



DRAFT MINUTES OF THE 14TH ANNUAL GENERAL MEETING OF THE MEMBERS OF MAGDIWATA BASIC CARE - MUTUAL BENEFIT ASSOCIATION, INC., HELD AT THE FRIEND RESEARCH AND TRAINING CENTER, PUROK 5, LAPINIGAN, SAN FRANCISCO, AGUSAN DEL SUR, ON MAY 17, 2025.

Trustees Present:

1. Octavius Doria	President
2. Judith Literatus	Vice President
3. Cristina Bulaon	Member
4. Roger Calamba	Independent
5. Zanelio Lazaga	Independent
6. Arlene Raro	Independent

Members/Representatives

1. Junel Pagasian
2. Joanah Melecio
3. John Merk Macales
4. Reggie Osorio
5. Jessie Gomez
6. Neliza Santiago
7. Deona Leyson
8. Jimmy Soriano
9. Pinky Tuares
10. Melanie Santillan
11. Ma. Manalily Macalanga
12. Ethel Lovitos
13. Rudy Santiago
14. Lenjie Precioso
15. Jovanni Maguinda
16. Junrey Houlen
17. Linda Grace Arevalo
18. Ranil Magsalay
19. Betsy Sapungay
20. Jeirlyn Coquilla
21. Beverly Arevalo
22. Josefa Batulan
23. Nenita Ostos
24. Rogelie Gervacio
25. Kharl Arevalo
26. Mesac Alferez

Others Present:

1. Diomedisa Salinas
2. Jeneth Faulve
3. Alicia Olvida

Members/Proxies:

Members present in person: 32

Proxies present: 2,178

ORDER OF BUSINESS

1. Call to Order
2. Proof of Notice of Meeting
3. Roll Call and Determination of Quorum
4. Message from the Board of Trustees President
5. Presentation of the Agenda
6. Reading and Confirmation of the Previous Minutes
7. Reading of the Actions of the Board in 2024
8. Reports
 - a. General Manager's Report and Updates
 - b. Chief Finance Officer's Report
9. Renewal of Contract with Quilab & Garsuta, CPAs, as the External Auditor
10. Election of New Board Members
11. Adjournment

PROCEEDINGS OF THE MEETING

I. CALL TO ORDER

Octavius S. Doria, President of the Board of Trustees, presided over the meeting and formally called it to order at 1:50 p.m.

II. PROOF OF NOTICE OF MEETING

The Notice of Meeting, issued on April 21, 2025, was formally read before the assembly. It was disseminated through the Association's official website, with a corresponding advisory distributed to members via the offices of partner organizations.

III. ROLL CALL AND DETERMINATION OF QUORUM

To ensure the valid conduct of business, the number of members in attendance and proxy votes were duly presented. Of 3,959 voting members, 2,178 proxy votes were secured, and 32 voting members were present in person, collectively representing 56% of the total membership. Upon verification, the President officially declared the presence of a quorum.

IV. MESSAGE FROM THE BOARD OF TRUSTEES PRESIDENT

The President, Octavius Doria, warmly welcomed the Board of Trustees, MBC-MBA members, guests, and partners to the 14th Annual General Assembly of Magdiwata Basic Care–Mutual Benefit Association, Inc., formerly known as Peoples Bank of Caraga–Mutual Benefit Association, Inc. He highlighted that the assembly was more than a statutory meeting—it was a celebration of the association's collective journey, a time to reflect on achievements, and an opportunity to reinforce their shared commitment to protecting lives and building community resilience through microinsurance.

Despite ongoing challenges faced by communities and sectors, the President reaffirmed the association's steadfast mission to provide accessible, affordable, and responsive financial life protection to members and their dependents. He acknowledged that this mission is sustained by the trust, support, and active participation of all stakeholders. He emphasized the importance of sharing updates, showcasing key accomplishments, and listening to stakeholder feedback during the assembly, as these insights will help shape the future direction of MBC-MBA.

Finally, he called on everyone to renew their unity, celebrate their successes, and prepare for the work ahead, affirming that together, MBC-MBA is more than an association—it is a purposeful community.

V. PRESENTATION OF THE AGENDA

The agenda for the meeting was presented for deliberation. No comments, objections, or additions were raised.

MEMBERS' RESOLUTION NO. 2025-01

The agenda as presented is hereby approved and adopted by the assembly.

Moved: Ginanet Abagon

Seconded: Zanelio Lazaga

The votes on the approval of the agenda were as follows:

Agenda/Item	No. of Voting Members	Members in Favor	Members Against	Members Abstain	Members Absentees
Approval of the Agenda	3,959	2,210	0	0	1,749

VI. READING AND CONFIRMATION OF THE MINUTES DURING THE 2024 ANNUAL GENERAL ASSEMBLY

The minutes of the Annual General Assembly held on May 11, 2024, were duly read before the body. As there were no further comments or clarifications raised, the minutes were considered reviewed and acknowledged by the assembly.

MEMBERS' RESOLUTION NO. 2025-02

The minutes of the 2024 Annual General Assembly are hereby confirmed.

Moved: Cristina Bulaon

Seconded: Arlene Raro

The votes on the confirmation of the minutes from the 2024 Annual General Assembly were as follows:

Agenda/Item	No. of Voting Members	Members in Favor	Members Against	Members Abstain	Members Absentees
Confirmation of the Minutes of the 2024 Annual General Assembly Meeting	3,959	2,210	0	0	1,749

VII. READING OF THE ACTIONS OF THE BOARD OF TRUSTEES

The actions undertaken by the Board of Trustees during the year 2024 were presented to the assembly. As no further comments or clarifications were raised, the Board's actions for 2024 were duly accepted.

VIII. REPORTS

a. General Manager's Report and Updates

The General Manager delivered a comparative performance review covering the years 2023 and 2024, alongside key operational highlights of the Association's products, providing the members with valuable insights into MBC-MBA's growth, service delivery, and overall impact.

MEMBERSHIP				
Particulars	2023	2024	Increased	Decreased
Total Members for the Year	3,332	3,959	19%	
Active Members	3,021	3,340	11%	
Inactive Members	311	619	99%	
Partners' Membership				
PBCI	7	7		
MOLD	2,434	2,722	12%	
RCMC	439	771	76%	
New Members Enrolled for the Year	135	668	395%	

COLLECTION				
Particulars	2023	2024	Increased	Decreased
BLIP	251,434.98	273,708.80	9%	
CLIP	89,195.88	145,470.32	63%	
Risk/Loans Exposure	7,534,700.00	14,835,384.00	97%	
HAPI	180,029.80	205,724.00	14%	

PAID CLAIMS				
Particulars	2023	2024	Increased	Decreased
Natural Death	42,000.00	69,000.00	64%	
Accidental Death		40,500.00	100%	
AMR	9,119.25	21,505.50	136%	
Equity Value	46,863.00	88,286.00	88%	
Resigned Members	8	47	487%	
Terminated Members	24	31	29%	
CLIP	130,000.00	30,000.00		77%
HAPI	41,700.00	49,850.00	19%	

The General Manager addressed the 14th Annual General Assembly with a report on key organizational developments. She confirmed that the change in the Association's name to *Magdiwata Basic Care – Mutual Benefit Association, Inc.* was duly approved by the General Assembly and officially recognized by the Securities and Exchange Commission (SEC) on September 26, 2024. She clarified that only the name had changed; all structures, functions, and operations of the Association remained intact. The new name reflects the Association's identity and its roots in San Francisco, Agusan del Sur. Inspired by Mt. Magdiwata—a symbol of strength, stability, and community connection—the rebranding signifies

a new identity and a brighter future. It is hoped that this change will inspire greater trust and draw more individuals to join MBC-MBA.

The General Manager also reported a positive development in the Association's financial standing. According to the AFS 2023 verification with the Insurance Commission, MBC-MBA's Risk-Based Capital (RBC) Ratio significantly improved from 746% to 1,042%, despite a decrease in membership. However, she noted that, based on a viability study, the Association must recruit an additional 3,000 members to maintain financial sustainability.

She acknowledged the challenges in securing new partnerships, as many cooperatives prefer commercial insurers that offer higher service fees—something MBC-MBA cannot match. Two promising partnerships that had reached the Memorandum of Agreement stage were unfortunately withdrawn in favor of commercial providers. Despite these setbacks, the General Manager emphasized perseverance, trust in divine guidance, and continued member support. She urged everyone to begin recruitment within their families and expressed strong support for MOLD and RCMC, long-standing partners actively engaged in member recruitment. Members were also informed of the launch of MBC-MBA's new website: www.mbcmba.com, which reflects the rebranding. She noted revisions made to promotional materials to avoid confusion arising from the old name, "PBC-MBA."

In closing, the General Manager made a heartfelt appeal for referrals to cooperatives or organized groups, noting that even simple introductions contribute significantly to the Association's outreach efforts. She expressed sincere gratitude to the PABK members who attended and conveyed hope for renewed engagement and reactivation of previously discontinued memberships.

Finally, she provided clarifications on key issues raised, including concerns related to member termination, insurability, and age eligibility for enrollment.

MEMBERS' RESOLUTION NO. 2025-03

The General Manager's Report was approved as presented.

Moved: Ma. Manalily Macalanga

Seconded: Jessie Gomez

The votes on the approval of the General Manager's 2024 Report were as follows:

Agenda/Item	No. of Voting Members	Members in Favor	Members Against	Members Abstain	Members Absentees
Approval of the General Manager's 2024 Report	3,959	2,210	0	0	1,749

a. Chief Finance Officer's Report

The Chief Finance Officer presented to the members a summarized report of the Audited Financial Statements of Magdiwata Basic Care–Mutual Benefit Association, Inc. (MBC-MBA) as of December 31, 2024, providing an overview of the Association's financial position and performance for the year.

ASSETS	
Current Assets	
Cash in Banks	8,799,565.00
Investments in Debt & Equity Securities	6,213,226.00
Trade and other Payables	13,488,843.00
Prepayments	17,772.00
Total Current Assets	28,519,406.00
Non-Current Assets	
Property and Equipment Net	4,570,920.00
Investment in Debt & Equity Securities	28,220,113.00
Total Non-Current Assets	32,791,033.00
TOTAL ASSETS	61,310,439.00

LIABILITIES	
Current Liabilities	
Trade and other Payables	779,280.00
Insurance Contract Liabilities	20,431.00
Total Current Liabilities	799,711.00
Non-Current Liabilities	
Aggregate Reserve for unexpired risk	34,221,580.00
TOTAL LIABILITIES	35,021,291.00

FUND BALANCES	
Guaranty Fund	12,443,087.00
General Fund	10,301,559.00
Other Members Benefit Fund	3,040,000.00
Revaluation reserve on investment	504,502.00
Total Fund Balances	26,289,148.00
TOTAL LIABILITIES & FUND BALANCES	61,310,439.00

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	
REVENUE	
Members' Contribution	624,901.00

Contribution to Guaranty Fund	(31,245.00)
Premium Ceded to Reinsurer (Generali)	(36,123.00)
Net Members' Premium Contribution	557,533.00
Interest & Investment Income	1,542,479.00
Membership Fees	134,400.00
Other Income	131,826.00
TOTAL REVENUE	2,366,238.00

BENEFITS AND OPERATING EXPENSES	
Gross Benefits and Claims Paid to Members	170,232.00
Inc/Dec in Aggregate Reserve for Unexpired Risks	(259,951.00)
Collection Costs	36,530.00
Total Benefits to Member	(53,189.00)
Compensation and Employees' Benefits	1,502,545.00
Provision for Expected Credit Losses	166,692.00
General and Administrative Expenses	719,055.00
Depreciation	245,215.00
Total Benefits and Operating Expenses	2,580,318.00
DEFICIT FROM OPERATIONS	(214,080.00)
Subsidy for Depreciation from Other Members' Benefits Fund	160,000.00
Deficit for the Year	(54,080.00)
Other Comprehensive Income (FVTOCI)	112,262.00
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>58,182.00</u>

Trustee Zainelio Lazaga, serving as an Independent Director, raised several points for clarification during the meeting. These concerns were thoroughly and comprehensively addressed by the Chief Finance Officer, ensuring transparency and alignment with the Association's financial practices.

MEMBERS' RESOLUTION NO. 2025-04

The Audited Financial Statement for the year ended December 31, 2024, is accepted as presented.

Moved: Zainelio Lazaga

Seconded: Judith Literatus

The votes on the acceptance of the Audited Financial Statement for the year ended December 31, 2024, were as follows:

Agenda/Item	No. of Voting Members	Members in Favor	Members Against	Members Abstain	Members Absentees
Acceptance of the Audited Financial Statement for the year ended December 31, 2024.	3,959	2,210	0	0	1,749

IX. RENEWAL OF CONTRACT WITH QUILAB & GARSUTA, CPAs, AS THE EXTERNAL AUDITOR

The renewal of the engagement contract with Quilab & Garsuta as the external auditor of Magdiwata Basic Care–Mutual Benefit Association, Inc. is subject to the approval of the general membership, following the provisions outlined in the ASEAN Corporate Governance Report (ACGR). This step ensures transparency, accountability, and compliance with established corporate governance standards.

MEMBERS' RESOLUTION NO. 2025-05

The renewal of the contract with Quilab & Garsuta, CPAs, as the external auditor of PBC-MBA is hereby approved.

Moved: Cristina Bulaon

Seconded: Arlene Raro

The votes on the approval of the contract renewal with Quilab & Garsuta, CPAs, were as follows:

Agenda/Item	No. of Voting Members	Members in Favor	Members Against	Members Abstain	Members Absentees
Approval of the contract renewal with Quilab & Garsuta, CPAs	3,959	2,210	0	0	1,749

X. ELECTION OF NEW BOARD MEMBERS

Trustee Literatus, representing the Nomination and Election Committee, reported the expiration of the term of office for five members of the Board of Trustees:

1. Octavius Doria
2. Cristina Bulaon
3. Zainelio Lazaga
4. Arlene Raro
5. Genalyn Hegina

Trustees Doria, Bulaon, Lazaga, and Raro were deemed eligible for re-election, while Trustee Hegina, having reached the maximum allowable term, was no longer eligible to serve. As such, one new nominee was required to fill the resulting vacancy. Trustee Literatus reviewed the qualifications for Board membership and opened the floor for nominations. Beverly Arevalo nominated Ranil Magsalay. Subsequently, Kharl Arevalo moved to close the nominations, which were seconded by Arlene Raro and unanimously approved by the assembly.

Since the number of qualified nominees matched the number of vacant seats on the Board of Trustees, the assembly granted the Secretary the authority to cast the collective votes on behalf of all members present. The Nomination and Election Committee then officially proclaimed the following as duly elected members of the Board of Trustees for the 2025–2028 term:

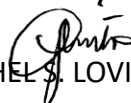
- Octavius Doria
- Cristina Bulaon
- Zainelio Lazaga
- Arlene Raro
- Ranil Magsalay

XI. ADJOURNMENT

With no further business to transact, the President formally declared the Annual General Assembly adjourned at 3:15 p.m.

Moved: Trustee Lazaga
Seconded: Trustee Raro

CERTIFIED CORRECT:


ETHEL S. LOVITOS

Secretary

ATTESTED:

OCTAVIUS S. DORIA
President

RANIL P. MAGSALAY
Trustee

ARLENE S. RARO
Trustee

GINANET L. ABAGON
Trustee

JUDITH I. LITERATUS
Trustee

ZAINELIO T. LAZAGA
Trustee

CRISTINA A. BULAON
Trustee