. ROSSANA GIBAGA AND ATTY. JOSELITO FERNANDEZ AS ALTERNATE AUTHORIZED CHECK SIGNATORIES FOR THE CORPORATION'S BANK ACCOUNTS: The Chairman advised that Board that currently, the only designated and authorized check signatories are her and the Corporation's Treasurer, Ms. De Jesus. So as not to unduly hamper the operations of the Corporation in the event that one of the signatories are unavailable, it was proposed that Ms. Rossana C. Gibaga and Atty. Joselito D. Fernandez be appointed as alternative authorized check signatories to all existing accounts of the Corporation.

For this purpose, it was emphasized that the Chairman, Ms. Almanzar, and Ms. De Jesus shall be designated as Mandatory Group A signatories and Ms. Gibaga and Atty. Fernandez as Group B signatories. The check signatories shall either be both Group A signatories jointly or be any one of the Group A signatories jointly with anyone of Group B signatories.

After several discussions, upon motion duly made and seconded, the Board unanimously approved and adopted the following resolution:

Board Resolution No. 2026-0710-015-BA

"***RESOLVED, as it is hereby resolved***, *that* ***Pagasa Ng Pinoy Mutual Benefit Association, Inc.*** *(the "Corporation"), be as it is hereby authorized, to change and update its authorized* ***check signatories*** *in all of its existing* ***checking accounts*** *with any bank and, for this purpose, hereby* ***designate, authorize and appoint both*** *of the following* ***Group A signatories jointly****, OR* ***any one (1)*** *of the following* ***Group A signatories jointly with any one (1)*** *of the following* ***Group B signatories****, to sign, countersign, execute and deliver any checks, applications to purchase manager's check, stop payment order, or any and all agreements, documents, or papers as are necessary to effectuate the foregoing matters:*

Name	*Position*	*Specimen Signature*
GROUP A		
Jonnette C. Almanzar	***Trustee/ President***	_____
Eufrecina T. De Jesus	***Trustee / Treasurer***	_____
GROUP B		
Rossana C. Gibaga	***Trustee / Vice President***	_____
Atty. Joselito D. Fernandez	***Finance and Accounting Consultant***	_____

***Resolved, further**, that the **President, Ms. Jonnette C. Almanzar**, and/or the Corporation's **Corporate Secretary, Atty. Jose Paolo I. Brillantes**, or any officer or employee designated by the Corporation's President, be as they are hereby authorized on behalf of the Corporation to coordinate, communicate and transact with all banks with which the Corporation has **existing checking accounts**, and to sign, execute and deliver and/or to cause the signing, execution and delivery of any and all forms, such as, but not limited to the secretary's certificate as required by each bank, necessary to give effect to the foregoing resolutions."*

CLOSURE AND CONSOLIDATION OF SOME BANK ACCOUNTS: The Chairman presented to the Board the following existing bank accounts of the Corporation that are sought to be closed due to low-interest rate returns:

SN	Bank, Branch	Account Nos	Avail Balance	Current Rate
1	MetroBank, Timog	0987098532850	2,077,127.75	0.196%
2	Maybank, Katipunan	00325001132 10320079285	21,289,312.42	0.459% 0.387%
3	PNB, West Triangle	106270003920 105270006344	48,683,427.59	0.309% 0.281%
4	Security Bank, Bluementritt	69048740	20,013,720.14	0.124%
5	BankCom, Juan Luna	044900022605	24,360,972.99	0.130%
6	Union Bank, Valenzuela	2540006389	985,000.00	0
			117,409,560.89	

And it is proposed to transfer the afore-said balances of the subject accounts in appropriate investment channels to optimize returns as follows:

SN	Bank, Branch	Proposed Deposit	Current Rate	Remarks
1	Sterling Bank, Timog	30,000,000	5.590	Special savings rate
2	EastWest Bank, Timog	25,000,000	4.000	30-60 TD
3	RCBC	30,000,000	4.300	30-60 TD
4	PBCom	25,000,000	4.125	30-60 TD
	Total	**110,000,000**		30-60 TD

As for the balance of Php7,409,560.89, it was proposed that out of the said amount, Php2,750,000.00 be deposited to the Corporation's existing RCBC, EDSA Kalookan Branch account bearing Account No. 7590588482 so as to meet RCBC's required minimum average daily maintaining balance of Php50,000.00 per employee and allow the Corporation to avail of RCBC's free life insurance for each of its employees. The Chairman informed the Board that the Corporation intends to open a payroll account with RCBC for the said purpose. Any balance remaining

out of the amount of Php7,409,560.89 shall be deposited in the Corporation's UnionBank Valenzuela Account bearing Account No. 2540005579.

After several discussions, upon motion duly made and seconded, the Board unanimously approved and adopted the following resolution:

Board Resolution No. 2026-0710-016-BA

"***RESOLVED, AS IT IS HEREBY RESOLVED***, *that* ***Pagasa Ng Pinoy Mutual Benefit Association, Inc.*** *(the "Corporation"), be as it is hereby authorized, to close the following bank accounts ("****Closed Accounts****" for brevity):*

Bank, Branch	Account Nos	Avail Balance
MetroBank, Timog	0987098532850	2,077,127.75
Maybank, Katipunan	00325001132 10320079285	21,289,312.42
PNB, West Triangle	106270003920 105270006344	48,683,427.59
Security Bank, Bluementritt	69048740	20,013,720.14
BankCom, Juan Luna	044900022605	24,360,972.99
Union Bank, Valenzuela	2540006389	985,000.00
		117,409,560.89

And out of the aforementioned total balance of Php117,409,560.89 of the Closed Accounts, Php110,000,000.00 shall be transferred and/or invested into to the following investment channels, thereby leaving a remaining balance of Php7,409,560.89:

(i) The amount of ***Php30,000,000.00*** *shall be deposited in the Corporation's existing account with* ***Sterling Bank of Asia, Timog Branch bearing Account No. 248100105423*** *("Sterling Bank");*

(ii) The amount of ***Php25,000,000.00*** *shall be placed and deposited into a time deposit account with* ***East West Banking Corporation*** *("EastWest")*

(iii) The amount of ***Php30,000,000.00*** *shall be placed and deposited into a time deposit account with* ***Rizal Commercial Banking Corporation*** *("RCBC");*

(iv) The amount of ***Php25,000,000.00*** *shall be placed and deposited into a time deposit account with* ***Philippine Bank of Communications*** *("PBCom");*

***RESOLVED, FURTHER**, that the Corporation is hereby authorized and empowered to open, maintain and operate a corporate payroll account with the **Rizal Commercial Banking Corporation** for the efficient, timely, and secure disbursement of salaries, wages, and other benefits to the Corporation's employees. And that out of the remaining balance of Php7,409,560.89 from the Closed Accounts, the Corporation is hereby authorized to deposit **Php2,750,000.00** to its existing **RCBC Account bearing Account No. 7590588482** so as to meet RCBC's required minimum maintaining average daily balance to avail of RCBC's free life insurance coverage for each of the Corporation's employees.*

***RESOLVED, FURTHER**, that upon the successful opening and implementation of the Corporation's new RCBC Corporate Payroll Account, the Corporation be authorized to **close and terminate** its existing corporate payroll account with **UNIONBANK of the Philippines**.*

***RESOLVED, FURTHERMORE**, that any and all balance still remaining from the Closed Accounts shall thence be deposited into the UnionBank Valenzuela Branch account of the Corporation bearing Account No. 00-254-000634-1.*

***RESOLVED, FINALLY**, that the Corporation's **President, Ms. Jonnette C. Almanzar**, and/or **Ms. Eufrecina T. De Jesus**, be as they are hereby authorized, for and on behalf of the Corporation to sign, execute and deliver any and all documents, such as, but not limited to, closure letters, withdrawal slips, termination documents, signature cards, bank account opening forms, as well as to do any and all acts, necessary to give effect to the foregoing resolutions."*

UPDATE ON THE PENDING CASES FILED AND TO BE FILED: The Chairman gave the floor to Atty. Jose Paolo I. Brillantes to give updates on the cases already filed, or to be filed, by the Corporation:

a) **Qualified Theft** case filed against **Genaro L. Kong and Richard Jeremy Tabudlo** pending before the **Regional Trial Court – Branch 75 of Valenzuela City** – it was reported that the Court had issued a warrant of arrest, with no bail recommended, for accused Kong and Tabudlo. Upon motion of the Corporation, the Court likewise issued a Hold Departure Order (HDO) against the two preventing them from leaving the country.

As per the records of the Court, the warrants were served unto the two accused at their last known residences but the said warrants were returned unserved as they allegedly are no longer staying in their declared residences.

b) **Qualified Theft case** filed against **Kong and Tabudlo** for the various unauthorized check withdrawals drawn against the UnionBank Valenzuela Account of the Corporation.

Qualified Theft case filed against Kong, Tabudlo and Bernie Garcia (former personal driver of Kong) for the various unauthorized check withdrawals drawn against the EastWest – Timog Branch account of the Corporation.

Both said cases were filed before the Office of the City Prosecutor of Quezon City ("OCP-QC") and both said cases are now deemed submitted for resolution. The Corporation is now just waiting for the copy of the resolution of the OCP-QC.

c) **Civil Complaint** for **Declaration of Nullity of Promissory Note with Security Agreement** – this complaint was filed against Bank of Commerce, Marites M. Agustin (Branch Manager of BOC Juan Luna Branch), Kong, Tabudlo and the LRA – Personal Property Security Registry.

The case was filed last 2 July 2026 and is now pending before the Regional Trial Court – Branch 83 of Quezon City.

The case involves an alleged Php15Million personal business loan granted by BOC to Kong, but secured via back-to-back collateral by one of the accounts of the Corporation with a current balance of Php20Million. The loan obligation **is due on 13 July 2026**.

The complaint filed was with a prayer for issuance of temporary restraining order (TRO) and writ of preliminary injunction whereby the Corporation prays that pending the litigation of the case, BOC be enjoined from proceeding against the account of the Corporation.

Last 7 July 2026, a TRO hearing was set by the Court. The lawyers and representatives of BOC were present, while Atty. Brillantes, Ms. De Jesus and Ms. Almanzar were present for the Corporation. We were ready to present the testimonies of Ms. De Jesus and Ms. Almanzar but the Court, in view of the urgent nature of the prayer for TRO, directed the parties to file their respective position papers on the matter on or before 4:30 p.m. of 9 July 2026. Both parties filed their respective position papers.

On 10 July 2026, the Corporation received a copy of the Order of the Court dated 10 July 2026 **GRANTING its prayer for issuance of a twenty (20) days TRO and enjoining BOC from proceeding against the subject BOC Account of the Corporation**. In the same Order, the Court set the case for hearing on 23 July 2026 at 10:00 a.m. for the presentation of the Corporation's evidence in support of its prayer for issuance of a writ of preliminary injunction.

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d) **Qualified Theft case for fraudulent double insurance claims** – this case is to be filed against **Kong, Tabudlo and Mr. Noel D. Madriaga**, the former General Manager of the Corporation.

As per the Report dated 22 January 2026 of the Forensic Auditor, several checks were issued in the name of Mr. Madriaga and directly deposited into his EastWest Bank Account in the total amount of Php1,357,977.31.

Mr. Madriaga explained that he really never knew about, nor saw, the said checks issued in his name. As confirmed by the Report of the Forensic Auditor, the said checks were directly deposited into his EastWest Account. Further, as per Mr. Madriaga, the said EastWest Account was opened specifically to cover the monthly amortizations of the car Kong allegedly offered to him to paid-off by the "allowances" granted to him, and authorized by, Kong. So Mr. Madriaga was of the impression that the amounts deposited into his said EastWest Account were the "allowances" promised by, and approved by, Kong.

The forensic auditor had no other findings against Mr. Madriaga.

Mr. Madriaga offered Php1,000,000.00 as and by way of the full settlement of the findings of the Forensic Auditor as against him. After further discussions, Ms. De Jesus and Ms. Almanzar agreed, subject to the qualification that said settlement shall be limited only to the findings of the auditor as per their Report dated 22 January 2026, and the same shall not bar any case/s to be filed against Mr. Madriaga should further investigations yield other findings.

On 9 July 2026, Mr. Madriaga personally went to the office of the Corporation and paid Php900,000.00 cash. The balance of Php100,000.00 shall be paid on or before 15 September 2026. The parties executed a Compromise Agreement for the said purpose on 9 July 2026.

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

ATTY. JOSE PAOLO I. BRILLANTES
Corporate Secretary

ATTESTED BY:

JONNETTE C. ALMANZAR
Chairman / Trustee

MINUTES READ AND APPROVED:

ROSSANA C. GIBAGA
Trustee

EUFRECINA T. DE JESUS
Trustee

RICARDO P. LIRIO
Trustee

REENA CONCEPCION G. OBILLO
Trustee

JOAN D. MADRIAGA
Trustee

REMEDIOS AQUINO
Trustee

JOCELYN S. PAVIA
Trustee

RAMONA G. VILLAFRANCA
Trustee

HERWINJEN C. AZUCENA
Trustee

SALVACION G. MACAPAAR
Trustee

RICHARD FORCADO JR.
Trustee

DENNIS L. PASCUA
Trustee