

**MINUTES OF THE
ANNUAL GENERAL MEMBERSHIP MEETING OF
MERALCO MUTUAL AID AND BENEFITS ASSOCIATION, INC.
(MEMABA, INC.)
HELD ON 9 DECEMBER 2020
Teleconference via MS Teams**

CALL TO ORDER

Mr. Ariel B. Lucas, Chairman of the Board of Trustees, called the meeting to order at 9:00 A.M. The minutes of the proceedings were recorded by the undersigned Corporate Secretary of the meeting. The matters discussed and deliberated upon were the following:

I. INTRODUCTION OF THE MEMBERS OF THE BOARD AND OTHER OFFICERS

The Chairman started the meeting by welcoming all the attendees, present either in person or represented by proxies and those attending via remote communication, to the MEMABA, Inc. Annual General Membership Meeting (AGMM). The Board of Trustees deemed it appropriate to conduct the AGMM via remote communication in order to prioritize the health and safety of members and MEMABA Board of Trustees, Officers and staff given the COVID 19 pandemic. The Chairman also introduced the members of the Board of Trustees and Officers: Mr. Mr. Noel R. Valeza, Vice Chairman, who is joining remotely; Mr. Paul Ryan C. Gregorio, President; Mr. Ferdinand T. Balagtas, Vice President, who is joining remotely; Mr. Elmer T. Manansala, Corporate Secretary; Mr. Marlon Corazon G. Gonsalves, Treasurer, who is joining remotely; Mr. Winston A. Delos Reyes, Auditor, who is joining remotely; Mr. Wilfredo A. Baetiong, Independent Trustee, who is joining remotely; Mr. Domingo L. Robles, Independent Trustee, who is joining remotely; Atty. Christopher Redeemson R. Brocales, Legal Counsel; and Mr. Gregorio P. Figueroa, Jr., VP for Operations and General Manager.

The Chairman also introduced the major committees and their corresponding Trustee-Members.

The Corporate Secretary set the ground rules to be observed during the meeting, with the end in view of ensuring fair, orderly and efficient proceedings; and in order to protect the rights of all the members. Among those discussed were procedures pertaining to the manner of voting, in case there is an objection and that a voting should be made on the approval of the different agenda of the meeting, and how the Board of Trustees and Officers will entertain questions from members. The Corporate Secretary informed the members that only members or their duly designated proxy will be allowed to vote. Each member shall be entitled to one vote while the designated proxy is entitled to as many proxies he/she may have. For each

agenda item, each member is eligible to cast his/her votes, to approve, disapprove or abstain from voting. The manner of voting shall be determined by the Chairman.

II. PROOF OF NOTICE OF THE MEETING

The Chairman asked the Corporate Secretary if notices of the meeting were properly served to the members of the Association in accordance with the By-Laws. In response, the Corporate Secretary confirmed that written notices of the 2020 AGMM were served to all MEMABA members of record as of August 31, 2020.

III. DETERMINATION OF QUORUM

The Chairman asked the Corporate Secretary if there existed the requisite quorum. As confirmed, there were 5,857 members or 59.07% of the 9,915 members of record, as of August 31, 2020, were present either in person or represented by proxies. This represents a quorum based on the quorum requirements, provided for in the By-Laws.

IV. APPROVAL OF THE MINUTES OF THE 2019 AGMM

The Minutes of the AGMM held on December 10, 2019 was presented for approval. Since a copy of the Minutes of the 2019 AGMM were provided to the members before the meeting, and a copy was also posted to Association's website, the Minutes of the AGMM was approved after the motion for the approval had been seconded.

V. ANNUAL REPORT OF THE CHAIRMAN

The Chairman addressed all the members of the Association, delivering his annual report focused on the following key areas:

1. *Efforts made by the Association to help the members ease the burden brought about by COVID-19 coupled by other calamities:*
 - Deferment of the collection of loan payments with due dates falling within April 2020. No interest and penalties were imposed;
 - Continued processing of loans despite the declaration of Enhanced Community Quarantine, albeit remotely, subject to the usual strict evaluation and approval of the Board of Trustees;
 - Offering of Calamity Loan with interest lowered from 4.5% to 3.5% per annum. 939 of our members availed this Calamity Loan;

- Voluntarily implemented a One-Time 60-Day Grace Period for loan payments falling due on 1 November 2020 until 31 December 2020. No interest on interest, penalties, fees, and other charges for late payment was imposed during the grace period;
- Allowing members to avail Medicine Loan for the purchase of vitamins and supplements necessary to strengthen the immune system; and
- Distribution of Sodexo Gift Certificates, donated by our members, to the Taal Volcano eruption victims.

2. *Financial Stability*

The Chairman reported the status of the Association’s financial status and performance as of November 30, 2020.

3. *Number and amount of cash assistance and loans granted to the members and their beneficiaries from January to November 2020.*

4. *Prudent Spending*

The Chairman apprised the members on the Association’s compliance with the 20% cap on administrative expenses based on revenues, as provided for under the Association’s By-Laws and policies of the Insurance Commission.

5. *Good Governance*

The Chairman underscored the Association’s continued adherence to corporate governance mandates issued by the Insurance Commission and other regulatory agencies.

VI. RATIFICATION OF THE ACTS OF THE BOARD OF TRUSTEES

All the resolutions passed by the Board of Trustees and acts made by the management for 2020 were presented to the members for approval and a motion for the approval had been seconded. The members adopted the following resolution:

“RESOLVED, that all resolutions of the Board of Trustees, as well as the acts and contract entered into by the Management of the Association during the year 2020, are hereby confirmed, ratified and approved.”

VII. APPOINTMENT OF EXTERNAL AUDITOR

The Chairman presented for approval the appointment of Diaz Murillo Dalupan and Company, as the external auditor of the Association, to audit the Association's 2020 Financial Statements. Diaz Murillo Dalupan and Company has been the Association's external auditors for the last ten years. The recommendation was approved after the motion for the approval had been seconded. The following resolution was approved and adopted:

“RESOLVED, that the accounting firm of Diaz Murillo Dalupan and Company is hereby retained as the corporation's External Auditor.”

VIII. OTHER MATTERS

There were no other agenda in the meeting. The Chairman opened the floor for questions and suggestions. However, there are no questions from the members.

IX. ADJOURNMENT

There being no other matters to be discussed, a motion to adjourn the meeting was raised and seconded. The meeting was adjourned at 10:00 A.M.

ELMER T. MANANSALA
Corporate Secretary

Attested by:

ARIEL G. LUCAS
Chairman