



Armed Forces and Police Mutual Benefit Association, Inc.

Col Bonny Serrano Road cor. EDSA, Camp Aguinaldo, Quezon City, 1110
Trunkline: +63 (2) 8822-MBAI (6224) | Email: mail@afpmbai.ph
Web: www.afpmbai.com.ph | Facebook: AFPMBAIOfficial

SUMMARY OF THE MINUTES OF THE 2021 ANNUAL GENERAL MEMBERSHIP MEETING 15 May 2021 - 9 A.M. – Video Conference

I. Call to Order

GEN CIRILITO E SOBEJANA PA, Chairman of the AFPMBAI Board of Trustees, presided over the meeting and called the meeting to order at 9:02 A.M.

II. Proof of Due Notice of the Meeting

The Corporate Secretary, Atty Renato A David, attested that the Notice for the Annual General Membership (AGM) Meeting was duly published in the Manila Bulletin and in the People's Journal on 15 April 2021 in accordance with the required notices pursuant to Article V, Section 3 of the Bylaws, and that the Notice of Meeting, Agenda, and downloadable Proxy form had also been uploaded on the AFPMBAI website on the same date.

III. Proof of Presence of Quorum

Atty David reported that there were 54 registered regular members virtually present and 84 registered members who voted in absentia, composing the quorum. He also introduced the members of the Board of Trustees present, including AFPMBAI's corporate officers, as well as the members of the Committee on Election (COMELEC). These were the following:

A. Members of the Board of Trustees

- | | |
|--|---|
| 1. GENERAL CIRILITO E SOBEJANA PA | Chief of Staff, AFP
Chairman of AFPMBAI |
| 2. MGEN ADRIANO S PEREZ JR PA | Vice Chairman of AFPMBAI
Representative of the AFP Joint Staff
Chairman of the Nomination and
Remuneration Committee
Chairman of the Nomination Committee
for the 2021 AGM |
| 3. MGEN RIZALDO B LIMOSO PA (RET) | AFPMBAI President and CEO |
| 4. BGEN HONORATO S DE LOS REYES PA (RET) | Independent Trustee and Chairman
of the Audit Committee |
| 5. MGEN ROLANDO B TENEFRANCIA PA (RET) | Independent Trustee and Chairman
of the Governance Committee |

- | | | |
|-----|-----------------------------------|--|
| 6. | BGEN ARNOLD F FERNANDEZ PA (RET) | Independent Trustee and Chairman of the Risk Management and Related Party Transaction Committee |
| 7. | PMGEN ALFRED S CORPUS | Representative of the Philippine National Police and Chairman of the Investment Committee |
| 8. | VADM LEOPOLDO V LAROYA PCG | Representative of the Philippine Coast Guard and Chairman of the Social Services Program Committee |
| 9. | MGEN ROBERT C DAUZ PA | Representative of the Philippine Army |
| 10. | RADM ADELUIS S BORDADO PN | Representative of the Philippine Navy |
| 11. | MGEN PELAGIO R VALENZUELA PAF | Representative of the Philippine Air Force |
| 12. | PBGEN JOSE MELENCIO C NARTATEZ JR | Representative of the Philippine National Police |
| 13. | CSUPT RUEL S RIVERA BJMP | Representative of the Bureau of Jail Management and Penology |
| 14. | CSUPT ROEL JEREMY G DIAZ BFP | Representative of the Bureau of Fire Protection |
| 15. | FCMS ALADIN S DACAYANAN (INF) PA | The AFP Sergeant Major |

B. Corporate Officers

- | | | |
|----|-------------------------------------|---|
| 1. | MGEN PERFECTO M RIMANDO JR PA (RET) | Chief Operating Officer and Head, Sales Operations Group |
| 2. | COL JOHN A JURADO PA (RET) | Chief Corporate Services Officer and Head, Corporate Services Group |
| 3. | MS REGINA B FAJOTINA | Treasurer and Head, Finance Division |
| 4. | LTCOL JEFFERSON C ALMAZAN PA (RET) | Compliance Officer and Head, Executive Services Division |

C. Members of the Committee on Election (COMELEC)

- | | | |
|----|---|--|
| 1. | BGEN SER-ME L AYUYAO PA JAGS | The Judge Advocate General, AFP and COMELEC Chairman |
| 2. | COL LIBERATO RAMOS JR JAGS (GSC) | Army Judge Advocate - Member |
| 3. | COL ERWIN VICTORIANO A MACHICA III JAGS (GSC) | Naval Judge Advocate – Member |
| 4. | COL ROPER JOHN B ESTEPA JAGS (GSC) | Air Judge Advocate – Member |
| 5. | PBGEN GEORGE L ALMADEN | Acting Director, PNP Legal Service - Member |

IV. Opening Remarks

Gen Cirilito E Sobejana PA, Chairman of AFPMBAI, thanked everyone who joined the AGM and stated that this is the best time to review the performance of AFPMBAI in 2020, and to assess the direction of the company for the current year. He enumerated the benefits and services given by AFPMBAI for those affected by COVID-19 among the members, the donations given to the branches of service, as well as other assistance the Association has given to the members. He encouraged the Board and Management to keep up the good work and he thanked the members for their trust and confidence in AFPMBAI especially in these trying times.

V. Approval of the Minutes of the Annual General Membership Meeting dated 11 July 2020

Upon motion of MCPO Freddie E Asence, duly seconded by SSgt Michael P Sibayan, the Minutes of the Annual General Membership Meeting held on 11 July 2020 was approved. 288,535 members also voted for the approval of the subject Minutes, including the residual votes of the Chief of Staff, AFP. 1 voted against the approval, while 6 abstained from voting.

VI. Report of the President and CEO

The President and CEO, MGen Rizaldo B Limoso PA (Ret), reported on the performance of AFPMBAI for 2020, particularly on four (4) major initiatives: Digital Transformation, Capacity Building, Business Process Improvement and Innovation, and the Development of Organizational and Human Capital. Salient points of his report also include:

- Death claims totaled P170.3 million for 930 members and living claims at P1.2 billion for 18,073 members with P170.2 million worth of Comprehensive Financial Assistance Benefit (CFAB) from both living and death claims.
- Grants for Real Estate Mortgage Loans totaled P356.14 Million and grants of P16.04 Million for Housing Loans.
- Declaration of policy dividends amounting to P117.94 million benefiting 183,980 AI & E-56 policy holders.
- Allocation of additional budget of P100 million to its CSR projects to address the medical requirements of the different branches of service.

After President Limoso rendered his report, SMS Elvie Estilo inquired if COVID-19 benefits would still be given to affected members in 2021, to which President Limoso replied that the program ended in 2020 and benefited more than 10,000 members with P170.4M benefits released as of 17 March 2021. He assured the members that a modified version of the program covering 2021 is with the Insurance Commission for approval.

Thereafter, upon motion of CMS Ma Renee A Carascal, duly seconded by QM2 Jenny D Guanlao, and with 288,534 votes from the members, including the residual votes of the AFP Chief of Staff, the body noted the report of the President and CEO. 8 abstained from voting.

VII. Ratification of the Acts and Resolutions of the Board of Trustees, Corporate Officers, and Management

Upon motion of CMS Aracelie M Lucas, duly seconded by TSg Michelle T Pendejito, and with a vote in favor of the motion by 288,532 members, including the residual votes of the Chief of

Staff, AFP, the actions, decisions, agreements, transactions, policy statements, and resolutions of the Board of Trustees, Corporate Officers, and Management from July 1, 2020 to December 31, 2020 and from January 1, 2021 to March 31, 2021 was ratified and approved by the body.

VIII. Report of the Audit Committee

BGen Honorato S De Los Reyes PA (Ret), Chairman of the Audit Committee, reported to the members on the internal audit activities that were conducted under their oversight and the resulting improvements in the Association's business processes. BGen Reyes also reported on the Statutory Audit for CY 2020 conducted by Reyes Tacandong and Company, which resulted in an unqualified opinion. The highlights of the Financial Statement Assessment for CY 2020 were reported as follows:

- 147% increase in Net Income (with RE appraisal increment)
- 21% increase in Total Assets
- 28% increase in Total Members' Equity
- 29% increase in Retained Surplus

BGen De Los Reyes concluded his report by stating that the Association's internal audit function is operating effectively, that its internal control system is effective, efficient and transparent, and that Management has the assurance to undertake necessary measures to address other audit concerns.

Upon motion of CMS Jaime B Laygo, duly seconded by SMS Marlon R Manlongat, and with 288,535 members having voted in favor of the motion, including the residual votes of the AFP Chief of Staff, the body noted the report of the Audit Committee. 7 abstained from voting.

IX. Appointment of External Auditor for CY 2021-2022

BGen Honorato S De Los Reyes PA (Ret), Chairman of the Audit Committee, informed the members that the Board of Trustees has approved the endorsement of Isla Lipana and Company, the Philippine member firm of the PricewaterhouseCoopers (PwC) network, as the Association's External Auditor for Calendar Years 2021 and 2022, with a yearly professional fee of Php 1,321,600.00 (inclusive of VAT). Following the BOT endorsement, he then recommended the engagement of Isla Lipana & Co. for the Association's CY 2021 and 2022 Statutory Audit for the approval of the members.

Upon motion of CMS Ma. Ruth R Custodio, duly seconded by MSg Morena Nacario Bamo, and with 288,530 members having voted in favor of the motion, including the residual votes of the AFP Chief of Staff, the body approved the appointment of Isla Lipana and Company as AFPMBAI's External Auditor for CY 2021-2022. 2 voted against the approval, while 10 abstained from voting

X. Report of the Governance Committee

MGen Rolando B Tenefrancia PA (Ret), Chairman of the Governance Committee, reported on the compliance of the Association to good governance best practices at the Board level by informing the Committee of the activities conducted by the Association to ensure that the rights and interests of the members are protected, and that the Board is carrying out its functions in behalf of the members who are the real owners of AFPMBAI.

MGen Tenefrancia explained to the members the governance structure of the Board, its roles and responsibilities, the training that each Board member has undertaken in order to ensure that they are able to fulfill their functions, as well as the assessment of their performance. He reported to the members that for CY 2020 the Board's Performance was assessed to be Outstanding, with a rating of 95.21%, as it was able to continue performing its leadership tasks despite the pandemic situation that prevailed. In closing, MGen Tenefrancia assured the members that the Board of Trustees will keep forging ahead with the new direction it has established for CY 2021-2025, as embodied in the Association's approved strategy map.

Upon motion of CMS Rommel H Advincula, duly seconded by MSg James A Doctolero, and with 288,537 members having voted in favor of the motion, including the residual votes of the AFP Chief of Staff, the body noted the report of the Governance Committee. 5 abstained from voting.

XI. Report of the Risk Management and Related Party Transaction Committee

BGen Arnold F Fernandez PA (Ret), Chairman of the Risk Management and Related Party Transaction Committee, reported to the members that the Board has approved the Corporate Risk Management Plan (CRMP) of the Association, which encompasses the risk management principles, framework, process, structure, duties and responsibilities, policies, guidelines and procedures to measure, monitor and control risks as well as plans to address the identified top risks or risks with the highest level of priority. He identified the Top 10 risk exposures inherent to the regular course of business of the Association and assured the members of AFPMBAI's commitment to dedicate efforts to continuously monitor and review the implementation of established plans to mitigate the impact of these risks.

Upon motion of MSG Edward B Demotica, duly seconded by SMS Francis K Dulinayan, and with 288,537 members having voted in favor of the motion, including the residual votes of the AFP Chief of Staff, the body noted the report of the Risk Management and Related Party Transaction Committee. 5 abstained from voting.

XII. Report of the Nomination Committee

MGen Adriano S Perez Jr PA, Chairman of the Nomination Committee for the 2021 AGM, reported on the Board seats open for nomination, the nomination and screening process, the criteria for qualification and disqualification of trustees, and the status of nominations for the members of AFPMBAI's Board of Trustees for CY 2021-2022.

Upon motion of SMS Freddie S Mercado, duly seconded by MSg Nixon DV Bisarra, and with 288,536 members having voted in favor of the motion, including the residual votes of the AFP Chief of Staff, the body noted the report of the Nomination Committee. 6 abstained from voting.

XIII. Election of the Members of the Board of Trustees

At this point of the meeting, Chairman Santos turned the floor over to the Chairman of the Committee on Election (COMELEC), the Judge Advocate General of the AFP, BGen Ser-Me L Ayuyao JAGS. BGen Ayuyao informed the body that fifteen (15) members of the Board of Trustees would be elected in accordance with Article VI, Section 3 of the Bylaws, and that only regular members are qualified to be nominated and be voted upon with each member being

entitled to one (1) vote regardless of the number of his insurance policies or amount of coverage (Article V, Section 5 of the Bylaws). The Chairman of the Nomination Committee, MGen Adriano S Perez Jr PA, then nominated fifteen (15) candidates that have been deemed qualified by the Committee and presented their qualifications onscreen.

The COMELEC Chairman then presented the results of the votes of the members for the candidates presented:

Trustees Elected			For	Against	Abstain
1	Gen Cirilito E Sobejana PA, representing the Office of the Chief of Staff, AFP	Count	288,535	1	6
		%	99.9976%	0.0003%	0.0021%
2	MGen Adriano S Perez Jr PA, representing the Joint Staff of the Armed Forces of the Philippines	Count	288,533	1	8
		%	99.9969%	0.0003%	0.0028%
3	MGen Robert C Dauz PA, representing the Philippine Army	Count	288,529	3	10
		%	99.9955%	0.0010%	0.0035%
4	MGen Florante M Amano PAF, representing the Philippine Air Force	Count	288,533	1	8
		%	99.9969%	0.0003%	0.0028%
5	RAdm Adeluis S Bordado PN, representing the Philippine Navy	Count	288,527	3	12
		%	99.9948%	0.0010%	0.0042%
6	FCMS Aladin S Dacayanan (INF) PA, representing the Office of the AFP Sergeant Major	Count	288,531	2	9
		%	99.9962%	0.0007%	0.0031%
7	PMGen Rhoderick C Armamento, representing the Philippine National Police	Count	288,526	6	10
		%	99.9945%	0.0021%	0.0035%
8	PBGen Arthur V Bisnar, representing the Philippine National Police	Count	288,524	5	13
		%	99.9938%	0.0017%	0.0045%
9	VAdm Leopoldo V Laroya PCG, representing the Philippine Coast Guard	Count	288,529	2	11
		%	99.9955%	0.0007%	0.0038%
10	CSupt Ruel S Rivera BJMP, representing the Bureau of Jail Management and Penology	Count	288,533	1	8
		%	99.9969%	0.0003%	0.0028%
11	CSupt Roel Jeremy G Diaz BFP, representing the Bureau of Fire Protection	Count	288,533	4	5
		%	99.9969%	0.0014%	0.0017%
12	MGen Rizaldo B Limoso PA (Ret), representing the membership at-large	Count	288,530	3	9
		%	99.9958%	0.0010%	0.0031%
13	MGen Rolando B Tenefrancia PA (Ret) as Independent Trustee	Count	288,531	1	10
		%	99.9962%	0.0003%	0.0035%
14		Count	288,528	2	12

	MGen Tyne T Bañas PA (Ret) as Independent Trustee	%	99.9951%	0.0007%	0.0042%
15	BGen Virgilio B Bartolome PA(Ret) as Independent Trustee	Count	288,533	1	8
		%	99.9969%	0.0003%	0.0028%

After the nomination and election proceedings, the COMELEC Chairman declared the following as the duly-elected members of the Board of Trustees for CY 2021-2022:

Nominee	Representing
1. GEN CIRILITO E SOBEJANA PA	Office of the Chief of Staff, AFP
2. MGEN ADRIANO S PEREZ JR PA	Joint Staff of GHQ, AFP
3. MGEN ROBERT C DAUZ PA	Philippine Army
4. MGEN FLORANTE M AMANO PAF	Philippine Air Force
5. RADM ADELUIS S BORDADO PN	Philippine Navy
6. FCMS ALADIN S DACAYANAN (INF) PA	Office of the AFP Sergeant Major
7. PMGEN RHODERICK C ARMAMENTO	Philippine National Police
8. PBGEN ARTHUR V BISNAR	Philippine National Police
9. VADM LEOPOLDO V LAROYA PCG	Philippine Coast Guard
10. CSUPT RUEL S RIVERA BJMP	Bureau of Jail Management and Penology
11. CSUPT ROEL JEREMY G DIAZ BFP	Bureau of Fire Protection
12. MGEN RIZALDO B LIMOSO PA (RET)	At Large
13. MGEN ROLANDO B TENEFRANCIA PA (RET)	Independent Trustee
14. MGEN TYNE T BAÑAS PA (RET)	Independent Trustee
15. BGEN VIRGILIO B BARTOLOME PA (RET)	Independent Trustee

XIV. Oath-Taking of the Members of the Board of Trustees

At this point, The COMELEC Chairman administered the oath-taking of the newly elected members of the Board of Trustees.

XV. Adjournment

There being no other matter to discuss, SMS Ronaldo M Puma moved for the adjournment of the meeting, which motion was duly seconded by SMS Rommel E Santiago. The meeting was adjourned at 11:16 A.M.