

**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF**

PHILIPPINE LIFE FINANCIAL ASSURANCE CORPORATION

Wednesday, 20 January 2021
conducted via Remote Communication due to COVID-19 Pandemic

DIRECTORS PRESENT:

MONICO V. JACOB
JOSEPH AUGUSTIN L. TANCO
EUSEBIO H. TANCO
MARTIN K. TANCO
PAOLO MARTIN O. BAUTISTA
JESLI A. LAPUS
JOSE ALFONSO A. POBLETE
ARMANDO L. SURATOS

ALSO PRESENT:

YOLANDA M. BAUTISTA
MICHELLE L. AMBAGAN
OSCAR C. KHO, JR.
ARSENIO C. CABRERA, JR.
ANNA CARMINA S. HERRERA

I. CALL TO ORDER

The Chairman, Mr. Monico V. Jacob, called the meeting to order and presided over the same. The Corporate Secretary, Atty. Arsenio C. Cabrera, Jr., recorded the minutes of the proceedings.

II. CERTIFICATION OF NOTICE AND QUORUM

The Corporate Secretary certified that the notices of the meeting were sent to all directors. Thereafter, the Corporate Secretary conducted a roll call of the directors present.

The meeting was conducted through remote communication pursuant to Section 52 of the Revised Corporation Code of the Philippines which authorizes that directors who cannot physically attend or vote at board meetings can participate and vote through remote communication such as videoconferencing, teleconferencing, or other alternative modes of communication that allow them reasonable opportunities to participate.

All directors attended the meeting through remote communication via Zoom. The directors confirmed that they could completely and clearly hear each other. They likewise confirmed receipt of the agenda and all of the materials for the meeting.

After the roll call and foregoing confirmations, the Corporate Secretary, thereafter, certified as to the existence of quorum for the valid transaction of business.

III. APPROVAL OF THE MINUTES OF THE MEETING

Upon motion made and duly seconded, the Minutes of the Board Meeting held on 3 December 2020 were unanimously approved.

IV. OPENING FOR SUBSCRIPTION OF SHARES

The Chairman informed the Board about the plan for the opening for subscription of [REDACTED] shares from the unissued portion of the Corporation's authorized capital stock at a subscription price of [REDACTED] per share or an aggregate subscription price of [REDACTED]. He noted that the subscription price was based on the book value of the Corporation's shares as of 31 December 2020. He also noted that the excess of the subscription price over the par value of the shares will be treated as additional paid-in capital. He added that the purpose for the opening for subscription of the aforementioned shares was to correct the deficiency noted by the Insurance Commission in its 2019 verification of the Annual Statements of the Corporation.

Upon motion made and duly seconded, the Board unanimously approved the following resolutions:

RESOLUTION NO. 2021-BD-01

RESOLVED, That the Board of Directors has authorized the opening for subscription of [REDACTED] shares (the "Shares") from the unissued portion of the Corporation's authorized capital stock at a subscription price of [REDACTED] per Share or the aggregate subscription price of [REDACTED] provided that the excess of the subscription price of the Shares over their par value shall be treated as additional paid-in capital;

"RESOLVED FURTHER, That the Corporation is hereby authorized to execute an undertaking waiving the provisions of law on the secrecy of bank deposits under Republic Act No. 1405 and Republic Act No. 6426 (the "Undertaking") in relation to the capital infusion received by the Corporation pursuant to the stock subscriptions that were undertaken in order for the Corporation to comply with the net worth requirement of the Insurance Commission, provided that the aforementioned waiver shall be for the sole purpose of verifying the capital infusion and that such waiver shall only be effective for thirty (30) days after the date of issuance of the Undertaking;

"RESOLVED FURTHER, *That the President and CEO, Mr. Joseph Augustin L. Tanco, be as he is hereby authorized to execute the Undertaking for and on behalf of the Corporation and to perform any and all other acts as may be necessary in order to fully implement the foregoing resolutions.*

"RESOLVED FINALLY, *That the officers of the Corporation are hereby authorized to perform all acts as may be necessary to implement the foregoing resolutions."*

V. OTHER MATTERS

Upon motion made and duly seconded, the Board unanimously approved the following resolutions:

A. Oriental Mindoro Satellite Office

Upon motion made and duly seconded, the Board approved the following resolutions in connection with the transfer of the Corporation's Isabela branch office:

RESOLUTION NO. 2021-BD-02

"RESOLVED, *That the Corporation hereby approves the transfer of its satellite office in Sto. Niño (Nacoco) Calapan City, Oriental Mindoro to its new address Unit 1, 2nd Floor ICD Bldg., Gumamela St., Lumangbayan, Calapan City, Oriental Mindoro ("Satellite Office");*

"RESOLVED FURTHER, *That the Corporation hereby appoints Mr. Frederick S. San Diego, Manager-Special Assistant to the President or Ms. Narcisa Clores Office Manager of the Satellite Office ("the Satellite Office Manager");*

"RESOLVED FURTHER, *That the Corporation hereby approves the execution of a Special Power of Attorney in favor of Mr. Frederick S. San Diego, Manager-Special Assistant to the President or Ms. Narcisa Clores, Satellite Office Manager for the purpose of authorizing the Special Assistant to the President or Satellite Office Manager to receive summons, notices and legal processes in any action or other legal proceeding against the Corporation for and on its behalf (the "Special Power of Attorney");*

"RESOLVED FINALLY, *That the Corporation hereby designates the President and CEO, Mr. Joseph Augustin L. Tanco, as its authorized representative to execute the Special Power of Attorney."*

B. Nueva Vizcaya Satellite Office

Upon motion made and duly seconded, the Board approved the following resolutions in connection with the transfer of the Corporation's Isabela branch office:

RESOLUTION NO. 2021-BD-02A

"RESOLVED, That the Corporation hereby approves the transfer of its satellite office in 1st Floor Carub Duque Bldg., National Hiway, Purok Narra, Brgy. Roxas, Solano, Nueva Vizcaya to its new address at Room D, 2nd Floor Abad Bldg., Dela Cruz St., Don Tomas Maddela, Bayombong, Nueva Vizcaya ("Satellite Office");

"RESOLVED FURTHER, That the Corporation hereby appoints Mr. Frederick S. San Diego, Manager-Special Assistant to the President or Mr. Freddie Valino, Satellite Office Manager of the Satellite Office ("the Satellite Office Manager");

"RESOLVED FURTHER, That the Corporation hereby approves the execution of a Special Power of Attorney in favor of Mr. Frederick S. San Diego, Manager-Special Assistant to the President or Mr. Freddie Valino, Satellite Office Manager for the purpose of authorizing the Special Assistant to the President or Satellite Office Manager to receive summons, notices and legal processes in any action or other legal proceeding against the Corporation for and on its behalf (the "Special Power of Attorney");

"RESOLVED FINALLY, That the Corporation hereby designates the President and CEO, Mr. Joseph Augustin L. Tanco, as its authorized representative to execute the Special Power of Attorney."

C. BIR Audit

Mr. Oscar C. Kho, Jr. informed the Board about the status of the Corporation's ongoing Bureau of Internal Revenue ("BIR") audit. He stated that the Corporation had received a letter of audit from the BIR late last year covering the calendar year of 2018. Based on the assessment of management, he noted that tax exposure (primarily VAT) is between [REDACTED]

Mr. Kho stated that the Corporation had engaged the services of Reyes Tacandong & Co. to assist the Corporation with the ongoing BIR audit. He noted that Reyes Tacandong & Co. had

also handled the Corporation's previous BIR audits. He explained that the fees of Reyes Tacandong & Co. are fixed per stage of completion and are within the approved budget for 2021.

Mr. Kho informed the Board about the need to appoint: (a) the President and CEO, Mr. Joseph Augustin L. Tanco; or (b) the SVP and COO, Ms. Michelle L. Ambagan, as the authorized signatories for the Corporation's Special Power of Attorney authorizing Reyes Tacandong to represent the Corporation in the ongoing BIR audit.

RESOLUTION NO. 2021-BD-03

"WHEREAS, the Corporation received a letter of audit from the Bureau of Internal Revenue covering the calendar year of 2018 (the "BIR Audit");

"WHEREAS, the Corporation has engaged the services of Reyes Tacandong & Co. to represent the Corporation in connection with the BIR Audit;

"NOW THEREFORE, BE IT HEREBY RESOLVED, That the Board of Directors hereby approves the execution of a Special Power of Attorney in favor of Reyes Tacandong & Co. for the purpose of authorizing Reyes Tacandong & Co. to represent the Corporation in connection with the BIR Audit (the "Special Power of Attorney");

"RESOLVED FINALLY, That the Corporation hereby designates the President and CEO, Mr. Joseph Augustin L. Tanco or the SVP and COO, Ms. Michelle L. Ambagan, as its authorized representative to execute the Special Power of Attorney."

D. **Isabela Branch Office**

Upon motion made and duly seconded, the Board approved the following resolutions in connection with the transfer of the Corporation's Isabela branch office:

RESOLUTION NO. 2021-BD-03A

"RESOLVED, That the Corporation hereby approves the closure of its Isabela branch office and the retirement of its business presence at Teodora Building, Calao East City Road, Santiago City, Isabela;

“RESOLVED FURTHER, That the Corporation be, as it is hereby authorized to notify the City of Santiago and concerned government agencies including, but not limited to the Bureau of Internal Revenue, the Social Security System, Pag-Ibig and Philhealth of the closure of its branch office and the retirement of its business presence at Teodora Building, Calao East City Road, Santiago City, Isabela;

“RESOLVED FINALLY, That the duly authorized officers of the Corporation be, as each is hereby authorized to: (a) liaise and deal with the City of Santiago and the concerned government agencies in connection with the retirement of the Corporation’s business presence at Teodora Building, Calao East City Road, Santiago City, Isabela; (b) deliver, on behalf of the Corporation, all documents and instruments needed to give effect to the foregoing resolutions; and (c) perform all acts necessary to give effect to the foregoing resolutions.”

RESOLUTION NO. 2021-BD-03B

“RESOLVED, That the Corporation hereby approves the transfer of its branch office from Teodora Building, Calao East City Road, Santiago City, Isabela to its new address at Purok 3, Ramil Building Cabaruan, Cauayan City, Isabela (the “Branch Office”);

“RESOLVED FURTHER, That the Corporation hereby appoints Ms. Debie Ann C. Domalanta, Branch Service Assistant or Mr. Rodolfo A. Sion, Financial Consultant as its Authorized Representative (the “Authorized Representative”);

“RESOLVED FURTHER, That the Corporation hereby approves the execution of a Special Power of Attorney in favor of the Authorized Representative for the purpose of authorizing the Authorized Representative to: (a) receive summons, notices and legal processes in any action or other legal proceeding against the Corporation for and on behalf of the Corporation; and (b) sign, execute and deliver, on behalf of the Corporation, any documents or instruments as may be necessary to effect the transfer of the Branch Office to the new address as stated above, including but not limited to the application for electric and water meters, barangay clearance and change of business address in the Business Permit (“Special Power of Attorney”);

“RESOLVED FINALLY, That the Corporation hereby designates the President and CEO, Mr. Joseph Augustin L. Tanco, as its authorized representative to execute the Special Power of Attorney.”

RESOLUTION NO. 2021-BD-03C

"RESOLVED, That the Corporation hereby approves the transfer of the Ligao City, Albay **Satellite Office** located at Betty Patetico Bldg., Washington St., Sta. Cruz, Ligao City, Albay (the "Albay Satellite Office") to the Legazpi City **Branch Office** located at 2nd Floor, Room 208 RR Sarte Realty Corp. RRS Building, Quezon Avenue, Legazpi City (the "Legazpi Branch Office");

"RESOLVED FURTHER, That the Corporation hereby approves the application for a new Business Permit for the Legazpi Branch Office;

"RESOLVED FURTHER, That the Corporation hereby approves the retirement of the Business Permit for the Albay Satellite Office;

"RESOLVED FURTHER, That the Corporation hereby appoints Ms. Regine R. Imperial, Branch Service Assistant or Mr. Frederick S. San Diego, Manager-Special Assistant to the President, as its Authorized Representative (the "Authorized Representative");

"RESOLVED FURTHER, That the Corporation hereby approves the execution of a Special Power of Attorney in favor of the Authorized Representative for the purpose of authorizing the Authorized Representative to: (a) receive summons, notices and legal processes in any action or other legal proceeding against the Corporation for and on behalf of the Corporation; (b) sign, execute and deliver, on behalf of the Corporation, any documents or instruments as may be necessary to effect the transfer of the Legazpi Branch Office to the new address as stated above, including but not limited to the application for barangay clearance and change of business address in the Business Permit; (c) liaise and deal with the City of Ligao in connection with the retirement of the Corporation's business presence at Betty Patetico Bldg., Washington St., Sta. Cruz, Ligao City, Albay; (b) deliver, on behalf of the Corporation, all documents and instruments needed to give effect to the foregoing resolutions; and (e) perform all acts necessary to give effect to the foregoing resolutions."

"RESOLVED FINALLY, That the Corporation hereby designates the President and CEO, Mr. Joseph Augustin L. Tanco, as its authorized representative to execute the Special Power of Attorney."

VI. ADJOURNMENT

There being no further business to transact, upon motion duly made and seconded, the meeting was adjourned.


ARSENIO C. CABRERA, JR.
Corporate Secretary

ATTEST:


MONICO V. JACOB
Chairman


JOSEPH AUGUSTIN L. TANCO
Director


PAOLO MARTIN O. BAUTISTA
Director

JOSE ALFONSO A. POBLETE
Independent Director


EUSEBIO B. TANCO
Director


MARTIN K. TANCO
Director


JESLI A. LAPUS
Independent Director

ARMANDO L. SURATOS
Independent Director