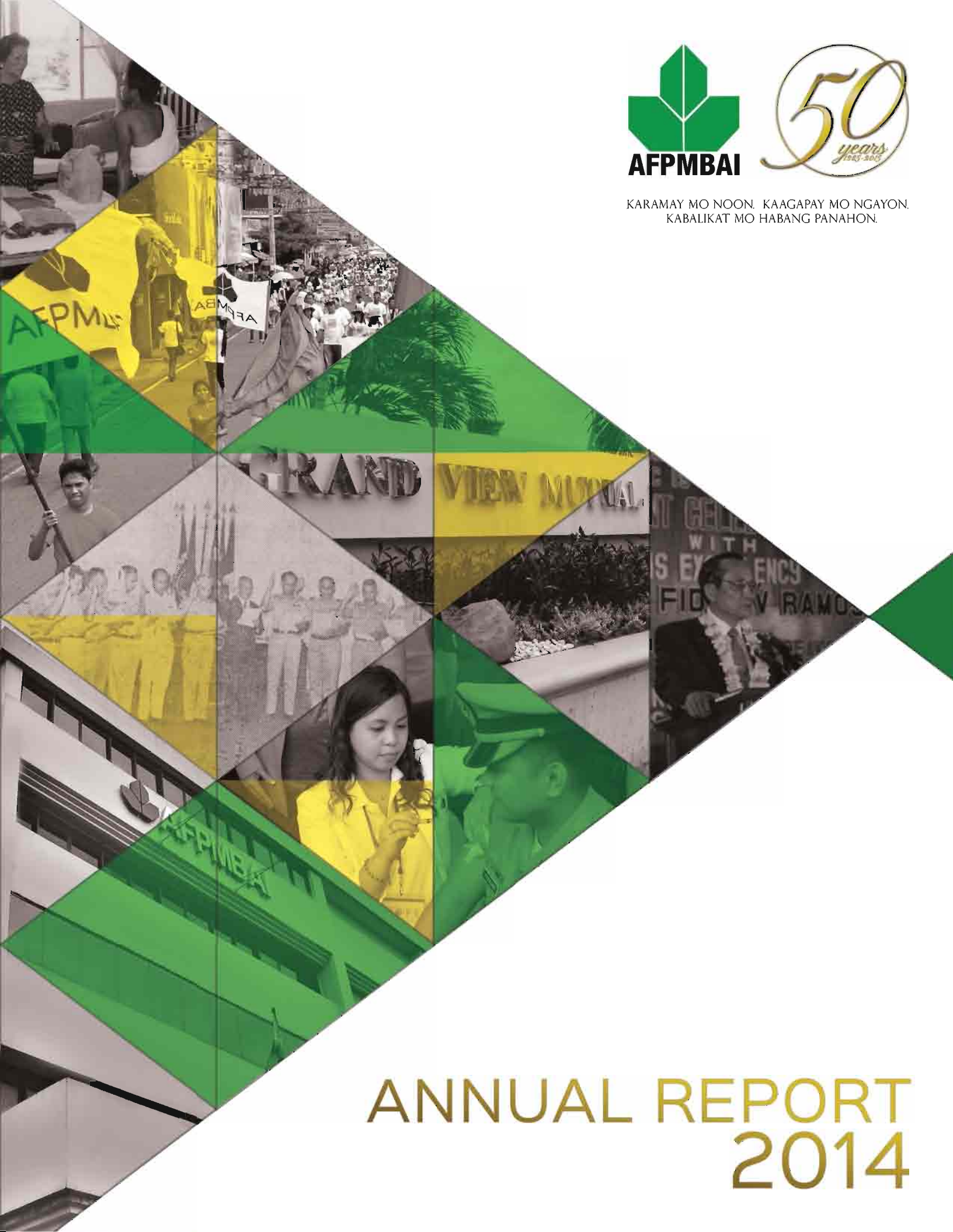




KARAMAY MO NOON. KAAGAPAY MO NGAYON.
KABALIKAT MO HABANG PANAHOON.



ANNUAL REPORT 2014

TABLE OF CONTENTS

2

Mission and Vision

3

Chairman's Message

4

President's Report

9

Governance Report

17

Financial Statement

26

Corporate Social Responsibility

29

Board Members

34

Management Team

36

Branch and Extension Offices



To provide our members the most responsive insurance protection, affordable financial products, and meaningful social services so they can devote themselves to their duty.

By 2020, a customer-centric insurance organization preferred and trusted by its members for their financial security, protection and social welfare, and recognized as an uplifting force in their lives.

CHAIRMAN'S MESSAGE

I would like to express my heartfelt congratulations to AFPMBAI on its 50th Anniversary Celebration.

Through the years, the Association has been instrumental in uplifting the lives of members and in contributing to the community's general well-being. I am exceedingly proud of the Social Services programs that help improve the quality of life of men in uniform in the area of education, health, livelihood, general welfare and community development.

I likewise commend the AFPMBAI on the sustained growth that it has achieved in 2014, which reflects dedicated commitment in managing this company. The initiatives to offer new products and services in insurance, real estate and loan facilities prove that this Association is always proactive in addressing the needs of members and in strengthening partnership towards the fulfillment of a common goal for a better future.

AFPMBAI, thank you for being our karamay noon at kaagapay ngayon. Talagang maaasahan kayo sa habang panahon.

Mabuhay ang AFPMBAI! Cheers for the next 50 years of service!



GEN GREGORIO PIO P CATAPANG JR AFP
Chief of Staff, Armed Forces of the Philippines
Chairman of the Board of Trustees, AFPMBAI



THE PRESIDENT'S REPORT



ARMED FORCES AND POLICE
MUTUAL BENEFIT ASSOCIATION, INC.

THE PRESIDENT'S REPORT

Fellow AFPMBAI Members:

The Philippine economy decelerated its pace of growth by 15%, from a GDP of 7.2% in 2013 to 6.1% in 2014, due to a slowdown in government expenditure. Total premiums by life insurance companies likewise decrease, attributed to a huge drop in single-premium income and first-year premiums.

Amidst the slight decline of the country's macro level performance, the AFPMBAI ended 2014 with a 30% increase in consolidated net income or P400.13M from P307.23M in 2013. The parent company itself generated a net income of P398.71 million which is 29% higher than the P309.46 million a year ago. Relatedly, total comprehensive consolidated income rose to P541.75 million, while total separate comprehensive income stood at P527.76 million; showcasing a 125% and 95% growth respectively.

The sustained momentum of the company's profit was greatly attributed to the favourable performance of the branch operations group, which is primarily driven by interest income on loans. Our financial investments ranks next in income generation brought by improved market condition, additional investments and better management. Meanwhile, our life insurance business maintained its modest growth and obtained a better bottom figure as compared to the previous year, due to increase in premiums and adjustment in increase in legal reserve as directed by the Insurance Commission. Our real estate business likewise reaped higher returns because of its gains from real estate housing loans (REHL) and real estate mortgage loans (REML).

Moreover, our assets made a 10% upturn from last year's P12.99 billion to P14.26 billion this year, retaining our industry's position of being the number one mutual benefit association in the country in terms of assets.

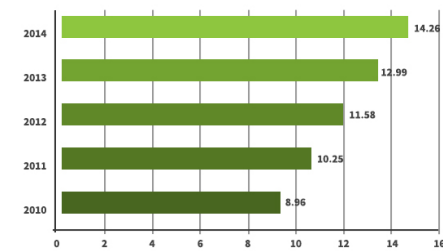
The remarkable performance in 2014, was the fruit of hard labour of management and employees working together towards a common goal, supplemented by the active engagement of the members of the Board.

Life Insurance Business

For CY 2014, our life insurance premiums grew by P65.12 million from the 2013 figure of P2.0 billion to P2.07 billion. This is attributed to the increased number of sales agents, improved sales

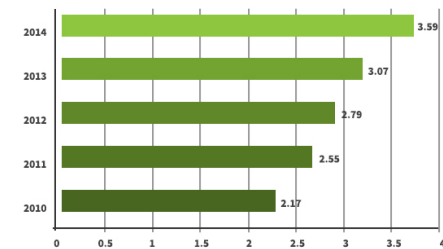
Assets

In billion pesos



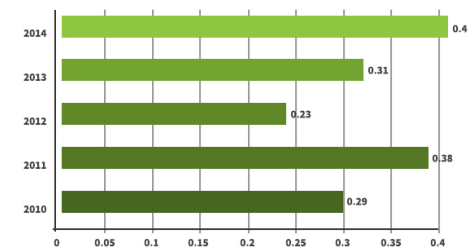
Members' Equity

In billion pesos



Net Income

In billion pesos



incentive scheme, intensified marketing efforts both in the head office and in the regions, and strengthened conservation efforts.

In terms of members' benefits, we released P1.09 billion living benefits and P163.38 million in death benefits to 36,567 members.



Real Estate Business

We continue to capitalize on our real estate business as we believe this will provide long-term steady source of income to the Association. We finished the construction of the additional 60 housing units in Bacolod Homes Royale and have completed the plans and specification for its swimming pool, which is expected to be done in 2015. We keep our commitment of providing facilities to our subdivisions as well as maintaining or increasing their value. We have provided a deep well for La Tierra Verde Mutual Homes to ensure its water supply, have stoned lined its open canal and repair its perimeter fence to ensure security within the area. We have likewise laid our foundation for 2015 projects by starting the construction of the AFPMBAI Annex Building, land development for the Tanza Property and the groundbreaking of Luzon Branch Office Building.

In addition, the Association granted a total of P262.55 million in housing loans and P124.84 million in real estate mortgage loans in 2014.

Financial Investments

We optimized investment yields thru engagement of services of banks under Investment Management Agreement (IMA) and exploration of other allowable investment outlets with higher potential returns, which resulted to a net income of P118.79 million or P147.05 million up from the previous year.

Service Delivery

To improve the delivery of service to members, the Association engaged the services of UCPB as bank partner for the issuance of enhanced members' ID card. The soon to launch members' IC card will have an ATM functionality for disbursement of members' claims and benefits.

Relatedly, to augment the existing collection facilities for members opting to pay directly to the Association, we will soon be using the services of SM Mart for its SM Bills Payment Facility as an alternative channel for the payment of members' loans, insurance premiums and other payables. The said facility likewise aims to encourage prompt payment of members and

promote AFPMBAI's insurance and real estate products.

Company Loans

We granted Calamity Loan to victims of Typhoon Glenda in the total amount of P76 million. Members who were affected by the said calamity in Muntinlupa, Legaspi, Lucena and Laguna were able to apply for a maximum loan amount of P50 thousand with a very affordable interest rate at 6% per annum, payable within five years.

Human Resources and Organizational Enhancement

Recognizing the need for all employees to maintain a well-balanced life that would result to motivated, high-performing personnel and robust organization, the Human Resources Department conducted a series of holistic Wellness Programs related to the physical, financial, emotional and spiritual needs of employees.

Moreover, to foster a culture of continuous learning among employees to serve the members better, new supervisors underwent a two-day Basic Supervisory Workshop last October, where diverse concepts of leadership were taught. This was followed by a three-day Advance Supervisory Seminar in December where supervisors' learned to hone their leadership skills and coaching abilities.

To ensure that behaviour and accomplishments of the employees are aligned with the Association's goals, the Objective Setting and Performance Rating Workshop was held to all employees both in the head office and the regional offices.

Further, HRD conducted a Job Description Writing Workshop to all managers, supervisors, and select rank and file employees to update/revise the employees' job descriptions which has to be aligned with the present task and the current organizational structure.

Organizational changes were also implemented to further improve effectiveness and efficiency of operation. A Compliance and Remedial Accounts Unit (CARA) was created to lessen or prevent dormancy of accounts, undertake mediation, negotiate and settle accounts of delinquent borrowers and represent AFPMBAI to the Philippine Chamber of Mutual Benefit Associations. The unit is also responsible for the submission of requirements to regulatory bodies such as the Insurance Commission, Bureau of Internal Revenue (BIR), Anti-Money Laundering Council and Securities and Exchange Commission.

Meanwhile, the Direct Payment-Billing and Monitoring section under the Billing and Collection Unit was created to handle, monitor and manage accounts of members with direct mode of payment.

Internal Business Process

To ensure continues company operation in case of emergencies, we have acquired servers and storage for Disaster Recovery (DR). A five-year disaster recovery site co-location agreement was signed between AFPMBAI and Total Information Management Corporation (TIM). A simulation exercise was done in the head office datacenter and the same will be performed in a remote site in 2015. Relocation of DR equipment will also be carried on in 2015.

Amended Articles of Incorporation and By-laws

We were successful in securing the written assent of more than two-thirds of our members that paved the way to the amendment of the Association's Articles of Incorporation and ByLaws. With the said amendment, members will be able to reinforce their rights to participate in key corporate governance decisions and be sufficiently informed on decisions concerning the company thru the institution of the Annual General Membership Meeting (AGM).

Subsidiary Report

Our wholly-owned subsidiary, the AFP General Insurance Corporation (AFPGen) recorded a net loss of P548.53 thousand in 2014. This is primarily due to the decline in Gross Premium Written from AFP, PNP, and PCG brought by the Commission on Audit's issuance of Notice of Disallowance, where all properties of AFP and PNP should be with GSIS. In addition, the eleven-month delay in obtaining the Certificate of Accreditation and Certificate of Authority to issue the compulsory Insurance Coverage for Agency-Hired OFWs from Insurance Commission resulted to non-achievement of premium target.

In its effort to improve income, the company conducted monthly sales drives in various camps in Luzon, Visayas, and Mindanao for their Enhanced Microinsurance. The said product offers the most comprehensive coverage amounting to P242,000 at an affordable price of P1,900 a year. Its coverage includes Fire, Acts of Nature Assistance, Personal Accident, Loan Amortization Assistance, Hospital Cash Assistance, Emergency Room Assistance, Burial Assistance, and, Memorial Package.

Meanwhile, PMA Classes '51 to '54, '63, '67, and '72 signed a Memorandum of Agreement with AFPGEN on the program "Support Your Class, Insure with Us", which aims to raise funds for the activities of the class by insuring their assets with AFPGEN.

They have likewise formed Partnership with the Philippine Mortuary Association in Microinsurance. AFPGEN and PMA signed a MOA to seal the commitment to Microinsurance clients in servicing their memorial package which can be availed at any of the more than 250 PMA members nationwide.

Moreover, the company received an Accreditation to Transact Business as Surety (ATBAS) from five Bureau of Custom's offices in eight ports in Manila, Clark, Subic, Manila International Container;

San Fernando La Union; Batangas; NAIA; and, Cebu. The company was also accredited by the Department of Energy (DOE) as a bonding company until June 2015 for performance bond purposes of DOE's service contractors.

The company also implemented several computer systems to improve business operations. It engaged the services of Geniisys to enhance insurance policy writing, Vista for the outsourcing of the payroll system and DMS for creating a digital documentation system. It also has an Automated Payroll and Automated **Timekeeping and Attendance Systems.**

Continues training of employees is also being provided in the area of Management Enhancement, Coaching and Counseling, Communication and Planning, Basic Oral and Written Communication, Delighting Customers, and Culture Building Tatak AFPGEN.

Golden Anniversary Celebration

On January 5, 2015, the Armed Forces and Police Mutual Benefit Association, Inc. marked its year-long celebration of



its 50 years of outstanding service to its members. Upholding its theme, "Karamay Mo Noon. Kaagapay Mo Ngayon. Kabalikat Mo Habang Panahon.", the Association will relive the milestones achieved through time by the company. Moreover, to show its deep gratitude to its members, a wide array of activities and programs were prepared, which include: the Grand Anniversary Giveaway Raffle, the Salute to Talent Singing Contest, Insured at 50 Raffle Promo, Condonation Program, opening of new grants for the GRADE Program, Financial Management and Fun Run for the Mangroves.

The Grand Anniversary Giveaway Raffle is a raffle promo for members who availed of Real Estate, Insurance and Loan Products from January 1, 2015 to December 1, 2015. Winners of this contest will have a chance to win house and lot prizes. While the Salute to Talent singing contest is a nationwide talent search opened to all regular members where the grand champion will have the chance to win P300 hundred thousand pesos.

Meanwhile, Insurance Sales Department launched the Insured at 50 Raffle Promo for members who will sign-up

for group insurance or upgrade their basic insurance to UBI/MBI. Every month, fifty (50) members who availed the said promo will be raffled to receive a 50th Anniversary T-shirt.

Last March 1, 2015, a Condonation Program was launched by the Compliance and Remedial Accounts unit (CARA). Under the said program, regular and associate members were granted with 50% penalty condonation on their penalties for Salary Loan, Calamity Loan, MEDAL and loans of similar nature. Members can also update and settle their past obligations in full within the same calendar month resulting to a matured or closed account. On the part of AFPMBAI, it will reduce the company's dormant accounts and non-performing loans.

The AFPMBAI also looks forward into implementing more meaningful social services. The Grants for Dependents or GRADE Scholarship Program opened again for SY 2015-2016 last March. This serves as the Association's avenue in providing educational opportunities for the dependents of members who have offered their lives in service to the country and to the people.

Moreover, SSO conducted a livelihood seminar on Financial Management with 170 uniformed personnel from different branches of service last May 21 and 22, 2015. During the said seminar, participants were taught to look at their finances more wisely by differentiating needs and wants. Members were also given ideas how to start their own businesses and franchise while doing their tasks for the country.

A Fun Run for members and employees is also set this June 18, 2015 to support SSO's mangrove planting project in Cavite, Cagayan de Oro and Tacloban.

Future Plans

I believe that as the market changes, there will always be occasions to improve, correct and reform. Instead of fearing or worrying them; let us welcome them as opportunities for growth to make things better. Infact, I am excited and hopeful for AFPMBAI's future. This year, we started a number of real estate projects that will add up to our current product portfolio, new loan product for IC's approval, IT system for HR, organizational review for efficient management and operation as well as building improvements for members and employees. Above this things, we will continue to set strategies for the company's sustainable future.

As our Association celebrates its 50 years of service to the men in uniform, I commend and thank the past and present members of the Board of Trustees for the wisdom and guidance imparted to management, to make this company stand strong and resilient thru the passage of time. I am equally grateful to the management and employees of AFPMBAI for their time and devotion in sustaining and growing this Association, as it is today. To our members who entrust this Association to us, we are humbled and honoured for the patronage and support you have given us thru the years. To

our business partners, thank you for helping us deliver our products and services to our members. Lastly, I thank our Almighty Father above for making His blessings stay and abound in this Association.

Happy Golden Anniversary! Mabuhay ang AFPMBAI!



MGEN EDGARDO RENE C SAMONTE AFP (RET)
PRESIDENT

GOVERNANCE REPORT

AFFPMBA



AFFILIATED FIRMS AND FIRMS
MUTUAL RENEW ASSOCIATION INC.

GOVERNANCE REPORT

ASEAN CORPORATE GOVERNANCE SCORECARD

The AFPMBAI in its mandate to adhere to corporate best practices in governance has adopted the ASEAN Corporate Governance Standards in preparation for the 2015 ASEAN Financial Integration. The AFPMBAI supports the five core principles of good corporate governance as endorsed by the Organization for Economic Cooperation and Development (OECD). The AFPMBAI recognizes the rights and equitable treatment of its members, acknowledges the role of its stakeholders, puts great emphasis on disclosure and transparency in its business transactions and operations, as well as strengthens the responsibilities of the Board of Trustees in steering the company towards raising the bar of corporate governance in the mutual benefit industry.

PROTECTING MEMBERS' RIGHTS AND ENSURING EQUITABLE TREATMENT

The AFPMBAI has recently authored a Memorandum Circular on the Association's commitment to its members to deliver customized-applicable services to qualified regular and associate members.

Living on its mission to provide the members with the most responsive insurance protection, affordable products and meaningful social services, the AFPMBAI continues to design, develop and deliver these services to improve the economic and social well-being of its members and return financial value to the premiums entrusted to the Association.

RECOGNIZING THE ROLE OF STAKEHOLDERS

AFPMBAI acknowledges that its success is not only due to its members, its Board of Trustees and its Management, but also, and quite significantly, its employees and the communities within which its operations revolve. The Management of AFPMBAI continues to have open communication lines with the Employees Union and the Supervisors' Club to address any issues that may affect the morale and welfare of its employees. Its Corporate Social Responsibility (CSR) Programs have also reached communities not directly related to its members, a manifestation of its commitment to help the society of which it is a part.

RESPONSIBILITIES OF THE BOARD

These refer to the Powers of the Board.

Per By-Laws:

Section 1. The Association shall be managed and its corporate powers exercised by a Board of Trustees which shall have the management and control of the affairs and properties of the Association. In addition to the general powers above provided, the Board of Trustees shall have the following specific powers:

- a) To formulate, and define policies and project necessary to carry out the purposes of the Association.
- b) To appoint and fix the salaries and emoluments of executive officials.
- c) To adopt an annual budget of expenditures for the operation of the Association and appropriate funds therefore.
- d) To authorize the investments of the funds of the Association in such a class of investment or securities, properties and business in accordance with law.
- e) To determine the organization of, and establish rules and regulations for the Association.
- f) To perform such acts and exercise such powers necessary to accomplish the purposes of the Association.
- g) To delegate any of its powers in accordance with the law.
- h) To suspend business operations in time of war and/or major catastrophe.
- i) To prescribe the amount and mode of distribution or disposal of surplus.

AUDIT AND ENTERPRISE RISK MANAGEMENT COMMITTEE (AERMC)

AERMC's primary purpose is to ensure a thorough review of the financial reporting process and system of internal control, the audit process, and the Association's process of monitoring compliance with existing laws and regulations and its own code of business conduct. It also aims to establish a risk free management system to minimize and control the probability/ impact of unfortunate events and to maximize the realization of opportunities.

CORPORATE GOVERNANCE COMMITTEE

The Governance Committee's primary purpose is to ensure AFPMBAI's adherence to established and accepted corporate governance principles and best practices, and to ensure the Association's compliance with the Manual of Corporate Governance.

INVESTMENT COMMITTEE

The Investment Committee ensures that an investment policy is in place and oversees the execution of investment guidelines and decisions.

SOCIAL SERVICES PROGRAM COMMITTEE (SSPC)

The SSPC ensures that policies and programs for the implementation of social services programs are in place.

NOMINATION AND REMUNERATION COMMITTEE (NRC)

The NRC's primary purpose is to ensure that there is a Board succession plan and that the Board has a complete set of Regular and Independent Trustees based on defined competency requirements. The Committee's secondary purpose is to properly develop and implement the Board Performance Management and Remuneration Programs.

MEETINGS AND ATTENDANCE FOR 2013

The Board and its Committees met regularly throughout the year with majority of the members present, enabling each Committee and the Board to conduct business.

DIVIDEND PROVISION

AFPMBAI By-laws Article 4. Section 4.

Members are entitled to dividend earnings out of the surplus profits of the Association in such amounts the Board of Trustees may allocate in accordance with their respective certificates.

The Armed Forces and Police Mutual Benefit Association, Inc. pays out dividends on the Policy if it is a participating one. The Association shall credit Dividends to this Policy at the end of the third (3) policy year and every policy anniversary year thereafter. Upon written request, such dividends may be: (1) paid in cash to the Owner; or (2) applied to any premium due; or (3) left to accumulate with interest at a rate set by the Association; or (4) applied as paid-up additional life insurance.

COMPLIANCE TO THE CODE OF CORPORATE GOVERNANCE

To guarantee the AFPMBAI's adherence to corporate governance standards and best practices, the Board of Trustees designated a Compliance Officer who ensures the Association's observance of provisions of the Code of Corporate Governance. The said officer is also responsible in identifying, monitoring and controlling compliance risks, as well as submission and delivery of requirements to the government regulatory agencies such as Securities and Exchange Commission (SEC), the Insurance Commission (IC), the Bureau of Internal Revenue (BIR) and other regulatory bodies.

DEFINITION OF INDEPENDENCE (OF DIRECTORS)

By Law: Article 9, Section 2

The board of Trustees shall consist of a maximum of fifteen (15) members to be appointed by the Chairman of the Board or elected during the General Membership Meeting. Three (3) of the members shall come from and represent the Major Services Commands, one (1) from the Joint Staff, GDQ, AFP; The AFP Sergeant Major; two (2) from the PNP; and three (3) Independent Trustees, one (1) of who shall be retired member of the AFP. All members must possess the necessary academic education and experience in business and insurance administration or activities related to the business operations of the Association to qualify as members of the Board.

AS AMENDED on 27 Feb 2015

CORPORATE OBJECTIVES

Social Impact

1. Significantly improve quality of life of members.
2. Maximize engagement of members and staff in community development projects.

Financial

3. Optimize investment returns that is compliant with the Insurance Commission's guidelines and consistent with the Investment policies of the Association.
4. Increase revenues on existing businesses of the Association and develop new products and business opportunities.
5. Strengthen financial capability to support current and future obligations.
6. Improve asset and cost management to increase profitability leading to better members' benefits.

**Customer**

7. Ensure market dominance in the industry.
8. Create responsive, competitive and differentiated products and services to serve the needs and wants of our members.
9. Exceed customer expectation so that we will be top of mind of our members.

Internal Business Process

10. Enhance and create internal processes to improve the conduct of our business.
11. Improve processes that will enable us to create new products and services.
12. Improve processes that will uplift members welfare and benefits, communities and environment.

Learning and Growth

13. Ingrain and nurture a culture of service and excellence.
14. Enhance strategic HR systems to increase employee productivity and improve performance.
15. Foster a culture of continuous learning so that employees' knowledge, skills and attitude add value to the Association.

KEY RISKS (FINANCIAL AND NON-FINANCIAL)**Non- Financial**

The members of the Board of Trustees and the management identified the top 10 risks of the Association which are IT, Operations, Credit, Culture, Competitor, Product Development, Customer Wants and Satisfaction, Financial, Market, Governance, and Regulatory.

A Risk Management Workshop was held where the identified risks were defined, the likelihood of occurrence, impact and velocity to the operations were determined. Solutions on how to mitigate were on avoid the said risks are also being work out by the management

Financial

Refer to p.57, and pp.59-66 of the Financial Statement Notes.

LIST OF BOARD MEMBERS 2014

CHAIRMAN

Gen Gregorio Pio P Catapang Jr AFP	Corporate Governance Orientation Program, ICD	AFP Chief of Staff, from July onwards
Gen Emmanuel T Bautista AFP	Master in Business Administration	AFP Chief of Staff, up to June

VICE CHAIRMAN

RAdm Antonio A Habulan Jr AFP	Master in Management	From May onwards
RAdm Philip L Cacayan AFP	LLB; Master in Devt Administration	Up to April

MEMBERS

MGen Edgardo Rene C Samonte AFP (Ret)	Master in Development Management	President, from July onwards
Ms Maria Carmela G Cabading, FASP, FLMI	BS Math major in Actuarial Science	President, up to June
PDDG Leonardo A Espina PNP	Master in Devt Mgt major in Public Mgmt	PNP, year round
RAdm Jose Renan C Suarez AFP	Master in Business Administration; MA Public Administration; Master in Development Management	PN, year round
MGen Edgar R Fallorina AFP	Master in Business Management (Major in Finance)	PAF, year round
CSupt Sonny Y David PNP	BS PMA; Corporate Governance Orientation Program, ICD	PNP, year round
BGen R Demosthenes C Santillan AFP	Master in National Security Administration	PA, from November onwards
Col Noel S Clement GSC (INF), FICD	Master in Public Administration	PA, up to August
MGen Danilo M Servando AFP (Ret)	Master in Business Administration	PA, from August onwards
Ms Perlita Marcelo-Skaar	Bachelor of Science in Commerce; CPA; Basic Mgmt Program; Strategic Business Educ Program	Independent, up to June
Ms Evangeline T Mayuga	Master in Business Administration	Independent, up to January
FCMS Guillermo P Francisco AFP	Corporate Governance Orientation Program, ICD	Sgt Major, year round

ADVISERS

RAdm Cecil R Chen PCG	Master in Business Administration; MSMA	PCG, from March onwards
Commo Enrico Efren A Evangelista	Master in Business Administration	PCG, up to January
CSupt Ruben F Bearis BFP	BS Public Safety	PCG, year round
CSupt Diony D Mamaril BJMP	Master in Public Safety Administration	BJMP, up to June
JCSupt Romeo S Elisan Jr BJMP	Master in Public Administration	BJMP, from June

CORPORATE SECRETARY

Atty Renato A David, FICD	MBA; MNSA	From July 2013
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BOARD MEETINGS AND ATTENDANCE 2014

		No. of meetings held	Attendance	%
Chairman	Gen Gregorio Pio P Catapang Jr AFP	5	7	71%
Chairman	Gen Emmanuel T Bautista AFP	4	7	57%
Vice Chairman	RAdm Antonio A Habulan Jr AFP	9	10	90%
Vice Chairman	RAdm Philip L Cacayan AFP	4	4	100%
President	MGen Edgardo Rene C Samonte AFP (Ret)	7	7	100%
President	Ms Maria Carmela G Cabading, FASP, FLMI	6	7	86%
Member - PNP Rep	PDDG Leonardo A Espina PNP	14	14	100%
Member - PN Rep	RAdm Jose Renan C Suarez AFP	14	14	100%
Member - PAF Rep	MGen Edgar R Fallorina AFP	12	14	86%
Member - PNP Rep	CSupt Sonny Y David PNP	13	14	93%
Member - PA Rep	BGen R Demosthenes C Santillan AFP	1	3	33%
Member - PA Rep	Col Noel S Clement GSC (INF)	9	10	90%
Member, Independent	MGen Danilo M Servando AFP (Ret)	6	6	100%
Member, Independent	Ms Perlita Marcelo-Skaar	5	5	100%
Member, Independent	Ms Evangeline T Mayuga	1	1	100%
Member - Sgt Major	FCMS Guillermo P Francisco AFP	14	14	100%
Adviser - PCG	RAdm Cecil R Chen PCG	9	12	75%
Adviser - PCG	Commo Enrico Efren A Evangelista PCG	1	1	100%
Adviser - BFP	CSupt Ruben F Bearis BFP	14	14	100%
Adviser - BJMP	CSupt Diony D Mamaril BJMP	3	6	50%
Adviser - BJMP	JCSupt Romeo S Elisan Jr BJMP	7	7	100%

LIST OF BOARD COMMITTEE MEMBERS AND THEIR ATTENDANCE IN 2014

GOVERNANCE COMMITTEE: 13 MEETINGS

		No. of meetings held	Attendance	%
Chairman	Ms Evangeline T Mayuga	1	1	100%
Chairman	MGen Danilo M Servando AFP (Ret)	5	6	83%
Vice Chairman/Chairman	Col Noel S Clement GSC (INF)	8	10	80%
Adviser/Vice Chairman	RAdm Cecil R Chen PCG	9	11	82%
President	MGen Edgardo Rene C Samonte AFP (Ret)	7	7	100%
President	Ms Maria Carmela G Cabading, FASP, FLMI	6	6	100%
Member	MGen Edgar R Fallorina AFP	10	13	77%
Member	BGen R Demosthenes C Santillan AFP	2	3	67%
Member	Commo Enrico Efren A Evangelista PCG	1	1	100%
Member	CSupt Ruben F Bearis BFP	11	13	85%

AUDIT AND ENTERPRISE RISK MANAGEMENT COMMITTEE: 12 MEETINGS

Chairman/Vice Chairman	PDDG Leonardo A Espina PNP	11	12	92%
Chairman	Ms Perlita Marcelo-Skaar	5	6	83%
Member	RAdm Philip L Cacayan AFP	2	4	50%
Member	RAdm Antonio A Habulan Jr AFP	8	8	100%
Member	RAdm Jose Renan C Suarez AFP	11	12	92%
Member	CSupt Diony D Mamaril BJMP	5	6	83%
Member	JCSupt Romeo S Elisan Jr BJMP	5	5	100%
Member	MGen Danilo M Servando AFP (Ret)	2	2	100%

INVESTMENT COMMITTEE: 12 MEETINGS

Chairman	RAdm Jose Renan C Suarez AFP	12	12	100%
Vice Chairman	Ms Perlita Marcelo-Skaar	5	6	83%
President	MGen Edgardo Rene C Samonte AFP (Ret)	6	6	100%
President	Ms Maria Carmela G Cabading, FASP, FLMI	5	6	83%
Member	PDDG Leonardo A Espina PNP	10	12	83%
Member	BGen R Demosthenes C Santillan AFP	2	2	100%
Member	CSupt Ruben F Bearis BFP	8	10	80%


SOCIAL SERVICES PROGRAM COMMITTEE: 11 MEETINGS

		No. of meetings held	Attendance	%
Chairman	CSupt Sonny Y David PNP	9	11	82%
Vice Chairman	FCMS Guillermo P Francisco AFP	7	11	64%
President	MGen Edgardo Rene C Samonte AFP (Ret)	6	6	100%
President	Ms Maria Carmela G Cabading, FASP, FLMI	5	5	100%
Member	MGen Danilo M Servando AFP (Ret)	2	4	50%
Member	MGen Edgar R Fallorina AFP	7	11	64%
Member	CSupt Ruben F Bearis BFP	1	1	100%
Member	RAdm Cecil R Chen PCG	9	10	90%

TRAINING OR CEP ATTENDED BY TRUSTEES

Chairman	Gen Gregorio Pio P Catapang Jr AFP	ICD-CGOP
Vice Chairman	RAdm Antonio A Habulan Jr AFP	ICD-CGOP
President	MGen Edgardo Rene C Samonte AFP (Ret)	ICD-CGOP
Member, Independent	MGen Danilo M Servando AFP (Ret)	ICD-PDP

FINANCIAL STATEMENTS



**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL STATEMENTS**

The Management of **ARMED FORCES & POLICE MUTUAL BENEFIT ASSOCIATION, INC.**, is responsible for the preparation and fair presentation of the financial statements as at and for the years ended **December 31, 2014 and 2013**, including the additional components attached therein, in accordance with the prescribed financial reporting framework indicated therein. This responsibility includes designing and implementing internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

The Board of Trustees reviews the financial statements before such statements are approved.

R.G. Manabat & Co. (formerly known as Manabat Sanagustin & Co., CPAs), the independent auditors appointed by the management has audited the financial statements of the **ARMED FORCES & POLICE MUTUAL BENEFIT ASSOCIATION, INC.** in accordance with Philippine Standards on Auditing, has expressed its opinion on the fairness of presentation upon completion of such audit.

Chairman of the Board



GEN GREGORIO PIO P CATAPANG JR AFP

President



MGEN EDGARDO RENE C SAMONTE AFP (RET)

Treasurer



COMMO RAUL B LEYRITANA (RET)

**ARMED FORCES AND POLICE MUTUAL BENEFIT ASSOCIATION, INC
AND SUBSIDIARY
STATEMENTS OF FINANCIAL POSITION
YEARS ENDED DECEMBER 31**

	CONSOLIDATED		SEPARATE	
	2014	2013	2014	2013
ASSETS				
Cash and cash equivalents	P 1,256,420,000	P1,502,725,174	P1,173,506,648	P1,395,158,346
Short-term investments	150,000,000	-	150,000,000	-
Financial assets at fair value through profit loss (FVPL)	34,915,424	26,828,833	34,915,424	26,828,833
Available-for-sale (AFS) securities	1,938,345,550	1,212,420,597	1,554,962,504	1,035,828,132
Held-to-maturity (HTM) investments	1,478,009,864	1,235,472,453	1,410,908,057	1,127,537,499
Loan receivables - net	7,082,263,460	6,597,351,962	7,082,263,460	6,597,351,962
Premiums due to insurance receivables - net	71,047,052	40,632,890	1,106,874	2,186,350
Other receivables - net	70,179,200	57,387,514	62,370,157	54,427,071
Investment properties	2,127,739,561	2,154,154,095	2,096,918,205	2,125,374,595
Asset held-for-sale	212,439,015	302,118,205	212,439,015	302,118,205
Investments in a subsidiary and associates - net	14,426,158	12,873,033	198,265,704	25,125,000
Property equipment - net	302,223,348	298,362,272	271,777,533	274,435,089
Deferred reinsurance premiums	6,180,934	27,084,359	-	-
Deferred acquisition costs	1,526,987	2,273,447	-	-
Deferred tax assets - net	12,090,068	9,731,083	-	-
Other assets - net	21,647,877	21,337,716	12,372,255	19,590,004
	P14,779,454,498	P13,500,753,633	P14,261,805,836	P12,985,961,086
LIABILITIES AND MEMBERS' EQUITY				
Liabilities				
Claims and benefits payable	P404,470,077	P365,780,314	P302,345,563	261,043,682
Accounts payable and accrued expenses	685,744,964	631,801,764	662,816,415	613,575,495
Legal policy reserves	7,914,721,584	7,479,085,284	7,914,721,584	7,479,085,284
Due to reinsurers and ceding companies	5,164,813	2,911,318	-	-
Funds held for reinsurers	25,441,850	4,744,559	-	-
Reserve for unearned premiums	28,854,699	52,555,412	-	-
Deferred reinsurance commission	1,559,042	3,884,385	-	-
Dividends payable	261,832,278	228,659,558	261,832,278	228,659,558
Reserve for refund of members' equity	1,496,624,713	1,273,449,537	1,496,624,713	1,273,449,537
Retirement liability	32,012,575	75,185,261	31,457,551	64,481,747
Total Liabilities	10,856,426,595	10,118,057,392	10,669,798,104	9,920,295,303
Members' Equity				
Members' contribution	97,589,383	99,004,776	97,589,383	99,004,776
Reserve for fluctuation in value of AFS securities	52,108,965	(29,704,698)	58,250,156	(20,884,216)
Employee benefit reserve	(14,072,848)	(73,878,593)	1,429,909	(48,478,695)
Retained surplus	3,787,402,403	3,387,274,756	3,434,738,284	3,036,023,918
Total Members' Equity	3,923,027,903	3,382,696,241	3,592,007,732	3,036,023,918
	P14,779,454,498	P13,500,753,633	P14,261,805,836	P12,985,961,086

**ARMED FORCES AND POLICE MUTUAL BENEFIT ASSOCIATION, INC
AND SUBSIDIARY
STATEMENTS OF INCOME
YEARS ENDED DECEMBER 31**

	CONSOLIDATED		SEPARATE	
	2014	2013	2014	2013
REVENUES				
Premiums, net of reinsurance	P2,136,653,979	P2,118,804,715	P2,069,408,387	P2,004,289,929
Interest income	876,314,462	831,206,036	871,449,548	820,989,626
Policy income	90,607,200	81,318,935	90,607,200	81,318,935
Gain on sales of real estates	27,938,126	20,009,929	27,938,126	20,009,929
Commission income	6,502,827	10,489,942	-	-
Rental income	29,009,996	27,697,560	27,740,508	26,178,578
Dividend income	4,764,153	3,028,606	2,269,189	1,503,178
Gain on sale of AFS securities	8,630,363	42,481	-	42,481
Increase in fair value of investment properties	2,691,149	191,892,831	-	189,955,331
Other income	88,889,016	28,550,046	15,061,763	33,450,132
	3,192,001,271	3,313,041,081	3,104,474,721	3,177,738,119
BENEFITS AND EXPENSES				
Death and other policy benefits	1,260,649,656	1,122,125,433	1,255,759,173	1,062,552,978
Increase in legal policy reserves	435,636,300	837,213,429	435,636,300	837,213,429
General and administrative expenses	881,845,825	851,743,405	799,925,437	733,780,014
Commission expense	125,606,924	123,789,497	119,001,033	119,947,086
Dividend on participating policies	95,438,412	74,783,777	95,438,412	74,783,777
	2,799,177,117	3,009,655,541	2,705,760,355	2,868,277,284
INCOME FROM OPERATIONS	392,824,154	303,385,540	398,714,366	309,460,835
SHARE IN NET INCOME OF AN ASSOCIATE	1,553,125	-	-	-
INCOME BEFORE INCOME TAX	394,377,279	303,385,540	398,714,366	309,460,835
INCOME TAX BENEFIT	5,750,368	3,845,970	-	-
NET INCOME FOR THE YEAR	P400,127,647	P307,231,510	P398,714,366	P309,460,835

**ARMED FORCES AND POLICE MUTUAL BENEFIT ASSOCIATION, INC
AND SUBSIDIARY
STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31**

	CONSOLIDATED		SEPARATE	
	2014	2013	2014	2013
NET INCOME	P400,127,647	P 307,231,510	P 398,714,366	P 309,460,835
OTHER COMPREHENSIVE INCOME				
Items that will never be reclassified to profit or loss				
Remeasurements of defined benefit obligations	59,805,745	(36,298,570)	49,908,604	(18,085,905)
Items that may be reclassified to profit or loss				
Net change in fair value of AFS securities	75,076,879	(30,165,472)	79,134,372	(21,188,257)
Net change in fair value of AFS securities transferred to profit or loss	6,736,784	-	-	-
TOTAL COMPREHENSIVE INCOME	P 541,747,055	P 240,767,468	P 527,757,342	P 270,186,673

**ARMED FORCES AND POLICE MUTUAL BENEFIT ASSOCIATION, INC
AND SUBSIDIARY
STATEMENTS OF CHANGES IN MEMBERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

	CONSOLIDATED					
	Members' Contribution	Reserve for Fluctuation in Value of AFS Securities	Employee Benefit Reserve	Retained Surplus		Total
				Appropriated	Unappropriated	
Balance at December 31, 2012	P 95,688,277	P460,774	(P37,580,023)	P792,480,017	P2,287,563,229	P3,138,612,274
Net income for the year	-	-	-	-	307,231,510	307,231,510
Other comprehensive loss	-	(30,165,472)	(36,298,570)	-	-	(66,464,042)
Increase in members' contribution	3,316,499	-	-	-	-	3,316,499
Reversal of prior year appropriated retained surplus	-	-	-	(694,781,948)	694,781,948	-
Appropriation	-	-	-	76,000,000	(76,000,000)	-
Balance at December 31, 2013	99,004,776	(29,704,698)	(73,878,593)	173,698,069	3,213,576,687	3,382,696,241
Net income for the year	-	-	-	-	400,127,647	400,127,647
Other comprehensive income	-	81,813,663	59,805,745	-	-	141,619,408
Decrease in members' contribution	(1,415,393)	-	-	-	-	(1,415,393)
Reversal of prior year appropriated retained surplus	-	-	-	(113,698,069)	113,698,069	-
Appropriation	-	-	-	453,030,220	(453,030,220)	-
Balance at December 31, 2014	P97,589,383	P52,108,965	(P14,072,848)	P513,030,220	P3,274,372,183	P3,923,027,903

**ARMED FORCES AND POLICE MUTUAL BENEFIT ASSOCIATION, INC
AND SUBSIDIARY
STATEMENTS OF CHANGES IN MEMBERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

CONSOLIDATED						
	Members' Contribution	Reserve for Fluctuation in Value of AFS Securities	Employee Benefit Reserve	Retained Surplus		Total
				Appropriated	Unappropriated	
Balance at December 31, 2012	P 95,688,277	P304,041	(P30,392,790)	P742,480,017	P1,984,083,066	P2,792,162,611
Net income for the year	-	-	-	-	309,460,835	309,460,835
Other comprehensive loss	-	(21,188,257)	(18,085,905)	-	-	(39,274,162)
Increase in members' contribution	3,316,499	-	-	-	-	3,316,499
Reversal of prior year appropriated retained surplus	-	-	-	(694,781,948)	694,781,948	-
Appropriation	-	-	-	76,000,000	(76,000,000)	-
Balance at December 31, 2013	99,004,776	(20,884,216)	(48,478,695)	123,698,069	2,912,325,849	3,065,665,783
Net income for the year	-	-	-	-	398,714,366	398,714,366
Other comprehensive income	-	79,134,372	49,908,604	-	-	129,042,976
Decrease in members' contribution	(1,415,393)	-	-	-	-	(1,415,393)
Reversal of prior year appropriated retained surplus	-	-	-	(113,698,069)	113,698,069	-
Appropriation	-	-	-	453,030,220	(453,030,220)	-
Balance at December 31, 2014	P97,589,383	P58,250,156	P1,429,909	P463,030,220	P2,971,708,064	P3,592,007,732

**ARMED FORCES AND POLICE MUTUAL BENEFIT ASSOCIATION, INC
AND SUBSIDIARY
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31**

	CONSOLIDATED		SEPARATE	
	2014	2013	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax	P394,377,279	P303,385,540	P398,714,366	P309,460,835
Adjustments:				
Depreciation and amortization	38,365,988	26,488,966	31,953,774	20,856,040
Share in net income of an associate	(1,553,125)	-	-	-
Impairment (reversal of) loss on loans and insurance receivables - net	18,414,837	(937,492)	17,156,568	(937,492)
Impairment loss on investments and other assets -net	566,294	32,713,830	566,294	34,138,043
Decrease (increase) in fair value of financial assets at FVPL	(8,086,591)	4,448,364	(8,086,591)	4,448,364
Increase in fair value of investment properties	(2,691,149)	(191,892,831)	-	(189,955,331)
Gain on sale of real estate	(27,938,126)	(20,009,929)	(27,938,126)	(20,009,929)
Gain on sale of AFS securities	(8,630,363)	(42,481)	-	(42,481)
Gain on sale of investment properties	(376,197)	-	-	-
Decrease (increase) in:				
Reserve for unearned premiums	(23,700,713)	17,895,760	-	-
Deferred reinsurances commissions	(2,325,343)	167,407	-	-
Increase (decrease) in:				
Deferred reinsurance premiums	20,903,425	(19,759,585)	-	-
Deferred acquisition cost	746,460	(192,364)	-	-
Dividend income	(4,764,153)	(3,028,606)	(2,269,189)	(1,503,178)
Interest income	(876,314,462)	(831,206,036)	(871,449,548)	(820,989,626)
Interest expense	140,096,367	(111,899,158)	140,096,367	111,899,158
Retirement benefit expense	20,874,691	9,750,697	16,884,408	8,830,829
Operating loss before working capital changes	322,084,881	(560,319,572)	(304,371,677)	(543,804,768)
Decrease (increase) in :				
Loans receivable	(474,129,940)	(496,720,811)	(474,129,940)	(496,720,811)
Premiums due and insurance receivables	(31,672,431)	(20,612,692)	1,079,476	1,783,770
Other receivables	(4,875,005)	13,430,201	(659,373)	11,945,955
Other assets	(876,455)	4,357,619	6,651,454	(701,407)
Increase (decrease) in:				
Claims and benefits payable	38,689,763	124,604,347	41,301,881	60,608,281
Accounts payable and accrued expenses	53,943,200	26,112,267	49,240,920	29,574,957
Legal policy reserves	435,636,300	837,213,429	435,636,300	837,213,429
Due to reinsurers and ceding companies	2,253,495	(3,059,226)	-	-
Fund held for reinsurers	20,697,290	1,381,346	-	-
Dividends payable	33,172,720	949,532	33,172,720	949,532

YEARS ENDED DECEMBER 31

	CONSOLIDATED		SEPARATE	
	2014	2013	2014	2013
Net cash used in operation	P 249,195,944	(P72,663,533)	P(212,078,239)	(P99,151,062)
Interest received	868,397,781	831,877,602	864,165,835	819,279,157
Income taxes paid	(850,248)	3,243,004	-	-
Dividends received	4,764,153	3,028,606	2,269,189	1,503,178
Net cash provided by operating activities	623,115,742	758,999,671	654,356,785	721,631,273
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from disposal (payments for acquisition) of:				
Short-term investments	(150,000,000)	-	(150,000,000)	-
Financial assets at FVPL	-	(31,277,197)	-	(31,277,197)
AFS securities	635,453,157	(1,082,872,738)	(440,000,000)	(930,879,408)
HTM investments	(242,537,411)	27,497,634	(283,370,558)	(14,104,891)
Investment properties	810,110	(2,234,652)	(187,610)	(2,234,652)
Assets held for sale	(118,323,190)	(87,210,949)	118,323,190	(87,210,949)
Property and equipment	(42,227,064)	(76,607,759)	(29,296,218)	(72,129,409)
Investment in a subsidiary and associates	-	-	(173,140,704)	-
Net cash used in investing activities	(951,084,332)	(1,252,705,661)	(957,671,900)	(1,137,836,506)
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase in reserve for refund of member's equity	83,078,809	63,807,981	83,078,810	63,807,981
Increase (decrease) in member's contribution	(1,415,393)	3,316,499	(1,415,393)	3,316,499
Net cash provided by financing activities	81,663,416	67,124,480	81,663,417	67,124,480
NET DECREASE IN CASH AND CASH EQUIVALENTS	(246,305,174)	(426,581,510)	(221,651,698)	(349,080,753)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1,502,725,174	1,929,306,684	1,395,158,346	1,744,239,099
CASH AND CASH EQUIVALENTS AT END OF YEAR	P 1,256,420,000	P1,502,725,174	P1,173,506,648	P1,395,158,346

RELATED PARTY TRANSACTIONS AND RELATIONSHIPS

Related party relationships exist when one party has the ability to control, directly, or indirectly through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationship also exists between and/or among entities which are under common control with reporting enterprise, or between and/or among the enterprise and its key management personnel, trustees, or its members.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

INCOME TAXES OF THE SUBSIDIARY

Income tax on the profit loss for the year of the Subsidiary comprises current and deferred tax. Income tax is recognized in profit loss.

Current Income Tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authority. The tax rates and tax laws used to compute this amount are those that are enacted or substantively enacted as at the reporting date.

Deferred Income Tax

Deferred tax is provided, using the balance sheet liability method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that sufficient taxable income will be available against which the deductible temporary differences and carryforward of unused tax credits from Minimum Corporate Income Tax (MCIT) and unused Net Operating Loss Carry-Over (NOLCO) can be utilized. Deferred income tax, however, is not recognized on temporary differences that arise from initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting income nor taxable income or loss.

The carrying amount of deferred tax assets is reviewed at reporting date reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are applicable to the period when the asset is realized or the

liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted as the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive income.

PROVISIONS

Provisions are recognized when the Group and the Parent Company have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group and the Parent Company expect some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain and the expense relating to any provision is presented in profit or loss, net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at pre-tax rate that reflects current market assessment of the time value of money and where appropriate, the risk specific to the liability. Where discounting is used, the increase in provision due to the passage of time is recognized as an interest expense.

CONTINGENCIES

Contingent liabilities are not recognized in the consolidated and separate financial statements but are disclosed unless the possibility of an outflow of resources embodying benefits is remote. Contingent assets are not recognized in the consolidated and separate financial statements but are disclosed when an inflow of economic benefits is probable.

EVENTS AFTER THE REPORTING DATE

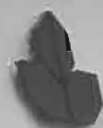
Any post year-end event that provides additional information about the Group and the Parent Company's consolidated and separate financial position at the reporting date (adjusting event) is reflected in the consolidated and separate financial statements. Any post year-end events that are not adjusting events, if any, are disclosed in the consolidated and separate financial statements when material.

FINANCIAL REPORTING

All materials, information i.e., anything that could potentially affect net worth, shall be publicly disclosed. Such information shall include earnings results, acquisition or disposal of assets, board changes, related party transactions and changes to ownership.

CORPORATE SOCIAL RESPONSIBILITY

AFFMEIA



ALLIED FRUITS AND POME
MUTUAL BENEFIT ASSOCIATION, INC.

Looking beyond growth and stability, the real success story of AFPMBAI for the past 50 years is anchored on the inspiration and improvement the Association has effected on the lives of its members.

In the area of Social Services, the Association has remained in its proactive stance in the holistic development and empowerment of its members and their families. It is now focused more on the impact it has on personal development and sustainability, rather than just giving them what they want momentarily.

Different Social Services initiatives have been implemented to address pressing issues in education, health, livelihood, general welfare and community development. These were implemented to ensure that our vision for empowerment is at hand.

Education

AFPMBAI believes in the importance of investing in the future through education. Hence, projects that would answer the educational needs of less fortunate dependents of members remained a priority. In 2014, funds were allocated for stipend support of 142 grantees under the AFPMBAI-AFPEBS Educational Benefit Program and also for tuition/miscellaneous fees and allowances of 65 scholars under the AFPMBAI Grants for Dependents (GRADE) Program. Both programs were developed to provide educational opportunities for dependents of members who offered their lives in the service of the country.

At the end of SY2014-2015, the AFPMBAI GRADE program has helped six students to graduate, one of which is a cum laude of Ateneo de Naga University in Camarines Sur.

We have also completed the construction of a day care in Camp Tecson at San Miguel, Bulacan while 4 more sites are ongoing construction.

PROUD TO BE GRADE SCHOLAR:

REGINE MAE V DELA CRUZ

graduated Cum Laude Bachelor of Science in Psychology from Ateneo de Naga University last March 28, 2015.



Health

The Association placed health programs as another priority of development in our members' lives due to the rising cost and inadequacy of medical services. In 2014, we have donated a total of 14 ambulances while 14 wards have been renovated with facilities made more adequate through the Adopt-a-Ward Program. We have also distributed 19 Dental & Oral Care (DOC) packages to upgrade the dental facilities available for our members and donated 35 gym equipment thru Healthy and Active Lifestyle (HEAL) Project to enhance the health activities of the members. Likewise, a total of 30,500 members received their Hepatitis B vaccines under the Hepatitis Outbreak Prevention and Education (HOPE) vaccination program.

This June 2015, 14 units of ambulance, 17 units of automated external defibrillator, 13 units of dental chair with accessories, six defibrillators, four stress test machine, four gym equipment and three motorized treadmill will be donated to all branches of service.



Adopt-A-Ward: Turned over medical equipment and newly renovated ward in Edwin Andrews Air Base Hospital on April 7, 2015 in Zamboanga City.

Livelihood

Last October 2014, AFPMBAI conducted a three-day Livelihood Fair where about 480 participants from the different branches of service as well as civilian members and dependents were taught on topics such as Starting Up a Business, Creating a Business Proposal, Financial Management, Urban Gardening and Livestock Production.

In May 2015, we also conducted a similar seminar entitled Livelihood, Education and Development (LEAD) Project with 170 participants attending the two-day seminar. The same seminar will soon be conducted in Cebu

and Davao.

General Welfare

We have also distributed 53 Group Activities for Members (GAME) packages and 65 Members' Entertainment (ME) packages to aid in the unwind of our members. GAME packages include sports equipment while ME packages are composed of television, DVD player and magic sing microphone.

Community Development

The AFPMBAI's unwavering commitment to be an instrument of change propels the creation of REACH or Rebuilding. Empowering. Advocating Change. One of its community development projects conducted in 2014 was a team-up with the "Greening Mindanow", the Greening Project of Davao City in Mindanao, where a new Guinness World Record of having planted the most number of trees and mangroves in one hour was confirmed.

This June 2015, in response to the growing need to protect the environment, a fun run dubbed as "AFPMBAI Run for the Mangrove", will be held at the GHQ Grounds in Camp, Aguinaldo, Quezon City. Members as well as civilians will run for a cause in line with the Philippine Environment Month. The actual mangrove planting will be simultaneously conducted on June 27, 2015 in Cavite, Cagayan de Oro and Tacloban.

At the heart of the Social Services Program is to be relevant with the members' lives. And this is why we choose to serve those who serve, to give importance to their concerns and be maasahan sa oras ng pangangailangan.



AFPMBAI employees with members of the AFPMBAI Board of Trustees namely, CSupt Sonny Y David PNP, Director of Engineering Service (5th from right); and FCMS Guillermo P Francisco (Inf) PA, AFP Sergeant Major (6th from right, kneeling), pose for a picture after the tree-planting activity in Marilog District, Davao City.



BPI Fixed Income Portfolio Manager, Kit Cuaresma gives an introduction on financial management and investment to the participants of the LEAD Seminar last May 21-22, 2015 at the AFPMBAI Social Hall.

BOARD MEMBERS

AFFPMEA



ALLIED FRUITS AND POME
MUTUAL BENEFIT ASSOCIATION, INC.



GEN GREGORIO PIO P CATAPANG JR AFP
Age: 56 years old
Qualifications: Corporate Governance Orientation Program, ICD
Date of Appointment: 17 July 2014



GEN EMMANUEL T BAUTISTA AFP
Age: 57 years old
Qualifications: MBA-UP Diliman
Date of Appointment: 25 January 2013



RADM ANTONIO A HABULAN JR AFP
Age: 56 years old
Qualifications: Master in Management- NPGS
Date of Appointment: 02 May 2014



RADM PHILIP L CACAYAN AFP
Age: 57 years old
Qualifications: LLB; Master in Devt Administration
Date of Appointment: 19 October 2012



MGEN EDGARDO RENE C SAMONTE AFP (RET)
Age: 58 years old
Qualifications: Master in Devt Mgmt- AIM
Date of Appointment: 5 July 2014



MARIA CARMELA G CABADING, FASP, FLMI
Age: 55 years old
Qualifications: BS Math major in Actuarial Science
Date of Appointment: 9 September 2013



PDDG LEONARDO A ESPINA PNP
Age: 56 years old
Qualifications: Master in Devt Mgt major in Public Mgmt- PSU
Date of Appointment: 30 July 2013



RADM JOSE RENAN C SUAREZ
Age: 55 years old
Qualifications: Master in Business Administration; MA Public Administration; Master in Devt Mgmt- AIM
Date of Appointment: 25 January 2013



MGEN EDGAR R FALLORINA AFP
Age: 54 years old
Qualifications: Master in Business Management (Major in Finance) -AIM
Date of Appointment: 01 October 2013



CSUPT SONNY Y DAVID
Age: 56 years old
Qualifications: BS PMA; CGOP- ICD
Date of Appointment: 27 June 2013



MGEN R DEMOSTHENES C SANTILLAN AFP
 Age: 55 years old
 Qualifications: Master in National Security
 Administration
 Date of Appointment: 03 November 2014



COL NOEL S CLEMENT GSC (INF) PA, FICD
 Age: 51 years old
 Qualifications: Master in Public Administration-
 NCBA
 Date of Appointment: 25 January 2013



MGEN DANILO M SERVANDO AFP (RET)
 Age: 57 years old
 Qualifications: MBA- UP
 Date of Appointment: 01 August 2014



PERLITA MARCELO-SKAAR
 Age:
 Qualifications: Bachelor of Science in Commerce; CPA; Basic
 Mgmt Program-AIM; Strategic Business Educ Program- UA&P
 Date of Appointment: 1 July 2011



EVANGELINE T MAYUGA
 Age: 64 years old
 Qualifications: MBA- DLSU
 Date of Appointment: 1 July 2011



CMS GUILLERMO P FRANCISCO (INF) PA
 Age: 56 years old
 Qualifications: CGOP, ICD
 Date of Appointment: 24 October 2012

**RADM CECIL R CHEN PCG**

Age: 55 years old

Qualifications: MBA- Univ of Mindanao; MSMA- WMU

Date of Appointment: 01 March 2014

**COMMO ENRICO EFREN A EVANGELISTA PCG**

Age: 52 years old

Qualifications: Master in Business Administration

Date of Appointment: 11 February 2011

**CSUPT RUBEN F BEARIS JR BFP**

Age: 56 years old

Qualifications: BS Public Safety

Date of Appointment: 23 February 2012

**CSUPT DIONY D MAMARIL BJMP**

Age: 56 years old

Qualifications: Master in Public Safety
Administration

Date of Appointment: 21 June 2011

**JCSUPT ROMEO S ELISAN JR**

Age: 54 years old

Qualifications: Master in Public Administration

Date of Appointment: 30 June 2014

**ATTY RENATO A DAVID, FICD**

Age: 59 years old

Qualifications: MBA; MNSA

Date of Appointment: 3 July 2013

MANAGEMENT TEAM



MGEN EDGARDO RENE C SAMONTE AFP (RET)
PRESIDENT

CARMELITA G RESQUID

Head, Strategic Management Office

COL EDMUNDO F GAMMAD (RET)

EVP/HEAD, SALES AND OPERATIONS GROUP

RADM PHILIP L CACAYAN

Head, Branch Operations Department

JOCELYN T MIRANDA

Head, NCR Unit

ANGELINA S JUTIE

Head, Southern Luzon Unit

RUBEN G ACLETA

Head, Northern Luzon Unit

ANITA L BAGASALA

Head, Visayas Unit

DIONESIO B CORONG II

Head, Mindanao Unit

FE E GERONA

Head, Real Estate Department

ENGR FERDINAND D DE LEON

Head, Engineering Unit

ENGR FRUDESMA B BALBUENA

Head, Real Estate Sales Unit

ANNIE D ARCE

Head, Insurance Sales Department

ARLENE M MAGUGAT

Head, Direct Sales Unit

LEAH Y JOYA

Head, Insurance Representatives Sales Unit

REGINA B FAJOTINA

Head, Head Office Operations Department

ALPHA GRACE F VENTANILLA

Head, Underwriting and Policy Services Unit

ENGR ANALY A LAVARIAS

Head, Methods and Benefit Admin Unit

JEFFREY RICHARD NIXON MATTHEW L UY

Head, Marketing Communications and Product
Research Development Department

WILMA F ASTROLOGO

Head, Audit Enterprise Risk Management Office

COMMO ANTONIO M MENDOZA AFP (RET)

SVP/HEAD, CORPORATE SERVICES GROUP

TERESITA D CALARANAN

Head, Finance Department

MARIO C SERIOSA

Head, Accounting Unit

ATTY ELIZABETH D HIDALGO

Head, Compliance and Remedial Accounts Unit

ANICITAS D PEREZ

Head, Billing and Collections Unit

ROSALIE P DIONES

Head, Treasury Unit

GERALDSAM S AGBAY

Head, Actuarial Department

ATTY MARICAR M MIRABEL

Head, Legal Department

ATTY LYNELL L SESE

Head, Litigation and Prosecution Unit

ATTY AL-MAY SAIR F PATANGAN

Legal Officer

Head, Administration Department

ENGR YULITO B NARAJA

Head, General Services Unit

DIONISIO T DYCIOCO III

Head, Information Technology Department

BRANCH AND EXTENSION OFFICES



Northern Luzon Unit
Head: Ruben G Acleta

Baguio Branch

Supervisor: Edna P Ramos
 AFPSLAI Bldg, Camp Henry Allen
 Baguio City
 0999-515-3918 / 0923-7420891
 0927-982-9859
 (074)443-5883

San Fernando La Union Extension Office

In-Charge: Heziel Yen G Yosoya
 Unit C, National Road, Pagdalagan Norte
 City of San Fernando, La Union
 0923-7471510/ 0909-5295572

Dagupan Extension Office

In-Charge: Al Bryan J Senin
 Room 203 2nd floor, Siapno Bldg, corner
 Rivera St. and Zamora St.
 Dagupan City
 0923-7471514/ 0930-9664762

Laoag Extension Office

In-charge: Marie Cris S Camagon
 Unit 202 VL & SONS Bldg
 P. Gomez st., Laoag City
 0932-5127185 / 0923-7457561

Isabela Branch

Supervisor: Restituto M Duran III
 CLU Bldg, National Highway
 Cauayan, Isabela
 0907-8227859 / 0923-7420889
 (078)652-1743

Bayombong Extension Office

In-Charge: Kristine Irish R Villareal
 Room D, F & V Delos Santos
 Commercial Bldg.
 146 National Road, District IV,
 Bayombong Nueva Vizcaya
 0923-7471473

Upi Extension Office

In-Charge: Frances V Siddayao
 Camp Melchor F Dela Cruz
 Upi, Gamu, Isabela
 0933-3817764

Tuguegarao Branch

Supervisor: Grandee P Dumlao
 Rios Bldg Cor. College Ave and Taft St.
 Tuguegarao City, Cagayan
 0999-3025330 / 0923-7421812
 (078)844-6728

Tabuk Extension Office

In-charge: Sheena Malu B Bulao
 2F Kalinga Bazaar, Bulanso
 Tabuk, Kalinga
 0923-743-4646/ 0935-9314911

Cabanatuan Branch

Supervisor: Engr Julito V Arucan
 G/F, P Wycoco Bldg, 102 Bantug Norte
 Cabanatuan City
 0921-9784169 / 0923-7420871
 (044)464-3908

Fort Magsaysay Extension Office

In-charge: Carolyn P De Guzman
 7th Infantry Division, Philippine Army
 Fort Magsaysay, Palayan City
 Nueva Ecija
 0923-7420870/ 0947-5287887

Clark Extension Office

In-charge: Crisostomo M Bruel
 600th Air Base Wing, Clark Air Base
 Pampanga
 0923-7421791

Olongapo Extension Office

In-Charge: Ellen G Importado
 1869 Rizal Ave., West Bajac-Bajac
 Olongapo City
 0923-7471485

Tarlac Extension Office (M-W-F)

In-charge: Catherine P Allag
 2/F AJ-AS Building, Brgy. Maligaya
 Tarlac City
 0923-7459330/ 0947-886-3549

Capas Extension Office (T-TH)

In-charge: Catherine P Allag
 2R Bldg. Sta. Lucia, Capas
 Tarlac
 0923-7459330

Camp Olivas Extension Office

In-charge: Perfecto G Libunao
 Camp Olivas, City of San Fernando
 Pampanga
 0943-708-7265

Southern Luzon Unit

Head: Angelina S Jutie

Fort Bonifacio Branch

OIC: Shaila I Tumbaga
 Naval Station Jose Francisco
 Gate 3 Fort Bonifacio

Taguig City

0905-2438839 / 0923-742-0892
 (02)888-6438
 (02)888-9057

Canlubang Extension Office

In-charge: Jhon Daniel L Magistrado
 Camp Vicente Lim, Canlubang
 Laguna
 (049)531-4234 / 0923-7420868
 0999-9077752

Tanay Extension Office

In-charge: Maribel M Manalo
 Camp Gen Capinpin
 Tanay, Rizal
 (02) 544-2657 / 0923-6840624

Palawan Branch

Supervisor: Col Alex E Asuncion (Ret)
 Unit 1, 2/F, SJD Green Bldg
 132 National Highway, Brgy. San Pedro
 Puerto Princesa, Palawan
 (048)434-7012 / 0923-747-1482
 0949-3364100

Cavite Branch

Supervisor: Cynthia M Guillermo
 2/F Unit-D 685 R.Basa St
 Brgy. Labanos, San Roque
 Cavite City
 0949-3403639 / 0923-7421809

Lucena Branch

Supervisor: Estrellita O Querimit
 SOLCOM, Camp Nakar
 Lucena City
 0918-3976367 / 0923-7420847
 (042)373-1091

Batangas Branch

Supervisor: Nenita H Buco
 Unit 5 2/F Verde Centre
 Paninsingin, Lipa City, Batangas
 (043) 702-4352
 0923-742-1794/ 0947-7253654

Calapan Extension Office

In-charge: Nollie Rose P Martinez
 2/F HCP Bldg., M.H Del Pilar St., San Vicente
 East, Calapan City
 Oriental Mindoro
 0923-7421802/ 0947-3861320

Legaspi Branch

Supervisor: Dolores T Briñas
 ANST Bldg, Washington Drive
 Legaspi City
 0923-7420862/ 0916-7879077
 (052)481-1573

Pili Extension Office**In-charge: Jecris A Castillo**

Omega Gold Plaza Bldg, Pili
Camarines Sur
0946-9363691 / 0923-7421808

Masbate Extension Office**In-Charge: Charmagne O Palma**

Room 1 Shopper's Arcade
Domingo St. Masbate City
0923-7434643/ 0906-4101427

Daet Extension Office**In-charge: Florence A Manlangit**

No. 2 Blk 6 Lot 1 Bel-Air Subdivision
Lag-on Daet, Camarines Norte
0923-743-4653/ 0927-9247343

Visayas Unit**Head: Anita Bagasala****Iloilo Branch****Supervisor: Mila R Sison**

Arthur Suite Lot 3 General Luna st.
Iloilo City
0920-2651471 / 0923-7421814
(033) 337-8416

Bacolod Extension Office**In-charge: Mary Joy B Locs**

Door 5 Elcourt Bldg, 1st Street,
Lacson, Bacolod City
0949-7667168 / 0923-7421822
(034) 434-6044

Jamindan Extension Office**In-charge: Genalyn D Diosaban**

Camp Gen Macario Peralta Jr
Jamindan, Capiz
0912-4571636/0923-743-4643

Kalibo Extension Office**In-Charge: Dechel R Harvey**

Veterans Ave. Cor Roxas Ave, Kalibo, Aklan
0923-743-4634

Cebu Branch**Supervisor: Vembe V Magalao**

CENTCOM, AFP, Camp Lapu-Lapu
Lahug, Cebu City
0920-5001827 / 0923-7259328
(032) 234-1028

Dumaguete Extension Office**In-charge: Geoviliza Z Tayag**

Door No. 4 Canlas Bldg,
Cervantes St., Dumaguete City
0919-6661048 / 0923-7455310
(035) 226-3527

Bohol Extension Office**In-charge: Sheryl A Paeste**

140 J.A Clarin St.
Tagbilaran City, Bohol
0908-3271527 / 0923-7455318
(038) 4127282

Tacloban Branch**Supervisor: Rebecca S Gayod**

2/F Aqua Glass Bldg cor. P. Gomez & Real sts.
Tacloban City
0921-4354529 / 0923-7421820
(053) 325-655

Catbalogan Extension Office**In-charge: Jocelyn P Baccol**

Camp Lukban, Maulong
Catbalogan, Samar
0921-7605946 (055) 251-5351

Catarman Extension Office**In-charge: Novelin J Abiar**

BFP-Provincial Office, Catarman
Northern Samar 0939-4500811

Maasin Extension Office**In-charge: Evangeline C Brua**

Capt. Iyanko St. Brgy. Tagnipa, Maasin City
Southern Leyte
0943-708-7268

Mindanao Unit**Head: Deonesio B Corong II****Zamboanga Branch****Supervisor: Jocelyn B Paala**

Western Mindanao Command
Camp Basilio Navarro, Lower Calarian,
Zamboanga City
0919-4911649 / 0923-7457583
0942-7126122
(062)991-1053

Pagadian Extension Office**In-charge: Marie Lei L Pamittan**

Kuta Dao, Pagadian City
0928-7128245 / 0923-7457472
(062) 215-3907

Tawi-Tawi Extension Office**In-charge: Nhasramona U Jasim**

Telecommunication Office
Datu Halun St. Bongao, Tawi-Tawi
0999-4871945
0923-7471505

Dipolog Extension Office**In-charge: Katrina Marie E Saguin**

Jucit Bess Bajamunde Sanico Bldg,
Gonzales cor., Malvar St.
Dipolog City
0923-7457456

Ipil Extension Office**In-charge: Richel C dela Cruz**

Stall no. 6 Schuck Arcade
Climaco St., Poblacion Ipil
Zamboanga Sibugay Province
0923-749-1566

Cagayan De Oro Branch**Supervisor: Conchita Ma Concepcion L Salazar**

Nuñez Bldg, Zone 1, Bulua
Cagayan De Oro City
0999-4697000 / 0923-7455323/ (08822)
735-695

Iligan Extension Office**In-charge: Jefilamae B Tangub**

No. 2 Jariol Bldg,
Del Pilar St., Iligan City
0928-7107777 / 0923-3747472

Bukidnon Extension Office**In-charge: Michelle L Dayaday**

Rubio Bldg., Magsaysay St.,
Malaybalay, Bukidnon
0923-7434653