



DRAFT MINUTES OF THE 15TH ANNUAL GENERAL MEETING 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 16, 2026.

Trustees Present:

- | | |
|---------------------|----------------|
| 1. Octavius Doria | President |
| 2. Judith Literatus | Vice President |
| 3. Ranil Magsalay | Treasurer |
| 4. Cristina Bulaon | Member |
| 5. Ginanet Abagon | Independent |
| 6. Arlene Raro | Independent |

Members/Representatives

1. Ethel Lovitos
2. Neliza Santiago
3. Jovanni Maguinda
4. Beverly Arevalo
5. Arnel Granaderos
6. Jessie Gomez
7. Junel Pagasian
8. John Merk Macales
9. Linda Grace Arevalo
10. Joanah Melecio
11. Lenjie Precioso
12. Betsy Sapungay
13. Jan Morgan Pullo
14. Kharl Arevalo
15. Jeirlyn Coquilla
16. Melanie Santillan
17. Deona Leyson

Others Present:

1. John Contemplo

Members/Proxies:

Members present in person: 23

Proxies present: 2,304

ORDER OF BUSINESS

1. Call to Order
2. Doxology/National Anthem
3. Proof of Notice of Meeting
4. Roll Call and Determination of Quorum
5. Message from the Board of Trustees President
6. Presentation of the Agenda
7. Reading and Confirmation of the Previous Minutes
8. Reading of the Actions of the Board in 2025
9. Reports
 - a. General Manager's Report and Updates
 - b. Chief Finance Officer's Report
10. Renewal of Contract with Quilab & Garsuta, CPAs, as the External Auditor
11. Adjournment

PROCEEDINGS OF THE MEETING

I. CALL TO ORDER

The President of the Board of Trustees presided over the meeting and formally called it to order at 10:16 a.m.

II. DOXOLOGY/NATIONAL ANTHEM

The meeting started with a doxology followed by the singing of the national anthem.

III. PROOF OF NOTICE OF MEETING

The Notice of Meeting, issued on April 10, 2026, was formally read before the assembly. It was disseminated through the Association's official website, and an advisory was distributed to members via the offices of partner organizations.

IV. ROLL CALL AND DETERMINATION OF QUORUM

To ensure the proper conduct of business, the number of members in attendance and the number of proxy votes were duly presented. Of 4,531 voting members, 2,304 proxy votes were cast, and 23 voting members were present in person, collectively representing 52% of the total membership. Upon verification, the President officially declared a quorum present.

V. MESSAGE FROM THE BOARD OF TRUSTEES PRESIDENT

The President expressed sincere gratitude to all members, officers, and partners for their continued trust and support. He acknowledged the current challenges the organization faces in increasing membership and financial resources. Still, he emphasized that it remains committed to its mission of providing care, protection, and service to the community. He further stated that these difficulties would not hinder the organization from moving forward. With unity, dedication, and faith, he expressed confidence that the organization would overcome these challenges and continue to strengthen Magdiwata Basic Care-MBA for the benefit of all its members. The President concluded his message by thanking everyone and encouraging continued cooperation towards a stronger, better organization.

VI. PRESENTATION OF THE AGENDA

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

MEMBERS' RESOLUTION NO. 2026-01

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

Moved: Beverly Arevalo

Seconded: Trustee Literatus

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	4,531	2,327	0	0	2,204

VII. READING AND CONFIRMATION OF THE MINUTES DURING THE 2025 ANNUAL GENERAL ASSEMBLY

The minutes of the Annual General Assembly held on May 17, 2025, were duly read before the body. As no further comments or clarifications were raised, the minutes were considered reviewed and acknowledged by the assembly.

MEMBERS' RESOLUTION NO. 2026-02

The minutes of the 2025 Annual General Assembly are hereby confirmed.

Moved: Trustee Abagon

Seconded: Jessie Gomez

The votes on the confirmation of the minutes from the 2025 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 2025 Annual General Assembly Meeting	4,531	2,327	0	0	2,204

VIII. READING OF THE ACTIONS OF THE BOARD OF TRUSTEES

The actions undertaken by the Board of Trustees in 2025 were presented to the assembly. As no further comments or clarifications were raised, the Board's actions for 2025 were duly accepted.

IX. REPORTS

a. General Manager's Report

The General Manager, Linda Grace B. Arevalo, presented the Comparative Report on the performance of the Basic Life Insurance Plan (BLIP), Credit Life Insurance Plan (CLIP), and Hospitalization Assistance Pamilya Insurance Plan (HAPI) for Calendar Years 2024–2025.

The presentation highlighted the association's membership growth, product performance, claims experience, and operational trends for the period under review.

It was reported that active membership rose from 3,340 in 2024 to 3,731 in 2025, an 11.7% increase. Likewise, new enrollment reached 605 members through partner networks. Among the partner institutions, RCMC recorded the highest increase in recruitment performance with a 47.6% growth compared to the previous year.

The General Manager further discussed the financial performance of the association's insurance products. BLIP contributions significantly increased while paid claims decreased, indicating improved fund stability and risk management. CLIP premiums remained generally stable while continuing to provide loan protection support to partner borrowers and members. Meanwhile, HAPI contributions and claims both increased, reflecting the association's continued commitment to extending hospitalization, sickness, and maternity assistance to members.

A comparative financial performance matrix was likewise presented, summarized as follows:

Category	2024	2025	Variance (%)
BLIP contributions	P247,022.40	P341,151.60	+24.50%
CLIP contributions	P145,470.32	P145,249.52	-0.15%
HAPI contributions	P205,724.00	P285,099.50	+38.58%
BLIP paid claims	P131,005.50	P 89,045.25	-32.03%
CLIP paid claims	P 30,000.00	P 72,000.00	+140%
HAPI paid claims	P 50,450.00	P 70,150.00	+39.05%

The association's operating expense trend was likewise presented. It was noted that operating expenses increased from ₱2.50 million in 2024 to ₱3.43 million in 2025, representing a 37.2% increase. The increase was attributed to the expansion of member services and operational support requirements driven by the association's growing membership base.

MEMBERS' RESOLUTION NO. 2026-03

The General Manager's Report was approved as presented.

Moved: Neliza Santiago

Seconded: Jessie Gomez

The votes on the approval of the General Manager's 2025 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 2025 Report	4,531	2,327	0	0	2,204

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, 2025, providing an overview of the Association's financial position and performance for the year.

ASSETS	
Current Assets	
Cash and cash equivalents	12,727,206.00
Investments in Debt & Equity Securities	1,998,209.00
Trade and other Payables	9,882,252.00
Prepayments	13,572.00
Total Current Assets	24,621,239.00
Non-Current Assets	
Property and Equipment Net	4,711,641.00
Investment in Debt & Equity Securities	30,320,425.00
Total Non-Current Assets	35,032,066.00
TOTAL ASSETS	59,653,305.00

LIABILITIES AND FUND BALANCES	
Current Liabilities	
Trade and other Payables	464,950.00
Insurance Contract Liabilities	49,355.00
Total Current Liabilities	514,305.00
Non-Current Liabilities	
Aggregate Reserve for unexpired risk	34,445,576.00
TOTAL LIABILITIES	34,959,881.00

Fund Balances	
Guaranty Fund	12,481,662.00
General Fund	8,678,754.00
Other Members' Benefit Funds	2,880,000.00
Revaluation reserve on investments at FVTOCI	653,008.00
Total Fund Balances	24,693,424.00

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME As of December 31, 2025	
REVENUE	
Gross members' premium contribution	771,502.00
Contributions to Guaranty Fund	(38,575.00)
Premiums ceded to reinsurers.	
Net members' premium contributions	732,927.00
Interest & investment income	965,269.00
Membership fees	120,400.00
Other Income	155,275.00
TOTAL REVENUE	1,973,871.00

BENEFITS AND OPERATING EXPENSES	
Gross benefits and claims paid to members	283,263.00
Inc/Dec in aggregate reserve for unexpired risks	223,996.00
Collection costs	39,997.00
Total Benefits to Member	547,256.00
Compensation and employees' benefits	1,766,796.00
General and administrative expenses	1,272,087.00
Depreciation	182,569.00
Total Benefits and Operating Expenses	3,768,708.00
DEFICIT FROM OPERATIONS	(1,794,837.00)
Subsidy for Depreciation from Other Members' Benefits Fund	160,000.00
Deficit for the Year	(1,634,837.00)
Other Comprehensive Income (FVTOCI)	160,538.00
TOTAL COMPREHENSIVE(LOSS) INCOME FOR THE YEAR	<u>(1,474,299.00)</u>

MEMBERS' RESOLUTION NO. 2026-04

The Chief Finance Officer's report is accepted based on the audited financial statement presented.

Moved: Trustee Bulaon

Seconded: Trustee Literatus

The votes on the acceptance of the Chief Finance Officer's report on the Audited Financial Statement for the year ended December 31, 2025, 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, 2025	4,531	2,327	0	0	2,204

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

The General Manager requested the general membership's approval to renew the engagement contract with Quilab & Garsuta as the external auditor of Magdiwata Basic Care–Mutual Benefit Association, Inc., in accordance with the provisions of the ASEAN Corporate Governance Report (ACGR). The approval process was presented as part of the organization’s commitment to transparency, accountability, and compliance with established corporate governance standards.

MEMBERS’ RESOLUTION NO. 2026-05

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

Moved: Trustee Magsalay

Seconded: Trustee 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	4,531	2,327	0	0	2,204

XI. ADJOURNMENT

With no further business to transact, the President formally declared the Annual General Assembly adjourned at 11:16 a.m.

Moved: Trustee Literatus

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