

MINUTES OF THE MEETING  
OF THE BOARD OF DIRECTORS  
OF  
PHILPLANS FIRST, INC.

Held on 17 September 2021 via Zoom

PRESENT:

MONICO V. JACOB  
EUSEBIO H. TANCO  
JOSEPH AUGUSTIN L. TANCO  
MARTIN K. TANCO  
ESTER T. GABALDON  
MARIA VANESSA ROSE TANCO  
PAOLO MARTIN O. BAUTISTA  
JUAN KEVIN G. BELMONTE  
JOHNIP G. CUA  
JOSE F. BUENAVENTURA

ALSO PRESENT:

YOLANDA M. BAUTISTA  
VICTOR C. TAN  
RONALD BAUTISTA  
ARSENIO C. CABRERA, JR.  
AMOR ROSELLE S. HERRERA

ABSENT:

RAINERIO M. BORJA

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**I. CALL TO ORDER**

The Chairman, Mr. Joseph Augustin L. Tanco, called the meeting to order and presided over the same. The Corporate Secretary, Atty. Arsenio C. Cabrera, Jr., recorded the minutes of the meeting.

**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.

### III. LIABILITY MANAGEMENT PROGRAM

Mr. Ronald Bautista updated the Board on the status of the liability management program. As of 14 September 2021, availment amounted to [REDACTED]. This represents an accomplishment rate of [REDACTED]. January, March and July have been the strongest months for the liability management program. The current liability management program will end on 30 September 2021.

Mr. Bautista informed the Board that management would present suggestions regarding the extension of the liability management program for the fourth quarter of 2021.

In connection with the foregoing, Mr. Eusebio Tanco informed the Board that the Corporation has been buying back its liabilities at a discount. To fund the buyback of the liabilities, Mr. Tanco said that the Corporation has been liquidating its fixed income assets due to the low interest rates. He said that it not the best time to liquidate equities. The Corporation is also trying to liquidate its service assets including Heritage Park memorial lots and the former JASMS property. It hopes to generate [REDACTED] from the sale of the service assets.

Mr. Jacob informed the Board that management has also been following up with the Insurance Commission regarding certain matters and is scheduled to have a meeting with the Insurance Commission. The Corporation has agreed not to set up a separate trust fund. For pre-need plans sold on installment basis, the Insurance Commission has also agreed that the entire purchase price should be considered paid.

### IV. SALES UPDATE

Mr. Bautista informed the Board that the sales team had contributed [REDACTED] to the liability management program. This is [REDACTED] of target.

As of 11 September 2021, 371 Heritage Park lots have been sold with a total value of [REDACTED]. The Heritage Park lots sold consist of 352 lawn lots, 10 garden lots and 9 estate lots. A total of three (3) Memory Place lots have also been sold. The bundled life plans sold with these lots have a total contract price of [REDACTED].

As of 10 September 2021, total FYP amounted to [REDACTED]. This is [REDACTED] of the year-to-date target. There is pending FYP of [REDACTED].

**V. FINANCIAL UPDATE**

Mr. Victor Tan updated the Board on the Corporation's financial performance. As of 16 September 2021, the total liability management program processed amounts to [REDACTED]. Total maturities processed amounts to [REDACTED]. Of the total liability management program processed as of said period, the amount paid totaled [REDACTED]. Of the total maturities processed, the amount paid totaled [REDACTED].

As of 31 July 2021, total premium income amounted to [REDACTED] broken down as follows: (a) [REDACTED] from renewals; and (b) [REDACTED] from new business.

Total income from operations amounted to [REDACTED]. This includes income generated from the sale of the RMMI shares amounting to [REDACTED]. It also includes the reversal of deferred tax liabilities due to the lowering of the tax rate from [REDACTED] to [REDACTED]. This resulted in income amounting to [REDACTED]. Based on the foregoing, actual loss from operations amounted to [REDACTED].

Total expenses amounted to [REDACTED]. Mr. Jacob noted that the Corporation has been able to contain or reduce its expenses. General and administrative expenses have been cut by [REDACTED] since 2020.

Based on the 31 July 2021 balance sheet, the Corporation has total assets of [REDACTED]. It has cash and cash equivalents of [REDACTED]. Total liabilities amounted to [REDACTED].

Mr. Tan also updated the Board on the adequacy of the trust fund as of 31 July 2021, as shown in the table below.

		UN-AUDITED July 31, 2021	AUDITED Dec. 31, 2020
<b>Trust Fund</b>		[REDACTED]	[REDACTED]
<b>ARL</b>		[REDACTED]	[REDACTED]
<b>Surplus / (Deficiency)</b>		[REDACTED]	[REDACTED]
<b>Plan Benefit Payable</b>		[REDACTED]	[REDACTED]
<b>Surplus / (Deficiency)</b>		[REDACTED]	[REDACTED]
<b>VOLUNTARY TRUST FUND (VTF)</b>			
	PPFI	[REDACTED]	[REDACTED]
	Landbank - net of DTL	[REDACTED]	[REDACTED]
<b>Surplus / (Deficiency)</b>		[REDACTED]	[REDACTED]

The computation above does not include values deemed breaches by the Insurance Commission.

In response to queries of the Board, Mr. Tanco noted that the Corporation would not be able to earn ■ from equities under current market conditions. Mr. Tanco noted that the priority would be to contain the Corporation's liabilities. Mr. Tanco also suggested a change in the pricing policies of the pre-need plans and a relaunch of the products. Mr. Tanco and Mr. Jacob informed the Board that the Corporation has taken a conservative approach.

**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**  
*Director*

**EUSEBIO H. TANCO**  
*Director*

**JOSEPH AUGUSTIN L. TANCO**  
*Director*

**MARTIN K. TANCO**  
*Director*

**ESTER T. GABALDON**  
*Director*

**MARIA VANESSA ROSE TANCO**  
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*Director*

**JOSE F. BUENAVENTURA**  
*Director*