MINUTES OF THE
ANNUAL GENERAL MEMBERSHIP MEETING OF
MERALCO MUTUAL AID AND BENEFITS ASSOCIATION, INC.
(MEMABA, INC.)

HELD ON MAY 13, 2025

Meralco Mini-Theater, Meralco Center, Ortigas Ave., Pasig City

CALL TO ORDER

Mr. Efren V. Olpindo, 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 welcomed all attendees present in person, represented by proxy, or participating via remote communication to the MEMABA, Inc. Annual General Membership Meeting (AGMM).

He then introduced the members of the Board of Trustees and Officers:

- Mr. Wilfredo P. Bernardo – Vice-Chairman
- Mr. Marvin G. Gonsalves – President
- Mr. Noel L. Espiritu – Vice-President
- Mr. Michael Angelo A. Nazar – Corporate Secretary
- Ms. Marie Liezl S. Soto – Treasurer
- Mr. Michael Christopher G. Crisostomo – Auditor
- Ms. Bernadette B. Baetiong – Independent Trustee
- Mr. Rensy B. Robles – Independent Trustee
- Atty. Christopher Redeemson R. Brocales – Trustee and Legal Counsel
- Mr. Gregorio P. Figueroa, Jr. – VP for Operations and General Manager

The Chairman also acknowledged the presence of representatives from the Association's external auditors, Diaz Murillo Dalupan and Company, who were tasked to count and validate votes on matters requiring voting.

The Corporate Secretary presented the ground rules to be observed during the meeting, to ensure fair, orderly and efficient proceedings and to protect the rights of all the members. Among those discussed were procedures pertaining to the manner of voting and how the

Board of Trustees and Officers will entertain questions from members. The Corporate Secretary explained the voting procedures, emphasizing that only members or their duly designated proxies are allowed to vote. Each member is entitled to one (1) vote, while proxies may cast votes corresponding to the number of proxies they hold. Members may vote to approve, disapprove, or abstain. 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 2025 AGMM were served to all MEMABA members of record as of December 31, 2024.

III. DETERMINATION OF QUORUM

The Chairman asked the Corporate Secretary if there existed the requisite quorum. As confirmed, there were 5,065 members or 52.32% of the 9,680 members of record, as of December 31, 2024 were present either in person or represented by proxies. This represents a quorum based on the quorum requirement, provided for in the By-Laws.

IV. APPROVAL OF THE MINUTES OF THE PREVIOUS ANNUAL GENERAL MEMBERSHIP MEETING HELD ON MAY 14, 2024.

The Minutes of the AGMM held on May 14, 2024 were presented for approval.

During the discussion, Mr. Ramon D. Militar, a member, proposed that individual copies of the Minutes be distributed to members. The Chairman responded that copies were made available at the registration area and were likewise posted on the Association's official website, and that said suggestion would be considered for future meetings.

There being no further comments, upon motion duly made and seconded, the Minutes of the previous meeting were approved.

V. ANNUAL REPORT OF THE CHAIRMAN AND THE PRESIDENT OF THE BOARD OF TRUSTEES

Chairman Report:
The Chairman presented his Annual Report, highlighting the following:

- Key accomplishments:
  - Approval by the Insurance Commission of an additional ₱626.96 to the equity value of qualified members as of December 31, 2020, who remained active as of July 30, 2024;
  - Increase in the maximum Supplemental Loan from ₱200,000.00 to ₱220,000.00 effective September 16, 2024;
  - Implementation of system upgrades, including the development of a new Information Management System and replacement of outdated equipment;
  - Granting of Calamity Loans to members affected by typhoons in various regions;
  - Adjustment of interest rates from 7% to 8% per annum and imposition of a 1% processing fee effective September 16, 2024; and
  - Allocation of funds for the employee retirement program.
- Challenges Encountered:
  - Decline in membership due to retirements and resignations;
  - Financial pressures arising from reduced membership and increasing operational costs.
- Strategic Directions:
  - Enhancement of member benefits and services;
  - Strengthening recruitment and retention initiatives;
  - Exploration of additional investment opportunities;
  - Improvement of digital systems and infrastructure; and
  - Periodic review of the By-Laws and governing policies.

President's Report
The President presented the operational and financial performance of the Association for the year ended December 31, 2024, covering the following:

- Membership statistics;
- Financial condition and results of operations;
- Cash assistance, equity refunds, and loan releases;
- Compliance with the 20% cap on administrative expenses; and
- Adherence to corporate governance standards and regulatory requirements.

VI. RATIFICATION OF THE ACTS OF THE BOARD OF TRUSTEES

All acts, resolutions, and decisions of the Board of Trustees and Management for the year 2024 were presented for ratification.

Upon motion duly made and seconded, the following resolution was unanimously approved:

> **"RESOLVED, that all acts, resolutions, and decisions of the Board of Trustees and Management for and during the year 2024 be, as they are hereby, ratified and confirmed."**

VIII. OTHER MATTERS

There was no other agenda in the meeting. The Chairman opened the floor for questions and suggestions. The following are the discussion:

1. Mr. R. D. Militar inquired as to why the Association distributed equal amounts for members' benefits, notwithstanding the varying lengths of membership among members. In response, the Board of Trustees explained that while the Association recognizes the number of years of membership, it operates as a mutual benefits association and adheres to the principle of equality, whereby all members are treated equally with respect to the granting of benefits.

   Mr. Wilfredo A. Baetiong, a former Trustee and member of the Association, shared that during his tenure, the Association distributed non-financial items such as umbrellas, gift certificates, and desktop fans, which were provided in equal value to all members.

   Mr. Solomon B. Anastacio, a Trustee and member, added that since the amount was credited to the members' equity value, it should likewise be proportionate or aligned with such equity value, and expressed agreement with Mr. Militar.

   The Board of Trustees further explained that the option of distributing non-financial tokens had been considered. However, the Association encountered logistical and distribution challenges. That's the reason it was decided to provide an equivalent monetary amount instead, with approval from the Insurance Commission.

   The Board of Trustees assured that the suggestion will be considered in future distributions.

   2. Ms. Cecille Dela Cruz asked why the Association has not provided non-financial items in recent years, noting that many members appreciate these benefits. The Board of Trustees explained that the granting of benefits is based on the results of the Insurance Commission's verification of the Association's financial and operational status. The last distribution of non-financial items was in 2020, and the Association was guided by the Insurance Commission based on the 2024 audit. Due to logistical and distribution

challenges, the Association opted to credit the equivalent amount to members' equity value instead of providing non-financial items. This approach was also consulted with the Insurance Commission. The Board assured that efforts are being made to reach members who have not yet claimed their non-financial benefits.

2. Mr. Carl Aquino, a member, suggested that the Association coordinate with the Meralco Retirees Association (MERA), noting that it has a wider reach among members and was able to assist him with his stock certificate. He also recommended conducting an information drive, not only for MEMABA but also for other associations with members, to improve awareness and engagement.

3. Mr. Arestides Boral, a member, suggested improving the Association's information dissemination to better reach members both within the Philippines and abroad. The Board of Trustees responded that regular updates are posted on the Association's website, and that email and mobile notifications are also being conducted. The Board emphasized the importance of keeping members' information updated and encouraged all members to regularly update their records whenever there are changes.

4. Mr. S. Anastacio inquired about the action of the Association regarding members who still have their equity value and non-financial benefits and are already over 100 years old, and who may no longer be living. The Board of Trustees explained that, based on the rules of the Insurance Commission, such individuals remain members of the Association and cannot be removed from the membership list. Their equity value shall remain with the Association.

5. Mr. R. D. Militar inquired about the impact of the increase in the interest rate from 7% to 8% and the imposition of a 1% processing fee on the Supplemental Loan. The Board of Trustees explained that the adjustment was made due to the decline in the number of new members and to address the potential decrease in membership, which may affect loan availment and the overall growth of the Association. The Board further noted that many active employees no longer have pension benefits, which may contribute to the decline in membership. The Board of Trustees added that the current interest rate remains among the lowest compared to other mutual benefit associations and emphasized that the decision was made to ensure the sustainability of the Association.

6. The Board of Trustees commended the statement of Mr. Ramon D. Militar, who encouraged members, especially new members, not to withdraw their membership due to the benefits they receive from the Association, and emphasized that through their contributions, members are likewise helping support their fellow members, particularly in providing assistance in cases of death.

Lastly, The Board of Trustees also expressed his gratitude to the members who are actively participating on this AGMM.

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 11:00 A.M.

MICHAEL ANGELO A. NAZAR
Corporate Secretary

Attested by:

EFREN V. OLPINDO
Chairman