

MINUTES OF THE ANNUAL STOCKHOLDERS MEETING OF
MAPFRE INSULAR INSURANCE CORPORATION

("MIIC" or the "Corporation")

Held on 19 March 2018 at 4:30 P.M.

At the Board Room, Mapfre Insular Corporate Center
Acacia Avenue, Ayala Alabang, Muntinlupa, Philippines

<u>STOCKHOLDERS PRESENT/REPRESENTED:</u>	NO. OF SHARES:
MAPFRE INTERNACIONAL S.A.	7,493,845
INSULAR LIFE ASSURANCE COMPANY, LTD.	2,499,998
LUIS C. LA Ó	1
TIRSO C. ABAD	1
AMBROSIO B. MANGILIT, JR.	1
MONA LISA DELA CRUZ	1
MAYO JOSE B. ONGSINGCO	1
SILVERIO BENNY J. TAN	1
TOTAL NUMBER OF SHARES:	9,993,849
TOTAL NUMBER OF OUTSTANDING SHARES:	10,000,000
PERCENTAGE OF OUTSTANDING SHARES PRESENT/REPRESENTED:	99.93%

ALSO PRESENT:

Jonas-Karl V. Perez
Pamela Joy R. Co

I. CALL TO ORDER

In the absence of the Chairperson, the meeting was called to order and presided over by the Vice Chairman, Mr. La Ó. The Corporate Secretary, Mr. Perez, certified to the presence of a quorum and took the minutes of the meeting.

The Corporate Secretary proceeded to explain the conduct of voting and the tabulation procedures to be used during the course of the meeting. Unless there are objections, the Corporate Secretary shall record the shares present and those represented by proxy as having voted in favor of the matters to be considered today. Majority vote shall be required for the following matters:

- a) Approval of the minutes of the annual meeting of the stockholders held on 27 March 2017;
- b) Ratification of Corporate Acts of the Board of Directors, Executive Committee, and Management; and
- c) Election of External Auditor.

The vote of stockholders representing at least 2/3 of the Corporation's outstanding capital stock shall be required for the approval of an amendment to the Corporation's Amended Articles of Incorporation.

Voting for the election of directors shall be in accordance with the Corporation Code, which is cumulative voting.

II. APPROVAL OF THE MINUTES OF THE 27 MARCH 2017 ANNUAL STOCKHOLDERS MEETING

The Vice Chairman referred the stockholders to the copy of the minutes of the 27 March 2017 annual stockholders meeting that were included in the materials for this meeting.

On motion duly made and seconded, the minutes of the annual stockholders meeting held on 27 March 2017 were approved.

III. PRESENTATION OF DIVIDEND POLICY

The Vice Chairman stated that dividends may be declared out of unrestricted retained earnings. Furthermore, the MAPFRE Group dividend policy is that policy outlined in the Dividend Policy that was approved by the Board in its meeting on 23 June 2016. The Vice Chairman further stated that the Corporation's audited financial statements for the year ended 31 December 2016 (the financial statements for the year ended 31 December 2017 have not yet been audited and approved) reflect Retained Earnings of P339,469,850. However, the said Retained Earnings are not to be declared as dividends because the Corporation generated a loss.

According to Ms. Co, MIIC's Internal Control and Risk Head, Kimmy Alegarbes is still working on the handbooks / manual of procedures / guidelines to document the management process of this policy.

IV. REPORT OF MANAGEMENT 2017

The President, Mr. Abad, reported, among others, on positive income from Gross Premiums Written, continuing investment income and improved combined ratios; improved technical results arose from improvement in combined ratios; a monthly review of accounts was implemented in 2017 to spot check for loss-incurring accounts; a lower administrative ratio resulted from actions for innovation and transformation and implemented efficiencies; general and administrative losses went down. He also reported on the Corporation's solvency ratio and its risk-based capital. Mr. Abad attributed the Corporation's high solvency ratio to, among others, higher collection rates, and settlements of majority of receivables and payables.

V. PRESENTATION OF RELATED-PARTY TRANSACTIONS

On 28 September 2017 the Board adopted a policy on Related-Party Transactions that includes an integration of the Insurance Commission's mandated Guidelines on Related-Party Transactions. The Board formed a Related-Party Transactions committee. The Related-Party Transactions in 2017, each of which did not exceed one percent (1%) of MIIC's annual revenue,

were as follows: transactions with affiliates, namely Insular Life Assurance Company, Ltd. (rental fees) which owns approximately 25% of the outstanding capital stock of MIIC, and with MAPFRE TECH S.A. (licenses and software maintenance), MAPFRE S.A. (training fees) and Ibero Asistencia S.A. (road and home assistance and services), and with the law firm of Picazo Buyco Tan Fider & Santos where Mr. Tan is a partner.

VI. AMENDMENT OF ARTICLES OF INCORPORATION: PRINCIPAL OFFICE ADDRESS

The Vice Chairman stated that it is necessary to amend the Corporation's Amended Articles of Incorporation to reflect a change in the stated Principal Office Address. This is in line with the Securities and Exchange Commission's Guidelines on Principal Office Address. Upon motion duly made and seconded, stockholders representing 100% of the common shares present in person or by proxy, representing at least 2/3 of the Corporation's outstanding capital stock, passed and approved the following resolution:

"RESOLVED, AS IT IS HEREBY RESOLVED, that the Corporation be hereby authorized to amend the THIRD Article of the Corporation's Amended Articles of Incorporation ("Articles") to read as follows:

"THIRD: That the place where the principal office of the Corporation is to be established or located is at Mapfre Insular Corporate Center, Acacia Avenue, Madrigal Business Park, Ayala Alabang, Muntinlupa City, Metro Manila, Philippines."

"RESOLVED, FINALLY, that the directors and proper officers of the Corporation be authorized and empowered to submit and cause the submission of a copy of the Amended Articles of Incorporation of the Corporation, duly certified by a majority of the directors, the Chairman and the Corporate Secretary, to the Securities and Exchange Commission, to sign, execute and deliver any and all documents, and to do any and all acts, necessary and proper, to give the foregoing resolutions force and effect."

VII. RATIFICATION OF ACTS, RESOLUTIONS AND APPROVALS OF THE BOARD OF DIRECTORS SINCE THE LAST ANNUAL MEETING

The Vice Chairman summarized the acts, resolutions and approvals of the Board of directors since the annual stockholders meeting held on 14 March 2016, namely:

Regular Board Meeting held on 27 March 2017:

- Revocation of authority of Mimosa M. Gonzales as CFO and Head of Finance Division effective April 30, 2017
- Revocation of authority of Ronnel E. Villarico as Head of Claims Processing Unit effective March 31, 2017
- Revocation of authority of Raffy G. Katigbak as Head of Claims Division effective March 10, 2017
- Appointment of Malou F. Santiago as Assistant Vice President and Head of Claims Division effective March 13, 2017

- Appointment of Lawrence Mari C. Santella as the Company's Data Protection Officer (DPO) effective April 1, 2017
- Appointment of Kimmy S. Alegarbes as the Company's Internal Control Unit Head
- Authority to sign the necessary contracts and legal documents executed by and between the Corporation and non-accredited repair shops, motor part suppliers and towing services
- Authority to enter into a lease agreement of personal properties effective January 1, 2017
- Authority to sell, dispose, convey or purchase personal properties effective March 13, 2017
- Authority to represent the Corporation to file and/ or defend small claims case/s with the Insurance Commission's Claims Adjudication Division
- Authority to contract with telecommunication companies, utility companies, service providers in connection with the Corporation's business and/or operation
- Designation of Eileen D. Clemente, Pamela Joy R. Co and Christine E. Cristobal as nominees of MAPFRE INSULAR CORPORATE CENTER effective October 1, 2016
- Authority of Hector N. Castello, Malou F. Santiago and/or the Law Firm of PICAZO BUYCO TAN FIDER AND SANTOS, and/or any of its lawyers including Attys. Carlos Raphael N. Francisco and Val Christian T. Sultan, to represent the Company in Administrative Case No. RD-537 pending before the Insurance Commission filed by SENECA TOBACCO PHILIPPINES, INC.
- Authority of Hector N. Castello, Malou F. Santiago and/or any of its lawyers including Attys. Carlos Raphael N. Francisco and Val Christian T. Sultan, to represent the Company in I.C. ADM Case No. RD-510 pending before the Insurance Commission filed by Adolfo Bellosillo
- Authority to transact with COL Financial Group, Inc. for stock market transactions in the Philippine Stock Exchange.
- Board Resolution to be submitted to the Supreme Court

Regular Board Meeting held on 22 June 2017:

- Authority to sign, demand and withdraw the amount as stated in the Supersedeas Bond MAIC /JCL (15) No. 00332
- Revocation of authorities of Luis C. Cebrero, Assistant Vice President and Head of Sales effective 11 June 2017
- Revocation of authorities of Mark Joseph Makalintal, Assistant Vice President and Head of Ortigas Branch effective 08 June 2017
- Revocation of authorities of Jose Grecen P. Amorte, Branch Head, Bacolod Branch Office effective 01 June 2017
- Authority of Neil C. Ceniza and/or the Law Firm of RODOLFO A. LAT to represent the Company in CA-G.R. CEB-CV No.04906 entitled Porferia Garcines Vda. De Cruz vs. Meridian Assurance Corp. et al, pending before the 19th Division of the Court of Appeals Cebu City
- Authority of Ceralyn C. Cabili, Officer-In-Charge, Bacolod Branch Office to accept risks, sign bonds and insurance policy effective 01 June 2017
- Authority of the Corporation to enter into lease contracts for office space requirements or renovations/repairs
- Authority to set up, create and establish a Retirement Plan for qualified agents and secure a Comprehensive Group Plan contract with The Insular Life Assurance Co., Ltd

Special Board Meeting held on 14 July 2017:

- Authority to sell of share in Alabang Country Club, Inc.

Special Board Meeting held on 13 September 2017:

- Authority of Sharlene Mae Cambronero or Neil Ceniza to file cases against Princess Carreon

Regular Board Meeting held on 28 September 2017:

- Revocation of authorities given to Gay D. Bongocan as Senior Manager and Mindanao Regional Head and concurrent Head of Cagayan de Oro Branch effective August 25,2017
- Revocation of authorities given to Weyland John A. Castil as MCO Butuan Head effective September 8,2017
- Approval of promotion of Christine E. Cristobal as Assistant Vice President and Head of Finance Department effective 01 July 2017
- Confirmation of appointment of Jay B. Bondoc as Assistant Vice President and Head of the Ortigas Branch effective July 1, 2017
- Confirmation of appointment of Paul Andre C. Basa as Assistant Vice President and Head of Affinities & Direct Business effective 01 August 2017
- Confirmation of appointment of Eric Emmanuel F. Madrazo as First Vice President and Head of Sales Division effective 07 August 2017
- Confirmation of appointment of Francis A. Aquino, Jr. as Deputy Branch Head of San Fernando Branch effective August 9, 2017
- Confirmation of appointment of Ma. Bernadette Jereza as Deputy Branch Head of Bacolod Branch effective August 22, 2017
- Confirmation of appointment of Ceralyn C. Cabili as Deputy Branch Head of Cagayan de Oro Branch effective August 22, 2017
- Confirmation of appointment of Jean A. Israel as CFO and Head of Finance and Administration Division (rank of Senior Vice President) effective 01 September 2017
- Authorization of the sale of one (1) share of stock of Valle Verde Country Club, Inc., under the name of MAPFRE INSULAR INSURANCE CORPORATION, with stock certificate no. 5504.
- Authorization of the sale of one (1) share of stock of Makati Sports Club, Inc., under the name of MAPFRE INSULAR INSURANCE CORPORATION, with stock certificate no. B-1486.
- Authorization of the sale of one (1) share of stock of The Country Club at Tagaytay Highlands, Inc., under the name of MAPFRE INSULAR INSURANCE CORPORATION, with stock certificate no. 4653.
- Change in authorized signatories for the Corporation's PHP 50,000,000.00 worth of Ayala Land, Inc.,7-years Fixed Rate Bonds purchased from China Banking Corporation
- Change in authorized signatories for the Corporation's PHP 30,000,000.00 worth of AYALA CORPORATION, 7-years Fixed Rate Bonds from BPI CAPITAL CORPORATION
- Change in authorized signatories for the Corporation's PHP 50,000,000.00 worth of AYALA LAND, INC., 10-years Fixed Rate Bonds purchased from BPI Capital Corporation.
- Change in authorized signatories for authority to maintain Peso Investment Account, Money Market Placements and other similar instruments with FIXED INCOME PHILAM BOND FUND
- Change in authorized signatories for the Corporation's foreign exchange line (FXL) in the amount of \$ 2,500,000.00, Bills Purchase Line (BPL) in the amount of P 50,000,000.00, Corporate Guaranty line (CGL) in the amount of P 10,000,000.00 with Bank of the Philippine Islands
- Change in authorized signatories with the Philippine Depository & Trust Corp. (PDTC) as the Company's CUSTODIAN

- Change in authorized signatories for authority of the Corporation's authority to transact with PHILSTOCKS FINANCIAL INC. for stock market transactions in the Philippine Stock Exchange
- Change in authorized signatories for the Registry of Scripless Securities (RoSS) transactions with the Bureau of Treasury (BTR).
- Change in authorized signatories on sign permits, applications, reports, papers, documents with the Securities & Exchange Commission, Bureau of Internal Revenue, Insurance Commission and other government bodies
- Change in authorized signatories for authority to reinvest proceeds of its maturing government securities
- Change in authorized signatories for authority to maintain its existing Peso / Dollar Investment Account, Money Market Placements
- Change in authorized signatories for the Corporation's authority to sign and endorse for and in behalf of the Corporation, all Reinsurance Treaty Agreements entered into by the Corporation
- Change in authorized signatories for the Corporation's authority to execute and sign the necessary Memorandum of Agreements, contracts and legal documents
- Change in authorized signatories for the Corporation's authority to enter into lease contracts for storage space of the offsite records of the Corporation as well as to enter into contract for renovation/repairs of said storage space
- Change in authorized signatories for the Corporation's authority to sign, execute and deliver the necessary contracts, agreements and documents involving security, janitorial, maintenance services and other administrative services agreement, agreements with suppliers, vendors and service providers
- Change in authorized signatories for the Corporation's authority to execute, sign, endorse and deliver all documents, contracts, agreements with telecommunication companies, utility companies, service providers
- Change in authorized signatories for the Corporation's authority to sign, deliver and execute the necessary documents, contracts, agreements and other papers/instruments relating to the granting of loans or credit accommodations
- Change in authorized signatories for the Corporation's authority to enter into lease contracts for office space requirements as well as to authorize the Corporation to enter into contract for renovations/repairs
- Authority of JEAN A. ISRAEL to sign the Submitting Entity Information Sheet to be submitted to the Credit Information Corporation
- Authority to sign and endorse contracts, agreements, instruments, statements, reports, and other documents pertaining to the day-to-day business operations and standard transactions of the Corporation
- Authority to enter into any agreement with The Insular Life Assurance Co., Ltd. in connection with the agents' Group Term Life and Group Hospitalization Insurance claims
- Authority to secure a Group Term Life Insurance Plan with The Insular Life Assurance Co., Ltd. to provide group term life insurance benefits to the Personal Accident (Individual and Group), Motor Car and Fire Plan holders
- Authority to sign for and in behalf of the Corporation for Bonds or Surety undertakings to take effect on October 1, 2017
- Authority to invest in or purchase investment products offered by or through EAST WEST BANKING CORPORATION

- Authority to invest in money market placements, government securities, fixed income securities market, deposit substitutes, bonds, retail treasury bills, trust accounts and other commercial documents/instruments with FIRST METRO INVESTMENT CORPORATION
- Authority to invest in money market placements, government securities, fixed income securities market, deposit substitutes, bonds, retail treasury bills, trust accounts and other commercial documents/instruments with CHINA BANKING CORPORATION
- Authority to open, maintain and/or close one or more accounts, to deposit to and withdraw or make fund transfers, to enter into transaction and/or avail of products or facilities in various banking institutions.
- Authority to transact with BDO UNIBANK, INC., its subsidiaries and affiliates "] for the availment of banking products and services
- Authority to sell, dispose, convey or purchase personal properties (motor vehicles, trade goods and materials, furniture, fixtures, equipment, etc.) and to sign the corresponding deed of sale
- Authority to sign the necessary contracts and legal documents with repair shops, motor part suppliers, towing services, and external adjusters
- Authority to represent the Corporation in all legal actions constituted and appointed as Attorney-in Fact of the Corporation for all legal action (judicial, quasi-judicial and/or administrative)
- Authority of ATTY. ROSEMARIE O. VERSOZA or ATTY. EARL A. VERSOZA or MR. NEIL J. CENIZA or ATTY.PAMELA JOY R. CO, to represent the Corporation in CIVIL CASE NO. M-CEB-1703175-CV (For: Damages and Attorney's Fees) entitled JIMLY MATARONG FRIEDRICHS vs.ASHLEY BROOK, SPS. DEBORAH SHEREE ADAIR HAYES and GREGGERY JOHN HAYES, and MAPFRE INSULAR
- Authority to settle the SENECA TOBACCO PHILIPPINES, INC. Claim
- Authority to settle the Chevron Philippines, Inc. Claim
- Authority of Jean A. Israel as the new assignee of the Palms Country Club share (M-0293) previously being used by Tomas V. Mayoralgo, Jr.

Special Board Meeting held on 4 December 2017 :

- Closure of SA 01-001-015240-6 with LIPA BANK

Regular Board Meeting held on 14 December 2017 :

- Approval of the Corporation's application for the retirement of the business permit under its name for the MAPFRE Valencia Delegado Office
- Revocation of Jose Maria Hernandez de Lamo as Senior Vice President and Head of IT and Processes Division effective November 30, 2017
- Confirmation of Appointment of Mildred R. Hugo as Vice President and Chief Information Officer of Information Technology Division effective December 1, 2017.
- Confirmation of Appointment of Kimmy S. Alegarbes as Risk Management and Internal Controls Head, with the rank of Assistant Vice President effective December 1, 2017.
- Revocation of Jurgen G. Valderama as Assistant Manager and Head of Davao Branch Office effective December 18, 2017
- Revocation of Angela F. Europa as the Manager and Head of Lipa Branch Office effective December 31, 2017
- Authority to enroll the Corporation in PETRON FLEET CARD

- Authority to represent the Company in filing and/ or defending small claims case/s for its collection cases
- Authority to sign contracts and agreements on behalf of the Company, related to the Company's information and communication systems requirements

On motion duly made and seconded, the acts, resolutions and approvals of the Board of directors since the annual stockholders meeting held on 27 March 2017 were ratified by stockholders representing 100% of the common shares present in person or by proxy.

VIII. DISCUSSION OF THE CORPORATE GOVERNANCE SCORECARD REPORT 2017

Ms. Co informed the Board that in 2015, by virtue of *Circular Letter No 14-2003*, the Insurance Commission prescribed all the insurance companies to develop their respective websites and post their responses to the ASEAN Corporate Governance Scorecard (ACGS) questionnaire with supporting documents. Ms. Co reported that MIIC currently belongs to the Top 5 of Non-Life Insurance Companies in relation to the ACGS. She also discussed the recommendations of the Institute of Corporate Directors for MIIC's areas of improvement.

IX. ELECTION OF DIRECTORS

The Vice Chairman stated that non-controlling stockholders are allowed to nominate candidates for board of directors. The Vice Chairman also stated that cumulative voting shall be followed in accordance with the Philippine Corporation Code.

The Vice Chairman opened the table for the nominations for the new set of directors for the year 2018. The Nominations Committee reviewed and evaluated the qualifications of the nominees. The following persons were nominated as directors of the Corporation for the fiscal year 2018, to serve until the next annual meeting.

LUIS C. LA Ó
TIRSO C. ABAD
AMBROSIO B. MANGILIT, JR.
MONA LISA DELA CRUZ
FRANCISCO F. DEL ROSARIO, JR.
MAYO JOSE B. ONGSINGCO
SILVERIO BENNY J. TAN
PEDRO E, ROXAS
FRANCISO NORIEGA
NIKOLAOS ANTIMISSARIS

Since there are no other nominees, the Vice Chairman directed the casting of the ballots. All nominees have been elected by the stockholders individually as directors of the Corporation for the ensuing term. All directors received votes from stockholders representing 100% of the common shares present in person or by proxy.

X. **APPOINTMENT OF EXTERNAL AUDITOR**

The Vice Chairman announced that the next item in the agenda was the appointment of the Corporation's external auditor. Upon motion duly made and seconded, R.G. Manabat & o. was appointed as the external auditor of the Corporation for the fiscal year 2018 with votes from stockholders representing 100% of the common shares present in person or by proxy.

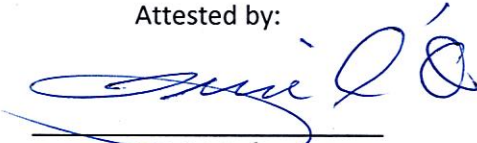
XI. **OTHER MATTERS**

The Vice Chairman asked the stockholders whether there are queries or matters that should be brought to the attention of the stockholders in this meeting. There were none.

XII. **ADJOURNMENT**

There being no other matters, the meeting was adjourned on motion duly made and seconded.

Attested by:



LUIS C. LA O
Vice Chairman of the Board

Certified by:



JONAS-KARL V. PEREZ
Corporate Secretary