PAGASA NG PINOY
MUTUAL BENEFIT ASSOCIATION, INC.

MINUTES OF THE 2026 ANNUAL GENERAL MEETING OF THE MEMBERS OF PAGASA NG PINOY MUTUAL BENEFIT ASSOCIATION, INC. HELD ON 14 AUGUST 2026 AT SEQUOIA HOTEL[1] AND *VIA* VIDEOCONFERENCE

Present:

Jonnette C. Almanzar
Eufrecina T. De Jesus
Ricardo P. Lirio (via videoconference)
Reena Concepcion G. Obillo
Rossana G. Gibaga
Joan D. Madriaga
Remedios Aquino
Jocelyn S. Pavia
Herwinjen C. Azucena
Dennis L. Pascua
Richard G. Forcado, Jr.
Ramona G. Villafranca
Salvacion Macapaar
PPMBAI Officers and Employees[2]
PPMBAI Members (via proxy)[3]

Also Present:

Atty. Jose Paolo I. Brillantes – Corporate Secretary

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 sending of the notice of the meeting with agenda to all members of the Corporation and on the presence of majority of the members of the Corporation present in person, via videoconference and proxy, thereby constituting a quorum for the transaction of business. Mr. Ricardo Lirio, who attended via videoconference, declared his location, the device he was using and the fact that he can see and hear the meeting clearly.

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[1] 91-93 Mother Ignacia Avenue, corner Timog Avenue, Quezon City.
[2] 50 officers and employees who are also members present in person
[3] 140,917 members present *via* proxy

READING AND APPROVAL OF THE MINUTES OF THE 2025 ANNUAL GENERAL MEETING: The Chairman presented to the Members the Minutes of the 2025 AGM Meeting held last June 20 and 27, 2025 and July 25, 2025 wherein the following matters were taken and/or approved:

(i) Reading and approval of the 2024 AGM;
(ii) Ratification of all previous acts and resolutions of the Board of Trustees, Board Committees and the Management since the last AGM;
(iii) Election of the Nanay's
(iv) President's Report on the operational and financial performance
(v) Open Forum

In addition, the President rendered an update on the ratified resolutions during the 2025 AGM as follows:

SN	Ratified Resolution/s	Status/Remarks
First Quarter 2024		
1	1% interest on outstanding equity of active members for the current year	Implemented
2	Budget of P2.5 million for the holding of PPMBAI's 10th AGM (2024)	Actual expense of P1.32 million per 2024 AFS
3	Contribution to PPFC & PMPMI's Group Leader's Gathering budget amounting to P10 million	
Second Quarter 2024		
1	Contribution to the DO Gathering budget amounting to P3 million	
2	Resignation of Sheen Ray Acosta as Trustee	Accepted
3	Nomination and appointment of Md Azizur Rahman as the new member of the BOT	Accepted

SN	Ratified Resolution/s	Status/Remarks
Third Quarter 2024		
1	Forfeiture of the equity of inactive members provided more than three (3) years have lapsed and submission of revised IRR to the IC	The IC disapproved PPMBAI's request to forfeit or convert unclaimed equity based on the update provided on Mar 21, 2025, BOT meeting.
2	Reduction of the contestability clause period to six (6) months from one (1) year	Not yet implemented. This will require approval from the IC thru a revised IRR.
3	Contribution to the Christmas Party subsidy budget amounting to P15 million	

SN	Ratified Resolution/s	Status/Remarks
Third Quarter 2024		
4	Enhanced HCA plan- increased in daily allowance to P500	This was not implemented, as an increase in the daily allowance would also require higher premiums to cover the increase in claims.
5	Enhanced dependent's coverage plan benefits from maximum amount of P10,000 to P40,000 for spouse/parents; and P90,000 for spouse in case of accident	This will be revisited. Additional study will be conducted.
6	Emergency Room Care Plan of P5,000 twice a year with premium of P300	This will be revisited. Additional study will be conducted.

SN	Ratified Resolution/s	Status/Remarks
Fourth Quarter 2024		
1	Appointment of Atty Joselito Fernandez as the third Independent Trustee	Accepted
2	Discontinuation or removal of Mrs Emelita Bordaje in the BOT due to her failure to maintain in good standing	Accepted
3	Budget of P1.5 million for the Annual General Meeting (2025)	Actual expense of P2.6 million per AFS

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

Board Resolution No. 2026-0814-018-MA

"***RESOLVED, as it is hereby resolved***, *that the Minutes of the* ***2025 Annual General Members' Meeting*** *held last June 20 and 27, 2025 and July 25, 2025 of* ***Pagasa ng Pinoy Mutual Benefit Association, Inc.*** *("Corporation") is hereby approved."*

RATIFICATION OF ALL PREVIOUS ACTS AND RESOLUTIONS OF THE BOARD OF TRUSTEES AND THE MANAGEMENT SINCE THE LAST 2025 ANNUAL GENERAL MEETING: The Chairman presented to the Members the following acts and resolutions of the Board of Trustees and the Management since the holding of the last 2025 AGM, to wit, for the general membership's confirmation and ratification, to wit:

I. **Special Meeting of the Board of Trustees held last 2 September 2025**

(i) Acceptance of resignation of Atty. Katrina Sanedel C. Silanga as Corporate Secretary effective 2 September 2025;

(ii) Acceptance of the nomination of Atty. Dyan Marie A. Lucero as Corporate Secretary to serve for the remaining term;

II. Meeting of the Board of Trustees held last 25 September 2025

(i) Election of Corporate Officers

Name	Position
Jonnette C. Almanzar	Chairperson of BOT
Md Azizur Rahman	Vice President of BOT
Jonnette C. Almanzar	President and Chief Executive Officer
Eufrecina T. De Jesus	Treasurer and Chief Finance Officer
Dyan Marie A. Lucero	Corporate Secretary

(ii) Appointment of Chairpersons and Members of the Board Committees

Committee	Position	Members
Executive Committee	Chairperson	Jonnette C. Almanzar
	Member	Eufrecina T. De Jesus
	Member	Md. Azizur Rahman
Oversight and Audit Committee	Chairperson	Ricardo P. Lirio *(Independent Trustee)*
	Member	Eufrecina T. De Jesus
	Member	Joselito D. Fernandez *(Independent Trustee)*
	Member	Joan S. Alfarero
	Member	Joan D. Madriaga *(Trustee-Client)*
Corporate Governance Committee	Chairperson	Reena Concepcion G. Obillo *(Independent Trustee)*
	Member	Jonnette C. Almanzar
	Member	Eufrecina T. De Jesus
	Member	Joselito D. Fernandez *(Independent Trustee)*
	Member	Ramona G. Villafranca *(Trustee-Client)*
Related-Party Transaction Committee	Chairperson	Eufrecina T. De Jesus
	Member	Ricardo P. Lirio *(Independent Trustee)*
	Member	Reena Concepcion G. Obillo *(Independent Trustee)*
	Member	Jocelyn S. Pavia *(Trustee-Client)*

(iii) Appointment of Senior Management Officers
(iv) Approval of proposed audit plan of the Oversight and Audit Committee
(v) Approval of appointment of internal auditors and external auditors

III. Meeting of the Board of Trustees held last 17 December 2025

(i) Disapproval of the renewal of the investment of PPMBAI with Affinity Capital Corp. and withdrawal of such investments.
(ii) Appointment of Sison Corillo Parone (SCP) & Co. as the external forensic auditor of the corporation
(iii) Disclosure of the forensic audit report of SCP & Co. in relation to the related party transaction with PPFC and PMPMI.
(iv) Appointment of Reyes Tacandong & Co (RTCo) as PPMBAI's external auditor for the year 2025 to 2026.

IV. Regular Meeting of the Board of Trustees held last 15 May 2026

(i) Resignation of Atty. Dyan Marie A. Lucero as Corporate Secretary
(ii) Resignation of Atty. Joselito D. Fernandez as Independent Trustee
(iii) Election of Atty. Jose Paolo I. Brillantes as Corporate Secretary to serve for the remainder of the term of Atty. Lucero
(iv) Appointment of Atty. Joselito D. Fernandez as PPMBAI's Finance & Accounting Consultant
(v) 2026 Annual General Meeting budget of P1.3 million
(vi) Authority of Ms Eufrecina T. de Jesus and/or Atty. Jose Paolo I. Brillantes to prosecute and file on behalf of the Corporation, criminal complaints against former officers and employees 1. Genaro Kong; 2. Richard Jeremy Tabudlo; and 3. Noel Madriaga
(vii) Annual interest of 1% on Equity and RSF
(viii) Withdrawal of the investment of 20,000 shares in Petron through the Bank of Commerce
(ix) Appointment of current Treasurer, Ms Eufrecina de Jesus, as General Manager Consultant
(x) Appointment of Mr Paul David Fajardo, CPA, as Internal Auditor
(xi) Appointment of current Treasurer, Ms Eufrecina de Jesus, as General Manager Consultant
(xii) Appointment of Mr Paul David Fajardo, CPA, as Internal Auditor

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

Board Resolution No. 2026-0814-019-MA

"***RESOLVED, as it is hereby resolved***, *that all the acts and resolutions of the Board of Turstees and Management of* ***Pagasa ng Pinoy Mutual Benefit Association, Inc.*** *("Corporation") since the date of the holding of the 2025 Annual General Members' Meeting be, as they are hereby, in all respects, ratified, approved and confirmed."*

PRESIDENT'S REPORT ON OPERATIONAL AND FINANCIAL PERFORMANCE: The Chairman gave the floor to the Corporation's Treasurer, Ms. Eufrecina T. De Jesus, who rendered her report on the Operational and Financial Performance of the Corporation for the year ending 31 December 2025.

I. Number of Active Members of the Corporation

As reported by Ms. De Jesus, the Corporation has 299,465 active members as of 31 December 2025, compared to 331,684 active members as of 31 December 2024, thereby revealing ***a decrease of 10%*** in total membership as of the end of the year December 2025.

The members' numbers in Luzon, Visayas and Mindanao, and the corresponding decrease in membership are as follows:

Island	31 Dec 2025	31 Dec 2024	% of Inc (Dec)
Luzon	138,597	163,253	(15%)
Visayas	52,316	58,413	(10%)
Mindanao	108,552	110,018	(1%)
Total	**299,465**	**331,684**	**(10%)**

As of 30 June 2026, the total number of active members is 281,233.

II. Comparative Report on Amounts Collected, Number of Members who Paid and Claims Paid

Ms. De Jesus then presented a ***comparative report*** on the **total amount collected**, **breakdown of the premiums collected**, **number of members who paid**, and **claims paid** and the **breakdown for the same** for the year **ending 31 December 2024** vs the year **ending 31 December 2025**.

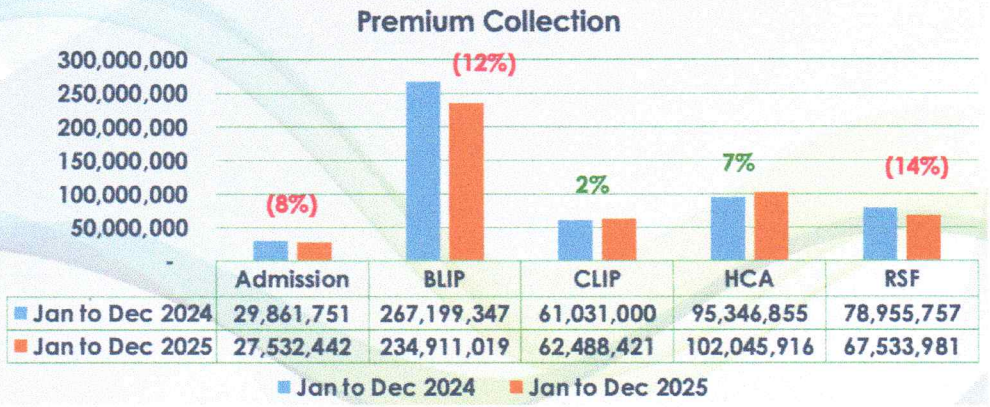
It was noted in Ms. De Jesus's report that the total amount of collections for the year ending 31 December 2025 ***decreased by 17%*** compared to the prior year's collections **due to the reported decrease in the number of members** for the same year ending 31 December 2025.

To be precise, Ms. De Jesus reported the following data for the reference of the general membership:

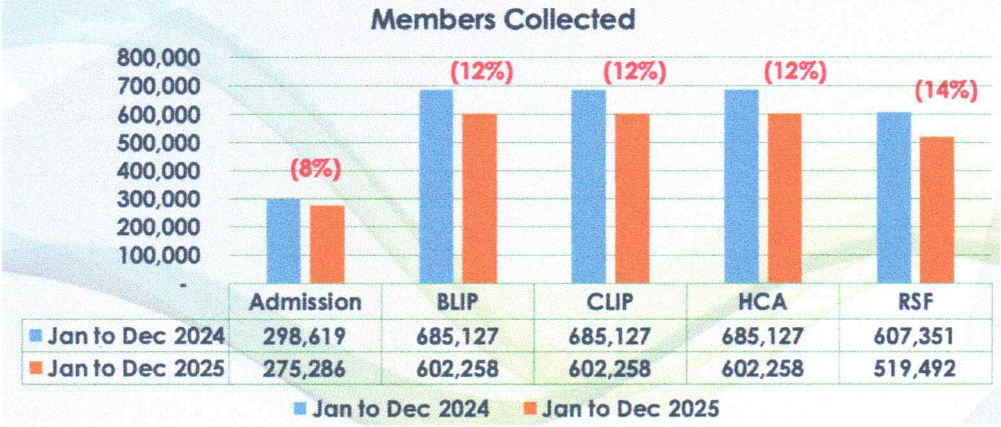
Total Amount of Collection

Particular	2025	2024	Difference	% of Inc (Dec)
Total Amount of Collection (Membership, Premiums and Contributions)	494,511,779	532,394,710	(37,882,931)	(7%)

Premiums Collected (Jan-Dec 2024 vs Jan-Dec 2025)



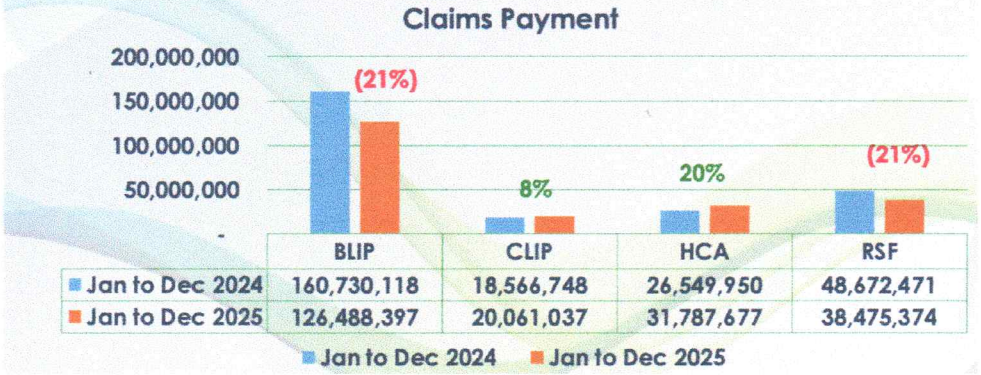
Members Collected (Jan-Dec 2024 vs Jan-Dec 2025)



Total Amount of Claims

Particular	2025	2024	Difference	% of Inc (Dec)
Total Amount of Claims Paid (BLIP, Equity, RSF, CLIP)	216,812,485	254,519,287	(37,706,802)	(15%)

Claims Payment (Jan-Dec 2024 vs Jan-Dec 2025)



Thereafter, Ms. De Jesus presented a ***comparative report*** 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 Dec 2024	70,749,744	89,980,374	160,730,118
Jan to Dec 2025	67,909,061	58,579,336	126,488,397
Difference (%)	(4%)	(35%)	(21%)

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

Period	Member		Dependent		Total	
	Number	Amount	Number	Amount	Number	Amount
2024	1,146	51,032,000	2,138	19,717,744	3,284	70,749,744
2025	1,078	47,076,431	2,021	20,832,630	3,099	67,909,061
Difference	(6%)	(8%)	(5%)	6%	(6%)	(4%)

III. Financial Updates

Ms. De Jesus then reported on the **Financial Updates as of the end of the year 31 December 2025** 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 31 December 2024 vs as of 31 December 2025*** as follows:

Financial Position

FINANCIAL POSITION	Audited As of December 31, 2025 (Php)	Audited As of December 31, 2024 (Php)	Increase (decrease)	Percentage of Change (%)
Assets				
Cash and Cash Equivalents	776,441,044	788,147,726	(11,706,682)	(1.49%)
FVPL Investments	93,249,111	58,151,307	35,097,804	60.35%
HTM Investments	122,942,476	92,868,040	30,074,436	32.38%
Loans and Receivables	85,656,374	8,926,422	76,729,952	859.58%
Property and Equipment	11,625,122	11,960,594	(335,472)	(2.80%)
Intangible and Other Assets	136,500	248,625	(112,125)	(45.10%)
Total Assets	**1,090,050,627**	**960,302,714**	**129,747,913**	**13.51%**
Liabilities				
Due to Members (Equity and RSF)	745,026,372	648,114,285	96,912,086	14.95%
Reserve for Insurance Liability	45,705,513	49,671,875	(3,966,362)	(7.99%)
Hospitalization Care Assistance	17,632,500	17,950,022	(317,522)	(1.77%)
Other Liabilities	95,301,218	59,633,787	35,667,431	59.81%
Total Liabilities	**903,665,603**	**775,369,970**	**128,295,633**	**16.55%**
Fund Balance	**186,385,024**	**184,932,744**	**1,452,280**	**0.79%**

Financial Performance

FINANCIAL PERFORMANCE	For the Period (Jan to Dec 2025) Php	For the Period (Jan to Dec 2024) Php	Increase (decrease)	Percentage of Change (%)
Revenue	**426,981,798**	**453,438,953**	**(26,457,155)**	**-5.83%**
Other Income	27,944,045	17,855,745	10,088,299	56.50%
Benefits and Expenses				
Insurance Benefit Expenses	237,397,702	261,972,918	(24,575,216)	(9.38%)
Reimbursement of Expenses	56,238,239	58,832,923	(2,594,684)	(4.41%)
General and Administrative Expenses	155,764,633	101,942,001	53,822,632	52.80%
Total	**449,400,573**	**422,747,842**	**26,652,732**	**6.30%**
Income Before Final Tax	**5,525,269**	**48,546,856**	**(43,021,587)**	**-88.62%**
Excess of Revenue over Expenses	**1,452,280**	**46,170,785**	**(44,718,505)**	**-96.85%**

Insurance Liabilities & Reserves

	As of Dec 31, 2025 (Php)	As of Dec 31, 2024 (Php)	Increase (decrease)	Percentage Change (%)
Reserves for Member's Equity Value	480,896,539	417,552,154	63,344,385	15%
Retirement Savings Fund	264,129,833	230,562,131	33,567,702	15%
Total Liabilities – To Members	**745,026,372**	**648,114,285**	**96,912,087**	**15%**
Reserves for Basic Life Insurance	19,997,668	23,230,707	(3,233,039)	(14%)
Reserves for Credit Life Insurance	8,753,631	10,881,234	(2,127,603)	(20%)
Policy and Contract Claims Payable	34,586,804	33,509,866	1,076,938	3%
Total Reserve Liabilities	**63,338,103**	**67,621,898**	**(4,283,704)**	**(6%)**
GRAND TOTAL	**808,364,475**	**715,736,183**	**99,389,291**	**14%**

Guaranty Fund and Risk-Based Capital (RBC)

	As of Dec 31, 2025 (Unverified)	As of Dec 31, 2024 (Verified by IC)
TOTAL GUARANTY FUND AS REQUIRED UNDER IMC NO. 2-2006	131,302,198	114,454,151
(IC REQUIREMENT)		
TOTAL GUARANTY FUND DEPOSITED w/ IC – GOV'T BONDS AND DEPOSIT CERTIFICATES	125,000,000	95,000,000
EXCESS (DEFICIENCY) IN GUARANTY FUND	(6,302,198)	(19,454,151)
Risk Based Capital (RBC) Ratio Requirement – Per IC	*should not be lower than 125%*	*should not be lower than 125%*
PPMBAI RBC	263%	275%
As of June 30, 2026	**As of Dec 31, 2025**	**As of Dec 31, 2024**
ADMITTED ASSETS	1,063,773,095	954,039,432
TOTAL LIABILITIES	903,665,603	775,369,970
Members Equity	160,107,492	178,669,462

Ms. De Jesus noted that the Insurance Commission only requires a Risk-Based Capital (RBC) ratio of 125%, but the Corporation, as of 31 December 2025, **has a RBC ratio of 263%**, and **with a members' equity of Php160,107,492**, subject of course to the further verification and confirmation of the Insurance Commission based on the submissions of the Corporation.

OPEN FORUM:

SIGNING OF PROXY FORMS: A member shared that someone in the field mentioned that a member should have been a member for at least two months before he / she can issue a proxy. The member inquired if that is true?

The President confirmed that there was no such requirement. No waiting period is necessary from date of admission of a member before he / she can issue a proxy. So long as he / she is an active member, he / she can already issue a proxy.

ANNOUNCEMENT OF A SCHEDULED SPECIAL MEETING OF BOARD OF TRUSTEES ON 20 AUGUST 2026: Considering that all members of the Board of Trustees are present, the Chairman announced that s special meeting of the Board shall be held on 20 August 2026. The time and venue shall be stated in the notice to be sent. For the members of the Board situated in Luzon, their physical presence is requested, while for those in Visayas and Mindanao, they can attend via online.

SEPARATION OF PPFC AND THE CORPORATION: A member shared that information on the alleged separation of PPFC and the Corporation is being spread throughout the branches, that PPFC debtors are no longer required to get insurance from the Corporation. The member inquired if this alleged separation is true?

The Chairman confirmed that she and the members of the Corporation's management have also heard about that matter and, in fact, while there is no official announcement yet, the management of PPFC has advised the Chairman that at any time, PPFC will stop securing insurance products for its borrowers from the Corporation.

The Chairman and Atty. Brillantes explained to the members not to worry about the alleged separation of PPFC and the Corporation. In the first place, the two do in fact separate juridical personalities, they have separate registrations with the Securities and Exchange Commission. As to whether or not PPFC no longer requires its borrowers to secure insurance from the Corporation, that is the prerogative of PPFC. But it does not mean that the Corporation will cease to exist, because the Corporation can continue to offer insurance products to other individuals and/or entities.

APPLICATION OF EQUITY VALUE AND RSF TO OUTSTANDING OBLIGATION OF ESCAPED OR PAST DUE BORROWER: A discussion ensued on whether the equity value and RSF of an escaped borrower - member or past due borrower - member can be applied as payment for the loan balance of the said members by virtue of a mere "group resolution". The Chairman and Atty. Brillantes confirmed that it should not be allowed because under the law, the equity should be given back to the members themselves and, as a rule, cannot be "automatically applied" as payment for the outstanding loan balance of said members. This is one of the reasons why the members of the Board of Trustees will be meeting on 20 August 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

RICHARD FORCADO JR.
Trustee

DENNIS L. PASCUA
Trustee

JOCELYN S. PAVIA
Trustee

RAMONA G. VILLAFRANCA
Trustee

HERWINJEN C. AZUCENA
Trustee

SALVACION G. MACAPAAR
Trustee