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LAW OFFICES**

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SAMANTHA ROSE K. MORALES

ENRIQUE Y. TEEHANKEE
Founding Partner
(1986-2013)


www.advoc.com

20 February 2024

Sycip Gorres Velayo & Co.
SGV I Building,
6760 Ayala Avenue,
Makati, Metro Manila

Attention: **Ms. Bernalette L. Ramos**
Engagement Partner

Re: **Philippine Life Financial Assurance Corp.**

Gentlemen:

At the request of Mr. Victor C. Tan, Chief Finance Officer of Philippine Life Financial Assurance Corp. (the "Corporation"), we enclose a copy of the Secretary's Certificate certifying to the following matters:

1. Capital structure of the Corporation as of 31 December 2023;
2. Certified list of stockholders with corresponding number of shares subscribed, amount paid-up, and any unpaid subscription as of 31 December 2023;
3. Cancellation/new issuances of stock certificates during the period 1 January 2023 to 31 December 2023;
4. Date of the meetings held from 01 October 2023 up to the present to by the Board of Directors, Executive Committee and Stockholders; and
5. Completeness of Minutes of Meeting, together with the copies of the Minutes of the Meeting, held from 01 October 2023 up to the present.

HERRERA TEEHANKEE & CABRERA
LAW OFFICES

Should you require any clarification and/or assistance, please do not hesitate to let us know.

Very truly yours,

HERRERA TEEHANKEE & CABRERA
By: 

ARSENIO C. CABRERA, JR.

Copy furnished:

Mr. Victor C. Tan
Chief Finance Officer
Philippine Life Financial Assurance Corporation
11th Floor, STI Holdings Center,
6764 Ayala Avenue, Makati City

SECRETARY'S CERTIFICATE

I, **ARSENIO C. CABRERA, JR.**, of legal age, with office address at 5/F SGV II Building, Ayala Avenue, Makati City, after having been sworn in accordance with law, depose and state that:

1. I am the duly elected and incumbent Corporate Secretary of **Philippine Life Financial Assurance Corporation** ("Corporation"), a corporation duly organized and existing under and by virtue of the laws of the Philippines, with office address at 4th Floor, STI Holdings Center, 6764 Ayala Avenue, Makati City;
2. The capital structure of the Corporation as of 31 December 2023 is as follows:

Authorized Capital Stock	:	P750,000,000.00
Amount Subscribed	:	P594,856,758.69
Amount Paid-Up	:	P594,856,758.69
Par Value	:	P0.01
No. of shareholders	:	55

3. The Corporation's stockholders with their corresponding number of shares subscribed, amount subscribed and paid-up as of 31 December 2023 are as follows:

Shareholder	Number of Shares Subscribed (Common)	Amount Subscribed	Amount Paid-up	% of Ownership
Maestro Holdings, Inc. (formerly: STI Investments, Inc.)	59,478,609,535	₱594,786,095.35	₱594,786,095.35	99.99%
Eusebio H. Tanco	6,990,943	69,909.43	69,909.43	0.01%
Monico V. Jacob	6	0.06	0.06	0%
Joseph Augustin L. Tanco	1	0.01	0.01	0%
Armando L. Suratos	1	0.01	0.01	0%
Martin K. Tanco	1	0.01	0.01	0%
Jesli A. Lapus	6	0.06	0.06	0%
Paolo Martin O. Bautista	1	0.01	0.01	0%
Jose Alfonso A. Poblete	1	0.01	0.01	0%
Cecilia C. Borromeo	1	0.01	0.01	0%
Reynauld R. Villafuerte	1	0.01	0.01	0%
Others	75,372	753.72	753.72	0.10%
TOTAL	59,485,675,869	₱594,856,758.69	₱594,856,758.69	100.00%

4. The following stock certificates were cancelled during the period 1 January 2023 to 31 December 2023.

Date	Stockholder	Stock Certificate No.	No. of Shares
5 April 2013	Advent Capital and Finance Corporation	78	741,010,788
13 April 2023	Advent Capital and Finance Corporation	148	1,729,025,172
5 April 2013	All Asia Insurance Holdings, Inc.	79	8,067,680
13 April 2023	All Asia Insurance Holdings, Inc.	149	18,824,586

5. The following stock certificates were issued during the period 1 January 2023 to 31 December 2023.

4 May 2023	Maestro Holdings, Inc.	150	21,568,800,000
4 May 2023	Eusebio H. Tanco	151	2,646,223
	Maestro Holdings, Inc	152	2,470,035,960
31 May 2023	Maestro Holdings, Inc	153	26,892,266

6. The Corporation held the following meetings from 01 October 2023 up to the present:

<u>Date of Meeting</u>		<u>Board/Stockholders/Committee</u>
24 November 2023	-	Board of Directors
6 December 2023	-	Audit and Risk Committee
6 December 2023	-	Board of Directors

7. The Minutes constitute a full and complete record of all meetings of the directors held during the period from 01 October 2023 up to the present. The photocopies of the Minutes of the Meetings attached hereto as Annexes "A" to "C" are true and correct copies of the Minutes of the Meetings in my custody as Corporate Secretary.

8. The foregoing is in accordance with the records of the Corporation in my possession.


IN WITNESS WHEREOF, I have hereunto affixed my signature this 20th day of February 2024 at Makati City.


ARSENIO C. CABRERA, JR.
Corporate Secretary

REPUBLIC OF THE PHILIPPINES)
MAKATI CITY) S.S.

SUBSCRIBED AND SWORN TO, before me this 20th day of February 2024, affiant exhibiting to me his Passport No. P6534927B issued 23 March 2021 at DFA NCR South.

Doc. No. 9;
Page No. 3;
Book No. I;
Series of 2024.


SAMANTHA ROSE K. MORALES
Notary Public for Makati City
Appointment No. M-210
Until 31 December 2025
5/F SGV II Building,
6758 Ayala Avenue, Makati City
Roll of Attorneys No. 86618
PTR No. 10074461 / Makati / 02 January 2024
IBP No. 295716 / Isabela / 12 October 2023

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

PHILIPPINE LIFE FINANCIAL ASSURANCE CORPORATION

24 November 2023

Conducted via Remote Communication

DIRECTORS PRESENT:

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

ALSO PRESENT:

YOLANDA M. BAUTISTA
MICHELLE L. AMBAGAN
VICTOR C. TAN
LYNDON F. FADRI
ARSENIO C. CABRERA, JR.
ANNA CARMINA S. HERRERA

DIRECTOR ABSENT:

JESLI A. LAPUS

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 directors who cannot physically attend or vote at board meetings to 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 PREVIOUS MEETING

Mr. Armando L. Suratos commented that the Minutes of the 28 September 2023 Board Meeting should be revised to reflect that the Management Committee approved the sale of excess (non-admitted) teachers' loans to Cement Center and First Optima in September 2023 since these are non-material related party transactions. He stated that the 28 September 2023 Minutes should also reflect that the Related Party Transactions Committee noted the approval by the Management Committee of these related party transactions and that the Board ratified these transactions.

Upon motion made and duly seconded and subject to the comments of Mr. Suratos above, the Minutes of the Board Meeting held on 28 September 2023 were unanimously approved.

IV. FINANCIAL REPORTS

A. Snapshot of Operations

Mr. Victor C. Tan presented the following snapshot of the results of operations as of September 2023:

Amount in Php "millions"

PERIOD	Year-to-Date (Actual)				
	Budget Sept. 2023	Sept. 2023	Sept. 2022	INC (DEC)	%
Income from Insurance Business					
Net Written Premium	790	536	423	113	27%
Underwriting Expenses	691	463	397	67	17%
Net Margin/(Loss) from Insurance Business	99	73	27	46	172%
Assumed interest income attributable to reserves	42	41	41	(0)	-1%
Net Margin/(Loss) from Insurance Business after Interest Income	141	113	67	46	68%
Income from Loan Business					
Revenue on Loan Business	308	348	283	65	23%
Costs of Loan Business	108	122	106	16	15%
Net Margin from Loan Business	200	226	177	49	28%
Gross Margin	341	339	244	95	39%
Total Operating Expenses	225	217	181	37	20%
Income (Loss) from Operations	116	122	64	58	92%
Income from Other Investments	5	11	6	5	81%
Income Before Tax	121	133	70	63	91%
Provision for Income Tax	29	41	19	22	114%
Net Income (Loss)	92	92	51	42	82%
EBITDA	156	175	103	72	69%

B. Net Worth Computation

Mr. Tan presented the net worth computation of the Corporation as of September 2023:

Net worth as of September 2023	1,736,446,557
Less: Non-Admitted Assets	
Salary loans – DepEd	987,690,528
Salary Loans – SLI	35,401,943
Unlisted shares of stocks – Riviera	23,600,000
Investment Property-Marulas	130,467
Net Due and Uncollected Premiums-Group	50,128,248
Other receivables	12,848,105
Non-IT fixed assets	5,543,016
Deposit & prepayments	15,113,864
Due from reinsurer	31,923,800
Investment in AAMI	4,674,002
Excess on Real Property Infusion	47,908,867
Deferred Tax	36,040,261
Total Non-Admitted Assets	1,251,003,103
Net Worth, net of non-admitted assets	485,443,464
Minimum Net Worth requirement 2023	1,300,000,000
Estimated Net Worth Surplus (Deficiency) 2023	(814,556,536)
To cover up the deficiencies	
Sale of excess receivables	987,690,528
Estimated Net Worth Surplus 2023	173,133,992

In response to the query of Mr. Monico V. Jacob, Mr. Tan stated that the Corporation would need to excess salary loan receivables amounting to Php1 Billion to meet the minimum net worth requirement by 31 December 2023.

Mr. Eusebio H. Tanco commented that the Corporation could liquidate the Riviera shares.

Mr. Eusebio H. Tanco commented that there is a need for the Corporation to secure external funding due to the fast growth of the salary loans business. He requested management to conduct a study on the spread of the loans. He noted that the Corporation would have to slow down its salary loans business if this spread is too thin and cannot cover the default rate.

C. 2024 Projections and 2024 Budget

Mr. Tan presented the projections for 2023 and the 2024 budget of the Corporation as follows:

Amounts in Php “millions”	Audited 2022	Forecast 2023	Budget 2023	Budget 2024
Income from Insurance Business				
Net Written Premium	601	683	1,064	1,022
Underwriting Expenses	538	604	930	912
Net Margin from Insurance Business	63	79	134	110

Amounts in Php "millions"	Audited 2022	Forecast 2023	Budget 2023	Budget 2024
Income from Loan Business				
Revenue on Loan Business	497	502	415	553
Costs of Loan Business	130	143	125	162
Net Margin from Loan Business	367	360	289	391
Total Operating Expenses	240	240	256	286
Income (Loss) from Operations	190	199	168	214
Income from Other Investments	66	59	48	64
EBIDTA	257	259	216	278
Interest Expense	29	30	17	31
Depreciation	25	33	33	37
Provision for Income Tax	63	56	41	51
Net Income	140	140	125	159

The Board approved the budget for 2024 as set out above.

D. 2024 CAPEX Budget

Mr. Tan presented the following CAPEX budget for 2024:

Software	Amount
Database Firewall (Imperva)	Php7,000,000.00
Other Security Solution	4,000,000.00
Business Central	3,000,000
Acronis Backup Solution	2,700,000.00
Multifactor Authentication	1,500,000.00
NMS Network Performance & Monitoring System	1,207,500.00
Payroll System – Xscribe-additional module	1,000,000.00
Microsoft Windows 2019 Srvr/2019 CAL	175,000.00
Windows 10 Pro upgrade	120,000.00
Hardware	
Laptops	2,050,000.00
Servers – for Precentia CMS UAT	550,000.00
Desktops and Monitors	477,000.00
Printer and Scanner	204,000.00
VPN Routers	100,000.00
KVM Switch 8-port, Hubs and switches	85,000.00
External HDD, 500VA UPS, AVR's	43,000.00
CCTV Cameras for branches	750,000.00
Sub-total – IT Acquisitions	24,961,500.00
New Branches	340,000.00
Branch Office Transfers/Renovations	6,136,200.00
Sub-Total – Non-IT Acquisitions	6,476,200.00
Total CAPEX	Php31,437,700.00

In response to the query of Mr. Jose Alfonso A. Poblete, Mr. Tan stated that some items in the 2024 CAPEX budget have been carried over from the 2023 CAPEX budget.

Mr. Eusebio H. Tanco commented that the Board should just approve the incremental items in the 2024 CAPEX budget.

The Board requested Management to present a variance report on CAPEX expenditures during the next Board meeting.

V. OTHER MATTERS

A. Increase of Retention Limit on Group Life Policies

Ms. Michelle L. Ambagan presented the proposal to increase the retention limit on group life policies from Php2 Million to Php4 Million. She noted that the objectives of this proposal are to: (1) make rates more competitive for the group business of the Corporation; and (2) achieve higher profitability over the long-term.

Ms. Ambagan presented the following considerations to support the foregoing proposal:

Impact on Profitability	<ul style="list-style-type: none"> Based on 2020-2022 experience, increase in retention would have reduced group profitability by 0.76% (or Php4.2 Million over 3 years) but this is basically the pandemic period (thus, worst case scenario). S Should be more profitable over the long run as reinsurance friction costs (loadings) are avoided.
Ability to Absorb Potential Losses	<ul style="list-style-type: none"> In 2012 when the Php2 Million retention was set, the retention was 0.76% of total premium and 0.47% of total net worth. Even if retention is increased to Php 4 Million, it would just be 0.65% of total premium (bigger spread) and 0.28% of total net worth (higher capacity to absorb).
Viability to Reinsurer	<ul style="list-style-type: none"> Reduction in reinsurance premium for the past 3 years would have been 3.91% and should not affect the viability of the reinsurance arrangement.

Mr. Lyndon F. Fadri commented that the main consideration for the proposal to increase the retention rate on group life policies is the competitiveness of the Corporation's group business with respect to pricing.

In response to the query of Mr. Eusebio H. Tanco, Mr. Joseph Augustin L. Tanco stated that there has been a growth in the group

business portfolio of the Corporation. He noted that the Corporation has a good sales force.

Mr. Eusebio H. Tanco recommended that management study concentration risks. He noted that the budget of the Corporation should justify the assumption of bigger risks.

Mr. Joseph Augustin L. Tanco proposed that the retention limit on group life policies be increased from Php2 Million to Php3 Million. He also proposed that management secure the approval of the Executive Committee for increases beyond the adjusted retention limit of Php3 Million on a case-to-case basis if exceptional circumstances warrant such increases.

The Board approved the proposal of Mr. Joseph Augustin L. Tanco to: (1) increase the retention limit on group life policies from Php2 Million to Php 3 Million; and (2) for management to secure the approval of the Executive Committee for increases in retention limits beyond the Php3 Million retention limit on a case-to-case basis based on exceptional circumstances warranting these increases.

B. Opening of Account with Maya Bank

Upon motion made and duly seconded, the Board approved the following resolutions in connection with the opening of account with Maya Bank for salary loan disbursements.

RESOLUTION NO. 2023-BD-25

"RESOLVED, That the Corporation be, as it hereby, authorized to open and maintain an account with Maya Bank and that the following signatories, be authorized to (i) sign, execute and deliver any and all documents and agreements relative thereto; (ii) withdraw from the bank account(s) of the Corporation by check, receipts, drafts, bills of exchange, withdrawal slips, orders for payment or otherwise; and (ii) sign, endorse, draw, accept, make, execute and/or deliver for negotiation, payment, deposit or collections, checks, receipts for negotiation, payment, deposit or collections, checks, receipts, drafts, bills of exchange, orders for payment and/or similar instruments:

SET "A"

<i>Name</i>	<i>Position</i>	<i>Specimen Signature</i>
<i>Eusebio H. Tanco</i>	<i>Director</i>	_____
<i>Monico V. Jacob</i>	<i>Chairman</i>	_____

Joseph Augustin L. Tanco	President & CEO	_____
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Yolanda M. Bautista	Group CFO	_____
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SET "B"

<i>Name</i>	<i>Position</i>	<i>Specimen Signature</i>
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B-1

Michelle L. Ambagan	Senior Vice- President & COO	_____
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Ferdinand A. Recio	FVP-Operations and Corporate Planning	_____
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Ronald Y. Tabalada	AVP- Actuarial	_____
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B-2

<i>Name</i>	<i>Position</i>	<i>Specimen Signature</i>
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Victor C. Tan	VP & CFO/Treasurer	_____
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Fatima R. Robles	Senior Manager- HR	_____
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Andrew Patrick A. Fornier	FVP-Legal and Compliance/ Compliance Officer	_____
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SET "C"

<i>Name</i>	<i>Position</i>	<i>Specimen Signature</i>
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Djoanna C. Rondolo Senior Manager-
Accounting _____

"RESOLVED FURTHER, That the limits on the signing authority of the above mentioned authorized signatories shall be as follows:

- a. Any two of the Set "A" signatories acting jointly, may sign without limit as to amount;*
- b. Any one of the Set "A" signatories jointly with one of the Set "B-1" or "B-2" signatories, may sign without limit as to amount;*
- c. Any one of the Set "B-1" signatories, jointly with any one of the Set "B-2" signatories, may sign any instrument involving up to a maximum amount of Php500,000.00;*
- d. Any one of the Set "C" signatories, jointly with any one of the Set "B-1" signatories, may sign any instrument involving up to a maximum amount of Php50,000.00;*
- e. Any one of the Set "C" signatories, with Set "B-2" signatories may not sign/approve jointly;*
- f. Any two of the Set "B-1" signatories, may not sign/approve jointly;*
- g. Any two of the Set "B-2" signatories, may not sign/approve jointly;*

"RESOLVED FINALLY, That any and all prior resolutions inconsistent with the foregoing resolutions are hereby superseded and repealed."

C. Appointment of Authorized Signatories

1. Amalgamated Investment Bancorporation

Upon motion made and duly seconded, the Board approved the following resolution in connection with the appointment of authorized signatories for transactions with Amalgamated Investment Bancorporation for investment in government securities and other money market placements.

RESOLUTION NO. 2023-BD-26

"RESOLVED, that effective 24 November 2023, the Corporation hereby appoints and designates any two (2) of the following officers named below:

<i>Name</i>	<i>Position</i>	
Eusebio H. Tanco	Director	_____
Monico V. Jacob	Chairman	_____
Joseph Augustin L. Tanco	President & CEO	_____
Michelle L. Ambagan	Senior Vice President & COO	_____
Victor C. Tan	Vice President and CFO	_____
Ferdinand A. Recio	FVP – Operations & Corporate Planning	_____
Ronald Y. Tabalada	AVP-Actuarial	_____

to sign, execute, and deliver any and all contracts, documents, forms and other writings as may be necessary or proper to implement transactions with Amalgamated Investment Bancorporation;

“RESOLVED FINALLY, that the Corporation hereby ratifies and confirms any and all acts and things which the abovenamed representative/s may lawfully do or cause to be done pursuant to the authority herein granted.”

2. Bayad Center

Upon motion made and duly seconded, the Board approved the following resolution in connection with the appointment of authorized signatories for transactions with Bayad Center for collection facility.

RESOLUTION NO. 2023-BD-27

“RESOLVED, that effective 24 November 2023, the Corporation hereby appoints and designates any two (2) of the following officers named below:

<i>Name</i>	<i>Position</i>	<i>Signature</i>
Joseph Augustin L. Tanco	President & CEO	_____
Michelle L. Ambagan	Senior Vice President & COO	_____
Victor C. Tan	Vice President and CFO	_____

Ferdinand A. Recio

FVP – Operations &
Corporate Planning

Ronald Y. Tabalada

AVP-Actuarial

to sign, execute, and deliver any and all contracts, documents, forms and other writings as may be necessary or proper to implement transactions with Bayad Center;

“RESOLVED FINALLY, that the Corporation hereby ratifies and confirms any and all acts and things which the abovenamed representative/s may lawfully do or cause to be done pursuant to the authority herein granted.”

D. Confirmation of Rates

Ms. Michelle L. Ambagan presented the following summary of policy related rates to the Board for approval and confirmation. She noted that the rates contained in the summary below are existing rates and that management recommended the retention of these rates.

Dividends	<ul style="list-style-type: none">▪ Annual Dividend Declaration: Indefinite suspension of annual dividend declaration starting October 2016▪ Accumulation Rate (interest rate on accumulated dividends):<ul style="list-style-type: none">○ 2023: 2% p.a.○ 2024: 2% p.a.									
Premium & Capital Fund (PCF) Accumulation Rate	PCF are deposits made by the policyholders to the insurance company which are meant to cover future premiums due. <table><tr><th>2023</th><th>2024</th></tr><tr><td>Fund value at 100,000 and greater: 3% p.a.</td><td>Fund value at 100,000 and greater: 3% p.a.</td></tr><tr><td>Fund value at less than 100,000 : 2% p.a.</td><td>Fund value at less than 100,000: 2% p.a.</td></tr></table>		2023	2024	Fund value at 100,000 and greater: 3% p.a.	Fund value at 100,000 and greater: 3% p.a.	Fund value at less than 100,000 : 2% p.a.	Fund value at less than 100,000: 2% p.a.		
2023	2024									
Fund value at 100,000 and greater: 3% p.a.	Fund value at 100,000 and greater: 3% p.a.									
Fund value at less than 100,000 : 2% p.a.	Fund value at less than 100,000: 2% p.a.									
Group Comprehensive Benefits Plan Accumulation Rate (Renewal Rate)	<table><tr><th>2023 (with effective date on 1 January 2023)</th><th>2024 (with effective date on 1 January 2024)</th></tr><tr><td>Fund value at 500,000 and greater: 4% p.a.</td><td>Fund value at 500,000 and greater: 4% p.a.</td></tr><tr><td>Fund value at less than 500,000: 3% p.a.</td><td>Fund value at less than 500,000: 3% p.a.</td></tr><tr><td>Guarantee Period: 1 year</td><td>Guarantee Period: 1 year</td></tr></table>		2023 (with effective date on 1 January 2023)	2024 (with effective date on 1 January 2024)	Fund value at 500,000 and greater: 4% p.a.	Fund value at 500,000 and greater: 4% p.a.	Fund value at less than 500,000: 3% p.a.	Fund value at less than 500,000: 3% p.a.	Guarantee Period: 1 year	Guarantee Period: 1 year
2023 (with effective date on 1 January 2023)	2024 (with effective date on 1 January 2024)									
Fund value at 500,000 and greater: 4% p.a.	Fund value at 500,000 and greater: 4% p.a.									
Fund value at less than 500,000: 3% p.a.	Fund value at less than 500,000: 3% p.a.									
Guarantee Period: 1 year	Guarantee Period: 1 year									
Group Comprehensive Benefits Plan Accumulation Rate (New Business Rate)	<table><tr><th>2023 (with effective date on 1 January 2023)</th><th>2024 (with effective date on 1 January 2024)</th></tr><tr><td>Fund value at 500,000 and greater: 4% p.a.</td><td>Fund value at 500,000 and greater: 4% p.a.</td></tr><tr><td>Fund value at less than 500,000: 4% p.a.</td><td>Fund value at less than 500,000: 4% p.a.</td></tr><tr><td>Guarantee Period: 2 years</td><td>Guarantee Period: 2 years</td></tr></table>		2023 (with effective date on 1 January 2023)	2024 (with effective date on 1 January 2024)	Fund value at 500,000 and greater: 4% p.a.	Fund value at 500,000 and greater: 4% p.a.	Fund value at less than 500,000: 4% p.a.	Fund value at less than 500,000: 4% p.a.	Guarantee Period: 2 years	Guarantee Period: 2 years
2023 (with effective date on 1 January 2023)	2024 (with effective date on 1 January 2024)									
Fund value at 500,000 and greater: 4% p.a.	Fund value at 500,000 and greater: 4% p.a.									
Fund value at less than 500,000: 4% p.a.	Fund value at less than 500,000: 4% p.a.									
Guarantee Period: 2 years	Guarantee Period: 2 years									

Upon motion made and duly seconded, the Board unanimously approved the following resolutions in connection with their approval and confirmation of the policy related rates set out in the summary above.

RESOLUTION NO. 2023-BD-28

“RESOLVED, That the Board hereby approves and confirms the policy related rates set out in the table below:

<i>Dividends</i>	<ul style="list-style-type: none">▪ <i>Annual Dividend Declaration: Indefinite suspension of annual dividend declaration starting October 2016</i>▪ <i>Accumulation Rate (interest rate on accumulated dividends):</i><ul style="list-style-type: none">○ 2023: 2% p.a.○ 2024: 2% p.a.									
<i>Premium & Capital Fund (PCF) Accumulation Rate</i>	<p><i>PCF are deposits made by the policyholders to the insurance company which are meant to cover future premiums due.</i></p> <table><tr><th>2023</th><th>2024</th></tr><tr><td><i>Fund value at 100,000 and greater: 3% p.a.</i></td><td><i>Fund value at 100,000 and greater: 3% p.a.</i></td></tr><tr><td><i>Fund value at less than 100,000 : 2% p.a.</i></td><td><i>Fund value at less than 100,000: 2% p.a.</i></td></tr></table>		2023	2024	<i>Fund value at 100,000 and greater: 3% p.a.</i>	<i>Fund value at 100,000 and greater: 3% p.a.</i>	<i>Fund value at less than 100,000 : 2% p.a.</i>	<i>Fund value at less than 100,000: 2% p.a.</i>		
2023	2024									
<i>Fund value at 100,000 and greater: 3% p.a.</i>	<i>Fund value at 100,000 and greater: 3% p.a.</i>									
<i>Fund value at less than 100,000 : 2% p.a.</i>	<i>Fund value at less than 100,000: 2% p.a.</i>									
<i>Group Comprehensive Benefits Plan Accumulation Rate (Renewal Rate)</i>	<table><tr><th>2023 (with effective date on 1 January 2023)</th><th>2024 (with effective date on 1 January 2024)</th></tr><tr><td><i>Fund value at 500,000 and greater: 4% p.a.</i></td><td><i>Fund value at 500,000 and greater: 4% p.a.</i></td></tr><tr><td><i>Fund value at less than 500,000: 3% p.a.</i></td><td><i>Fund value at less than 500,000: 3% p.a.</i></td></tr><tr><td><i>Guarantee Period: 1 year</i></td><td><i>Guarantee Period: 1 year</i></td></tr></table>		2023 (with effective date on 1 January 2023)	2024 (with effective date on 1 January 2024)	<i>Fund value at 500,000 and greater: 4% p.a.</i>	<i>Fund value at 500,000 and greater: 4% p.a.</i>	<i>Fund value at less than 500,000: 3% p.a.</i>	<i>Fund value at less than 500,000: 3% p.a.</i>	<i>Guarantee Period: 1 year</i>	<i>Guarantee Period: 1 year</i>
2023 (with effective date on 1 January 2023)	2024 (with effective date on 1 January 2024)									
<i>Fund value at 500,000 and greater: 4% p.a.</i>	<i>Fund value at 500,000 and greater: 4% p.a.</i>									
<i>Fund value at less than 500,000: 3% p.a.</i>	<i>Fund value at less than 500,000: 3% p.a.</i>									
<i>Guarantee Period: 1 year</i>	<i>Guarantee Period: 1 year</i>									
<i>Group Comprehensive Benefits Plan Accumulation Rate (New Business Rate)</i>	<table><tr><th>2023 (with effective date on 1 January 2023)</th><th>2024 (with effective date on 1 January 2024)</th></tr><tr><td><i>Fund value at 500,000 and greater: 4% p.a.</i></td><td><i>Fund value at 500,000 and greater: 4% p.a.</i></td></tr><tr><td><i>Fund value at less than 500,000: 4% p.a.</i></td><td><i>Fund value at less than 500,000: 4% p.a.</i></td></tr><tr><td><i>Guarantee Period: 2 years</i></td><td><i>Guarantee Period: 2 years</i></td></tr></table>		2023 (with effective date on 1 January 2023)	2024 (with effective date on 1 January 2024)	<i>Fund value at 500,000 and greater: 4% p.a.</i>	<i>Fund value at 500,000 and greater: 4% p.a.</i>	<i>Fund value at less than 500,000: 4% p.a.</i>	<i>Fund value at less than 500,000: 4% p.a.</i>	<i>Guarantee Period: 2 years</i>	<i>Guarantee Period: 2 years</i>
2023 (with effective date on 1 January 2023)	2024 (with effective date on 1 January 2024)									
<i>Fund value at 500,000 and greater: 4% p.a.</i>	<i>Fund value at 500,000 and greater: 4% p.a.</i>									
<i>Fund value at less than 500,000: 4% p.a.</i>	<i>Fund value at less than 500,000: 4% p.a.</i>									
<i>Guarantee Period: 2 years</i>	<i>Guarantee Period: 2 years</i>									

“RESOLVED FINALLY, That the officers of the Corporation are hereby authorized to perform all acts as may be necessary to implement the foregoing resolution.”

E. Annual Stockholders’ Meeting of Riviera Golf Club, Inc.

Upon motion made and duly seconded, the Board unanimously approved the following resolutions in connection with the appointment of Mr. Eusebio H. Tanco as the Corporation’s

representative to the Annual Stockholders' Meeting of Riviera Golf Club, Inc.

RESOLUTION NO. 2023-BD-29

"RESOLVED, that the Board of Directors authorized, as it hereby authorizes, Mr. Eusebio H. Tanco as the Corporation's representative to attend, vote, represent and/or appoint a proxy in behalf of the Corporation, for the shares held and registered under the name of the Corporation in RIVIERA GOLF CLUB, INC. (RGCI), at the Annual Stockholders' Meetings of RGCI, to be held on 9 December 2023 or any adjournment thereof;

RESOLVED FURTHER, that the above representative is hereby authorized to execute, sign and deliver, for and on behalf of the Corporation, the proxy form and any other documents or instruments necessary and required to implement the foregoing resolution;

RESOLVED FINALLY, that the foregoing resolutions shall remain valid and subsisting, unless otherwise revoked or amended in writing, and duly served on RGCI."

F. Increase in the Signing/ Approving Authority of Set B Signatories

Ms. Michelle L. Ambagan presented the proposal to increase the signing/approving authority of the following Set B signatories from Php400,000.00 to Php500,000.00.

Set B-1 Signatories	Michelle L. Ambagan Ferdinand A. Recio Ronald Y. Tabalada
Set B-2 Signatories	Victor C. Tan Andrew Patrick A. Fournier Fatima A. Robles

Ms. Ambagan noted that the implementation of this proposal would expedite the releasing of salary loans with proceeds ranging from over Php400,000.00 to Php500,000.00 which now average 39 transactions per month. This increase in signing/approving authority will apply to check signing and e-crediting authorization (Landbank).

Upon motion made and duly seconded, the Board approved the proposal to increase the signing/approving authority of the Corporation's Set B signatories from Php400,000 to Php500,000.00.

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

EUSEBIO H. TANCO
Director

JOSEPH AUGUSTIN L. TANCO
Director

PAOLO MARTIN O. BAUTISTA
Director

JOSE ALFONSO A. POBLETE
Independent Director

ARMANDO L. SURATOS
Independent Director

**MINUTES OF THE MEETING
OF THE AUDIT AND RISK COMMITTEE**

PHILIPPINE LIFE FINANCIAL ASSURANCE CORPORATION

6 December 2023

Conducted through Remote Communication

MEMBERS PRESENT:

JESLI A. LAPUS
ARMANDO L. SURATOS
JOSE ALFONSO A. POBLETE

ALSO PRESENT:

YOLANDA M. BAUTISTA
MICHELLE L. AMBAGAN
VICTOR C. TAN
BERNALETTE L. RAMOS
JAY BALLESTEROS
GERTRUDE P. UMALI
ARSENIO C. CABRERA, JR.
ANNA CARMINA S. HERRERA

I. CALL TO ORDER

The Chairman of the Audit and Risk Committee, Mr. Jesli A. Lapus, 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 members of the Audit and Risk Committee.

The Corporate Secretary stated that the meeting is being conducted through remote communication pursuant to Section 52 of the Revised Corporation Code of the Philippines¹ which provides 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.

The Corporate Secretary thereafter conducted a roll call of the members of the Audit and Risk Committee present. All members attended the meeting through remote communication via Zoom. The members specified their location and the device being used. The members confirmed that they could completely and clearly hear and/or see each other. They likewise confirmed receipt of the agenda and all of the materials for the meeting.

¹ Republic Act No. 11232. An Act Providing for the Revised Corporation Code of the Philippines.

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 PREVIOUS MEETING

Upon motion duly made and seconded, the minutes of the Audit and Risk Committee held on 3 April 2023 were unanimously approved.

IV. SYCIP GORRES VELAYO & CO. PRESENTATION

Ms. Bernalette L. Ramos, the Engagement Partner of SyCip Gorres Velayo & Co. ("SGV") presented the 2023 Audit Plan. The highlights of his presentation are as follows:

A. Deliverables

SGV shall express an opinion on and report to the Audit and Risk Committee and to the appropriate level of management the result of its audit of the financial statements of the Corporation as of and for the year ending 31 December 2023.

In relation to its audit of the financial statements of the Corporation, SGV shall report on the following: (1) the supplementary information required under Revenue Regulations 15-2010 and as prepared by management; (2) the report to the Insurance Commission on the discovery or non-discovery of any cases enumerated in Sections 4.3 (1) to (6) and 4.4 of Circular Letter No. 2019-39 for the 31 December 2023 audit; (3) the supplementary schedules prepared by management as required under the Revised Securities Regulation Code on the number of stockholders owning 100 or more shares and the reconciliation of retained earnings available for dividend declaration.

SGV shall communicate to management and the Audit Committee deficiencies identified during its audit, including recommendations for improvements in controls and procedures.

In relation to its audit of the consolidated financial statements of Maestro Holdings, Inc. (the "Ultimate Parent Company"), SGV shall report on the results of its audit on the financial reporting package submitted to the Ultimate Parent Company.

B. Areas of Audit Emphasis

The risks and areas of audit emphasis are as follows:

Risks	Areas of Audit Emphasis
Adequacy of allowance for impairment	Adequacy of allowance for expected credit losses (ECL) on

Risks	Areas of Audit Emphasis
	loans and receivables
Valuation of actuarial reserves	Valuation of the Legal Policy Reserves (LPR) and Incurred But Not Reported Reserves (IBNR)
Accounting for Salary Loans	Accounting for origination fees and transaction costs of salary loans
Adoption of PFRS 17, <i>Insurance Contracts</i>	Application of PFRS 17 to the FS and Reportorial Requirements of the Insurance Commission

Adequacy of allowance for ECL credit losses on loans and receivables

As of 30 September 2023 and 31 December 2022, the carrying amount of the Corporation's loans and receivables amounted to Php2.15 Billion and Php1.00 Billion, respectively, where outstanding balance of allowance for doubtful accounts amounted to Php118.26 Million and Php96.14 Million, respectively.

The summary of planned procedures is as follows:

Management	<ul style="list-style-type: none"> Provide the supporting ECL calculation for loans and receivables and treasury as of September 30 and December 31, 2023. Provide latest ECL model documentation.
SGV	<ul style="list-style-type: none"> Obtain an understanding of and document the Corporation's process and controls over the application of forward-looking information, including macroeconomic scenarios and weighting applied. Test the reasonableness of the ECL and review assumptions and judgment made by management completeness and accuracy of loan information included in the ECL calculation.

Valuation of the Legal Policy Reserves (LPR) and Incurred But Not Reported (IBNR) Reserves

The outstanding of the Corporation's LPR and IBNR as of 30 September 2023 and 31 December 2022 are as follows:

	9/30/2023	12/31/22
LPR	Php1,154,684,735	Php1,116,059,587
IBNR	67,167,125	83,277,565
Total	Php1,221,851,860	Php1,199,337,152

The summary of planned procedures is as follows:

Management	<ul style="list-style-type: none"> Provide the actuarial valuation reports and LPR schedules at year-end (December 31, 2022). Provide supporting documents of the sample policies selected per product.
SGV	<ul style="list-style-type: none"> Perform inquiries and walkthrough procedures to gain understanding of the actuarial valuation process. Review reasonableness of the actuarial assumptions and

	<p>methodology used for samples selected.</p> <ul style="list-style-type: none"> ▪ Perform test of controls (TOC) and verify that the identified control/s are operating effectively. ▪ Perform test of reasonableness (TOR) of the reserves.
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Accounting for Origination Fees and Transaction Costs of Salary Loans

Upon release of its salary loans, the Corporation deducts upfront fees of 6% from the principal and accounts for it as an outright income under 'Miscellaneous income'. It subsequently recognizes directly attributable cost as an outright expense instead of recognizing it as part of 'Interest income' over the term of the salary loans.

In 2022, the upfront fees directly recognized under "Miscellaneous Income" which should have been amortized as part of "Interest Income" amounted to Php0.93 Million. This was passed due to immateriality.

The summary of planned procedures is as follows:

Management	<ul style="list-style-type: none"> ▪ Provide schedule of salary loans at the interim period and year-end. ▪ Provide quantification of the difference between outright recognition and effective interest rate method.
SGV	<ul style="list-style-type: none"> ▪ Obtain copies of the relevant documents such as promissory notes, check vouchers and disclosure statements. ▪ Review the quantification made by management and determine the need to propose adjustment depending on the materiality of the difference.

Sale of Salary Loans

In 2023, the Corporation sold salary loans with carrying amount of PHP1.37 Billion subject to 8.0% to 9.0% discount rate for Php1.41 Billion.

As a result of the sale, the Corporation derecognized the salary loans and recorded a gain of Php39.84 Million.

The summary of planned procedures is as follows:

Management	<ul style="list-style-type: none"> ▪ Provide schedule of salary loans as of 30 September 2023 and 31 December 2023.
SGV	<ul style="list-style-type: none"> ▪ Review management's calculation of the gain/loss on sale of salary loans. ▪ Perform recalculation of the gain/loss on sale of salary loans. ▪ Review the journal entries made by management when derecognizing salary loans. ▪ Obtain supporting documents to validate the valuation of salary loans.

IC Circular Letter (Exposure Draft): Application of PFRS 17, Insurance Contracts, to the Audited Financial Statements (AFS) and Reportorial Requirements of the Insurance Commission (IC)

Supplementary information will be required in the AFS for the periods ending 31 December 2023 and/or 2023 relative to the following subjects: (a) status of the PFRS 17 implementation and its possible impact on the financials of the companies; and (b) insurance and reinsurance asset (liability) items subject to admittance requirements of the Amended Insurance Code.

The IC will include the template and the details of the required supplementary information in the Circular Letter that it will release.

Companies that are yet to adopt PFRS 17 shall prepare the covered IC reportorial requirements as follows:

- (a) Annual Statement and Quarterly Financial Reporting Framework (FRF) report - Circular Letter No. 2016-65
- (b) RBC Workbook - Circular Letter No. 2016-68.

Starting 1 January 2025, all companies must prepare the IC reportorial requirements in accordance with the updated FRF.

To implement the provisions of the Amended Insurance Code, life insurance companies that will adopt PFRS 17 shall provide the following disclosures to their AFS: (a) amounts recoverable from reinsurers; (b) funds held by ceding companies; (c) funds held by reinsurers; (d) policy loans; (e) premiums due and uncollected; and (f) segregated funds assets and liabilities.

The summary of planned procedures is as follows:

Management	▪ Provide the required AFS disclosures in accordance with the IC circular.
SGV	▪ Review the AFS disclosures prepared by management.

C. Tax Updates

Mr. Jay Ballesteros of SGV updated the Audit and Risk Committee about the following tax matters:

- (1) The effective MCIT rate in CY 2023 as of 31 December 2023 is 1.5%.
- (2) Based on the Conference Committee Report dated 27 September 2023, the Ease of Paying Taxes Act introduces taxpayer segmentation to promote more responsive tax administration with the option to file and pay taxes anywhere.

The Ease of Paying Taxes Act also provides for: (a) the adoption of the accrual method for tax purposes; (b) VAT invoice as the only proof of transaction; and (c) the recovery of output VAT paid on uncollected receivables.

D. Audit Timeline

The audit timetable commenced with the planning meeting with management held on 26 October 2023. SGV shall perform interim substantive procedures from 20 November 2023 to 15 December 2023. The submission of draft financial statements shall be between 17 November 2022 to 2 December 2022. The submission of draft financial statements is scheduled for the week of 1 March to 7 March 2024. The audit results will be presented to the Audit Committee by the first week of April 2023. The release and approval of the Corporation's financial statements is scheduled for the second week of April 2025 while the final management letter will be issued in May 2024.

E. Inquiries Relating to Matters Relevant to the Audit

The Audit and Risk Committee confirmed that there are no other matters relevant to the audit, including SGV's ongoing fraud risk considerations.

V. INTERNAL AUDIT REPORT

Ms. Gertrude P. Umali presented the YTD progress made on the internal audit plan for 2023.

Head Office Review

Process	Scope and Coverage Period	Status
Claims Review	All claims from October 2022 to September 2023	All claims from October 2022 to June 2023 have been reviewed. The review of claims from July 2023 to September 2023 is in progress as of the 4 th quarter of 2023.
Bank Credits	October 2021 to September 2022	The review of bank credits up to September 2022 has been completed.
DepEd Matching	December 2022 to September 2023	Done as of the December 2022 abstract, March 2023 abstract and June 2023 abstract. The review as of the September 2023 abstract has not been started.
Systems Implementation	Payroll, SAP, LMS	Purchasing audit will be conducted in December 2023.

Ms. Umali informed the Audit and Risk Committee that the Corporation had significantly improved its turn-around time for the release of death claims payments.

Ms. Umali stated that the results of the DepEd loan matching were good.

Branch Operations Review

Ms. Umali stated that there had been a significant improvement in the ratings of the branches from satisfactory to very satisfactory.

In response to the query of Mr. Jesli A. Lapus, Ms. Umali stated that the Corporation had implemented stricter controls on receiving over-the-counter collections. Ms. Michelle L. Ambagan added that the Corporation had also shifted to e-crediting of loan credits.

In response to the query of Mr. Lapus regarding the status of the estafa cases against certain individuals who fraudulently represented themselves as DepEd employees, Ms. Ambagan stated that the Corporation had been able to recover Php3 Million from these individuals.

Mr. Lapus requested management to provide a report on the status of these cases during the next meeting.

2023 General Special Audit

Ms. Umali stated that the internal audit team had conducted a special audit for the General Santos branch due to concerns over its low CER as of May 2023. Ms. Umali presented the following summary of audit observations in relation to this special audit:

Observations	Audit Recommendation	Management Response
<p><i>Aging of Past Due Accounts Per Agent</i></p> <p>The highest contributors to the total production are agents Marlene Villamor Abrera and Belen Magollado Cepillo. These two agents have a combined production of 41%. However, these agents also have the highest instance of past due accounts.</p>	<p>Given that these two agents are the top contributors in terms of production but also have the highest incidence of past due accounts, further due diligence should be made to review the quality of accounts brought in by these agents.</p>	<p>Stricter review and evaluation will be applied to accounts solicited from Region 12.</p> <p>Accounts without deductions are consistently rebilled.</p>
<p><i>Net Take Home Pay Analysis</i></p> <p>(1) 50% of the 791 accounts have insufficient NTHP to cover the monthly PhilLife loan amortization. The risk, however is reduced in 365 out of the 396 accounts as these accounts are either queued, deducted or rebilled in June 2023.</p>	<p>Further collection efforts should be directed to the 33 accounts which are for rebilling and transferred.</p>	<p>PhilLife already initiated the rebilling of eligible accounts.</p>
<p>(2) Teachers that have past due</p>	<p>Further analysis of ultimate</p>	<p>Accounts identified to be</p>

Observations	Audit Recommendation	Management Response
accounts are not in the June 2023 Master Plan.	reason for the accounts that are identified to be "not in the master".	"not in master" were endorsed to Collection Agency (SMRD).
(3) Collection efforts for past due accounts Demand letters were sent to past due accounts. However, the frequency of sending such letters is not consistent. The internal audit team noted that there are 31 accounts which have not been sent with any demand letters.	Sending of demand letters at more determined and frequent intervals	PhilLife started the implementation of three demand letters for past due accounts. Currently, preparation of demand letters is done manually. Upon the implementation of the Noah Loan Management System, the generation of demand letters will be done automatically. Reminders on the payment of past due accounts through "text blast" will be revived.
<i>Process Walkthrough with DepEd Region 12 RSPU – Stoppage of Amortization of Loans</i> The possible reasons for the stoppage of the amortization of loans are: (1) full payments of the loans by the teachers; (2) loan buyout; and (3) the teachers are on leave.	Explore the possibility of obtaining the leave details of the teachers to be more proactive in rebilling the loan amortizations.	The Corporation will obtain leave status of the teachers/ employees through the schools or the through the Schools Division Offices, particularly from the Division of General Santos City.

In response to the query of Mr. Jose Alfonso A. Poblete, Ms. Umali stated that the internal audit team had sampled loans which had outstanding balances of more than Php100,000.00

VI. INTERNAL AUDIT PLAN FOR 2024

Ms. Umali presented the internal audit plan of the Corporation for 2024. She noted that the audit scope would be as follows and that the internal audit team would prioritize branches with the lowest audit scores.

Process	Scope and Coverage Period
Head Office Review	
Claims Review	All claims from October 2023 to September 2024
Bank Credits	October 2023 to September 2024
DepEd Matching	December 2023 to September 2024
Systems Implementation	Payroll, SAP, LMS, IT General Controls
Branch Operations Review	
Branch Audits	All branches
DepEd Loans	October 2023 to September 2024
Collections	October 2023 to September 2024

The Audit and Risk Committee noted the internal audit plan for 2024.

VII. 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:

JESLI A. LAPUS
Chairman

ARMANDO L. SURATOS
Member

JOSE ALFONSO A. POBLETE
Member

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

PHILIPPINE LIFE FINANCIAL ASSURANCE CORPORATION

6 December 2023

Conducted via Remote Communication

DIRECTORS PRESENT:

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

ALSO PRESENT:

YOLANDA M. BAUTISTA
MICHELLE L. AMBAGAN
VICTOR C. TAN
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 directors who cannot physically attend or vote at board meetings to 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.