



REPUBLIC OF THE PHILIPPINES
SECURITIES AND EXCHANGE COMMISSION
Ground Floor, Secretariat Building, PICC
City Of Pasay, Metro Manila

COMPANY REG. NO. 28461

**CERTIFICATE OF FILING
OF
NEW BY LAWS**

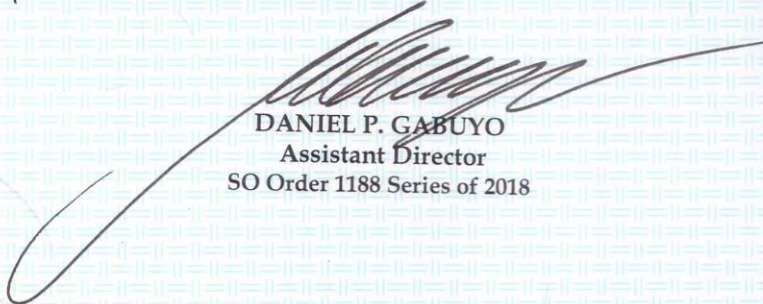
KNOW ALL PERSONS BY THESE PRESENTS:

THIS IS TO CERTIFY that the New By-Laws of the

**ARMED FORCES AND POLICE MUTUAL BENEFIT
ASSOCIATION, INCORPORATED (AFPMBAI)
(Formerly: ARMED FORCES AND POLICE MUTUAL BENEFIT
ASSOCIATION, INCORPORATED)**

copy annexed, adopted on June 09, 2018 by majority vote of the Board of Trustees and by the vote of two-thirds of the members of the corporation, and certified under oath by the Corporate Secretary and a majority of the said board was approved by the Commission on this date pursuant to the provisions of Section 16 of the Corporation Code of the Philippines, Batas Pambansa Blg. 68, approved on May 1, 1980, and copies thereof are filed with the Commission.

IN WITNESS WHEREOF, I have set my hand and caused the seal of this Commission to be affixed to this Certificate at Pasay City, Metro Manila, Philippines, this 6th day of February, Twenty Nineteen.


DANIEL P. GABUYO
Assistant Director
SO Order 1188 Series of 2018

EC/qba

COVER SHEET

for Applications at
COMPANY REGISTRATION AND MONITORING DEPARTMENT

Nature of Application
AMENDMENT

SEC Registration Number
2 8 4 6 1

Former Company Name
ARMED FORCES OF THE
PHILIPPINES MUTUAL BENEFIT
ASSOCIATION INCORPORATED

AMENDED TO:
New Company Name
ARMED FORCES AND POLICE MUTUAL
BENEFIT ASSOCIATION,
INCORPORATED (AFPMRAI)

Principal Office (No./Street/Barangay/City/Town)Province
COL BONNY SERRANO COR E.
DELOS SANTOS AVENUE QUEZON
CITY ZIP CODE 1110

COMPANY INFORMATION
Company Email Address: bd.relations@apnba.com.ph
Company's Telephone Number/s: 911-4651 10 288
Mobile Number: 0917 943 5597

CONTACT PERSON INFORMATION
The designated person **MUST** be a Director/Trustee/Partner/Officer/Resident Agent of the Corporation
Name of Contact Person: ATTY RENATO A DAVID
Email Address: renato_a-david@yahoo.com
Telephone Number/s: 709-0032
Mobile Number: 09175109421

Contact Person's Address
UNIT 1 VILLA EVANGELINE, # 109 3RD AVENUE, CUBAO, QUEZON CITY

To be accomplished by CRMD Personnel

Assigned Processor	Date	Signature
<u>[Signature]</u>	<u>11/12/18</u>	<u>[Signature]</u>
Document I.D. <u>[Blank]</u>		
Received by Corporate Filing and Records Division (CFRD)		
Forwarded to:		
<input type="checkbox"/> Corporate and Partnership Registration Division		
<input type="checkbox"/> Green Lane Unit		
<input type="checkbox"/> Financial Analysis and Audit Division		
<input type="checkbox"/> Licensing Unit		
<input type="checkbox"/> Compliance Monitoring Division		

w/ COP 10/29/18

**NEW BY-LAWS
OF THE ARMED FORCES AND POLICE
MUTUAL BENEFIT ASSOCIATION, INCORPORATED
(AFPMBAI)**

(FORMERLY ARMED FORCES AND POLICE MUTUAL BENEFIT ASSOCIATION, INCORPORATED)

ARTICLE I. NAME AND DOMICILE

Section 1. Name - The name of the corporation shall be the “Armed Forces and Police Mutual Benefit Association, Incorporated” (AFPMBAI), hereinafter referred to as the “Association”.

Section 2. Domicile - The principal office of the Association shall be at the AFPMBAI Building, Col Bonny Serrano Road corner Epifanio delos Santos Avenue, Quezon City.

ARTICLE II. MEMBERSHIP

Section 1. Categories – The members of the Association shall be either regular or associate.

Section 2. Regular Members – The following shall be regular members:

- a. Military personnel in the active service of the Armed Forces of the Philippines (AFP);
- b. Uniformed personnel in the active service of the Philippine National Police (PNP), Bureau of Fire Protection (BFP), Bureau of Jail Management and Penology (BJMP), and Philippine Coast Guard (PCG); and
- c. Retired and honorably separated or discharged AFP, PNP, BFP, BJMP and PCG personnel who converted their basic insurance into paid up insurance or purchased optional insurance,

Section 3. Associate Members - The following shall be eligible for associate membership:

- a. Members of the Reserve Officer Training Corps (ROTC);
- b. Reservists of the AFP;
- c. Members of the Citizen Armed Forces Geographical Unit Active Auxiliary (CAFGUAA), Coast Guard Auxiliary, and Special CAFGUAA (SCAA), Volunteer Fire Brigade, Bureau of Corrections, and other uniformed service units;
- d. Civilian employees of the AFPMBAI, AFPSLAI, AFPGEN, and other AFP financial institutions, non-uniformed personnel of the AFP, PNP, BFP, BJMP, PCG and other

organizations and agencies connected with the uniformed services, such as the PMAAAI, as the Board of Trustees may approve.

- e. Spouses, direct ascendants, and direct descendants of regular and associate members;
- f. Duly licensed private security guards and regular employees of security agencies;
- g. Cadets and graduates of the Philippine Merchant Marine Academy (PMMA), Philippine National Police Academy (PNPA), and Maritime Academy of Asia and the Pacific (MAAP); and
- h. Accredited insurance representatives/agents/solicitors of AFPMBAI and AFP General Insurance Corporation.

Section 4. Termination of Membership - The membership of a regular member shall be terminated upon his separation from the active service, except as provided in Section 2 (c) above, while that of an associate member shall be terminated upon any of the following grounds:

- a. Failure to pay contribution for two consecutive months;
- b. Termination for cause from employment or dishonorable discharge from the service;
- c. Conviction by any Court of Justice for a crime involving moral turpitude;
- d. Membership in any subversive or terroristic organization, or any organization which advocates overthrow of the government by force or violence:

Provided, That any member, except those in the active service, may voluntarily terminate his membership in writing: Provided, further, That the termination of membership under this section shall not affect the rights acquired under the optional insurance plan.

Section 5. Membership Certificates – Membership certificates shall be issued to all members, specifying therein the benefits to which the member is entitled.

ARTICLE III. MEMBERSHIP BENEFITS

Section 1. Death Benefits - Upon the death of a regular member, the Association shall pay to his designated beneficiaries or heirs the benefits payable under his insurance coverage and other benefits as provided by law and by the Special Group Term Insurance (SGTI), a term insurance for the AFP provided for under Presidential Decree (PD) No. 352, as amended by PD 1965: Provided, That for a regular member who has retired or honorably separated or discharged, the benefits are for his paid-up insurance and/or optional insurance: Provided, further, That for an associate member, the benefits are for his group insurance or optional insurance.

Section 2. Additional Benefits. Members of the Association shall be entitled to such additional benefits as may be prescribed by the Board of Trustees.

ARTICLE IV. OBLIGATION OF MEMBERS

Section 1. Obligations - All members shall pay such membership fees, dues, premiums, contributions and assessments as the Board of Trustees may prescribe, except that associate members covered under a group insurance only shall not be subject to such fees.

Section 2. Reserve Impairment - The Board of Trustees may, in the event its reserves as to all or any class of certificates become impaired, require that there shall be paid by the regular members to the Association the amount of the member's equitable portion of such deficiency and if the payment be not made, it shall stand as an indebtedness against the membership certificates of the defaulting members and draw interest not to exceed five (5) percent per annum compounded annually.

ARTICLE V. MEMBERSHIP MEETINGS

Section 1. Annual Meeting - The annual meeting of the members shall be held on the third Saturday of May of each year, at such time and place as the Board of Trustees may designate, for the election of trustees and the transaction of such other business as may be brought before it.

Section 2. Special Meeting - A special meeting of the members may be called at any time by resolution of the Board of Trustees or upon written request of at least twenty percent (20%) of the members entitled to vote, indicating the purpose(s) thereof. At a special meeting, only business specified in the notice shall be considered.

Section 3. Notice of Meeting – A written notice stating the place, time and purpose(s) of the meeting of the members shall be sent either personally, by mail and/or electronic means addressed to each member at his latest address on record with the Association, or published in at least 2 newspapers of general circulation, not later than thirty (30) days prior to the date set for such meeting: Provided, That failure or defect in the notice shall not invalidate the meeting or any of the proceedings thereat, if the business transacted at such meeting is within the powers of the Association and the majority of the voting members of the Association are present or represented at the meeting.

Section 4. Quorum - Members present in person or by proxy in any meeting of the Association for which due notice has been made is considered a quorum regardless of the number of members present, and a majority vote of those present in person or by proxy shall constitute a valid act of the Association, except in those matters where the Corporation Code requires the affirmative vote of a greater proportion.

Section 5. Voting- At membership meetings, only regular members have the right to vote and to be voted for, they being entitled to one (1) vote each, irrespective of the number of his insurance policies or the amount of coverage: Provided, That the Chief of Staff, AFP shall be entitled to cast the votes of any and all members who are not present in person or by

proxy: Provided, further, That the powers vested herein in the Chief of Staff, AFP shall also be exercised, in his absence, by the Acting Chief of Staff, AFP or the Officer-in-Charge, AFP.

Section 6. Proxy. At all meetings, members may vote by proxy. The proxy shall be a regular member of the Association whose authority is executed in writing by the member on a printed proxy form prescribed by the Board of Trustees and the printed proxy form shall expire after the meeting for which it was given. Such proxies should be acknowledged before the Corporate Secretary of the Association, or a notary public, or any commissioned officer of the AFP, or equivalent in the other uniformed services, and shall be filed with the Corporate Secretary before or at the time of the meeting. At any meeting, the presiding officer's decision on the authenticity of proxy voted shall be final.

Section 7. Order of Business. At any meeting of the members, the following order of business shall be observed:

- a. Opening of the meeting by the Chairman
- b. Proof of due notice of the meeting
- c. Proof of presence of quorum by the Corporate Secretary
- d. Approval of the minutes of the previous membership meeting
- e. Report of Officers of the Association
- f. Ratification of Resolutions and Acts of the Board and Management
- g. Pending Business
- h. Election of Trustees (when proper)
- i. Other Matters
- j. Adjournment

The above order of business may be altered or suspended temporarily should a majority of the quorum deem it convenient.

ARTICLE VI. BOARD OF TRUSTEES

Section 1. Powers - 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 projects necessary to carry out the purposes of the Association.
- b. To appoint and fix the salaries and emoluments of executive officials.
- c. To examine, approve and adopt an annual budget of expenditures for the operation of the Association and appropriate funds therefor.
- 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 the Association and establish rules and regulations for its operation.
- f. To delegate any of its powers to officers of the Association as may lawfully be authorized.

- g. To create such committees as it may deem necessary and proper, defining their duties and delegating to them such powers as may lawfully be authorized.
- 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.
- j. To perform such acts and exercise such powers as necessary to accomplish the purposes of the Association.

Section 2. Duties and Responsibilities - A trustee shall have the following duties and responsibilities:

- a. To exercise his duty of care and loyalty to the AFPMBAI, to conduct fair business transactions and ensure that personal or sectoral interest does not bias his decisions during Board meetings;
- b. To devote time and attention necessary to properly discharge his duties and responsibilities. As much as possible, a Trustee shall be present during all Board meetings and he shall participate productively in all discussions;
- c. To act judiciously and to respect and uphold all decisions made by the Board as a collegial body. No Trustee shall undermine a decision of the Board majority. A mechanism for the airing of grievances or disagreement on certain Board decisions must likewise be set in place;
- d. To exercise independent judgment;
- e. To have a working knowledge of the statutory and regulatory requirements affecting AFPMBAI, including the contents of its Articles of Incorporation and By-Laws, the requirements of the Commission, and where applicable, the requirements of other regulatory agencies;
- f. To observe confidentiality and prudence in the handling of sensitive company information; and
- g. To ensure the continuing soundness, effectiveness and adequacy of the AFPMBAI's control environment.

Section 3. Composition - The Board of Trustees shall consist of fifteen (15) members, all of whom shall be elected during the Annual Membership Meeting from among the regular members of the Association. The Board shall be composed of one (1) each from the Office of the Chief of Staff, AFP; the Philippine Army, the Philippine Navy, the Philippine Air Force, the Philippine Coast Guard, the Bureau of Fire Protection, the Bureau of Jail Management and Penology, the Joint Staff of GHQ AFP, and the Office of the AFP Sergeant Major; two (2) from the Philippine National Police; one (1) at large; and three (3) independent trustees at least one (1) of whom shall be a retired member of the uniformed services. Trustees must possess the necessary education, competence and experience in business, preferably in insurance operation to qualify for election to the Board.

Section 4. Term. The members of the Board shall serve for a term of one (1) year or until their successors are elected and qualified: Provided that no trustee shall serve for more

than three (3) consecutive terms, provided further that no trustee shall serve for more than five (5) cumulative terms,

Section 5. Vacancy - Any vacancy in the Board of Trustees other than by removal or expiration of term may be filled by the vote of at least a majority of the remaining trustees, if still constituting a quorum, in a regular or special meeting called for the purpose.

Section 6. Organizational Meeting - Within fifteen (15) days after the annual membership meeting and election of the trustees, the Board of Trustees shall elect the officers of the Association and organize such committees as it deems necessary. A majority vote of all the members of the Board is needed in the election of officers of the Association.

Section 7. Regular and Special Meeting - The Board shall meet regularly once a month at such time and date as the Board may prescribe. The Board may call a special meeting any time at the call of the Chairman or by the majority of the members of the Board.

Section 8. Place of Meeting - All meetings of the Board of Trustees shall be held at the principal office of the Association, or at such other place in Metro Manila as designated by the majority of the Board.

Section 9. Notice of Meeting - Notice of regular or special meeting of the Board shall be sent to each trustee through any legal means at least three (3) working days prior to the meeting, indicating the purpose(s) thereof.

Section 10. Quorum. - At all meetings of the Board, eight (8) trustees shall constitute a quorum for the transaction of business, and a majority vote of those present constituting a quorum shall be valid as a corporate act, except as otherwise provided in this By-Laws and the laws of the Philippines. Trustees cannot vote by proxy at Board meetings.

Section 11. Independent Trustees – To qualify as an independent trustee, one must be independent in character and judgment; not be an officer of the Association; not be an officer of its subsidiary (AFPGEN); not related within the 4th civil degree of consanguinity or affinity to any director or officer of AFPGEN; free from any business or other relationships with the Association which could materially interfere with the exercise of his judgment; not related to any group and not be instrument of one group for the purpose of pushing their own sectoral agenda; and must provide the Board an objective compass to determine the best interest of AFPMBAI.

Section 12. Remuneration. The members of the Board of Trustees shall not receive any compensation or remuneration for their services as such, except for reasonable allowance and per diem.

ARTICLE VII. OFFICERS

Section 1. Officers – The corporate officers of the Association shall be a Chairman, a Vice Chairman, a President, a Corporate Secretary, and a Treasurer: Provided, That the majority vote of all the voting members of the Board is required for the election of the officers. The Association may also have, at the discretion of the Board of Trustees, such other

officers as it shall deem necessary. Officers, other than the Chairman, the Vice Chairman and the President, need not be Trustees.

Section 2. Chairman – The Chairman shall preside over the meetings of the Association and the Board of Trustees. In his absence, the Vice Chairman shall preside over such meetings. In the absence of both the Chairman and the Vice Chairman, the Trustees present shall elect from among themselves an acting Chairman for that particular meeting.

Section 3. Vice Chairman - The Vice Chairman shall assist the Chairman in the performance of his duties. In the absence of the Chairman, the Vice Chairman shall preside over the meetings of the Association and the Board.

Section 4. President – The President shall be the chief executive officer (CEO) of the Association. He shall have general supervision, direction and control of the business and affairs of the Association. He shall have the general powers and duties of management usually vested in the office of the president of a corporation.

- a. He shall submit an annual report to the Board of Trustees and to the members of the Association during the annual membership meeting;
- b. He shall execute the resolutions of the Board, the Articles of Incorporation and By-Laws, and the policies issued by regulatory bodies;
- c. He shall exercise general supervision over all officers and employees of the Association;
- d. He shall execute on behalf of the Association all contracts and agreements entered into by the Association and;
- e. He shall sign, endorse and deliver all checks, drafts, bills of exchange, promissory notes, and orders of payment of sums of money, unless such acts are specifically assigned to other authorized signatory/ies as approved by the Board of Trustees.

Section 5. The Senior Vice Presidents shall be appointed by the Chairman of the Board duly endorsed by the members of the Board of Trustees. In case of the incapacity, illness, or death of the President, the Chairman shall appoint the next senior officer (a) until his successor is appointed, and whom so acting, he shall have all the powers of, and be subjected to the restrictions upon, the President. He shall have direct and active management of the business operations of the Association pursuant to these By-Laws, policies of the Board, instructions of the President, and according to his own directions, whenever and whatever the same is not expressly limited by such rules, policies or instructions.

Section 6. Corporate Secretary – The Corporate Secretary, who shall be a citizen and resident of the Philippines, a member of the Bar, may or may not be a member of the Board, but shall be a member of the Association. He shall have the following duties and powers:

- a. He shall keep, or cause to be kept, a book of minutes at the principal office, of all meetings of the Board of Trustees and of members of the Association, with the time and place of such meetings, whether regular or special, and if special, how authorized, the notice given thereto, the name of those present (or represented at member's meetings), and the proceeding thereof.

- b. He shall keep or cause to be kept at the principal office, or at the Association's Branch Offices, a members' register, (or a duplicate member's register,) showing the names and dates of certificates issued to them and such other pertinent information as may be required by law.
- c. He shall give, or cause to be given, notice of all the meetings of the members, and of the Board, required by law or by the Articles of Incorporation and By-Laws; and shall certify all minutes, records and proceedings of the Board, and of the members.
- d. He shall keep the seal of the Association in safe custody, and turn over to his successor all records in his custody.
- e. He shall exercise such power and perform such duties as prescribed by the Board of Trustees or by the Insurance Commission, the Securities and Exchange Commission, and other regulatory agencies, including this By-Laws and the Governance Manual.

Section 7. Treasurer – The Treasurer may not be a trustee but shall be a member of the Association. He shall have the following powers and duties:

- a. He shall have the custody of, and be responsible for, all the funds, money and other securities of the Association;
- b. He shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Association, including accounts of the assets, liabilities, receipts, disbursements, gains, losses, reserves and surplus.
- c. He shall deposit all moneys, funds, bonds, securities, and other valuables in the name and to the credit of the Association with such banks or other depositories as may be designated by the Board of Trustees.
- d. He shall receive and issue receipts for all moneys paid to the Association and disburse funds as may be authorized.
- e. He shall render an annual statement showing the financial condition of the Association on the 31st day of December each year and shall render an account of his transactions as Treasurer and of the financial condition of the Association (at time), as may be deemed necessary.
- f. He shall put up a bond as may be required by the Board of Trustees; turn over all records and properties under his custody to his successor; exercise such other powers and perform such other duties may be prescribed by the Board of Trustees in these rules and regulations.

ARTICLE VIII. FUNDS

Section 1. Sources - The funds and income of the Association shall come from the following sources:

- a. Membership fees, dues, contributions and assessments from members;
- b. Insurance premiums;
- c. Investment earnings;
- d. Donations;
- e. Trust and other funds; and
- f. Other earnings and income.

Section 2. Categories - The funds of the Association shall be categorized as follows:

- a. Death benefit and other relief funds which shall be used exclusively for paying benefits due the members; and
- b. General fund which shall be used for general and administrative expenses of the Association, and for other purposes.

Section 3. Investments. - Funds shall be invested by Management under the direction of the Board, which shall consider primarily the safety of the principal and secondarily the rate of return. The funds may be invested in such classes of investments, in securities or properties, and in such businesses as allowed by law, and the rules and regulations issued by the Insurance Commission: Provided, That no funds shall be invested in any business where any member of the Board has a direct or indirect substantial interest.

Section 4. Imprest Cash System. - The Association shall adopt the imprest cash system which provides that all monies received in cash or check shall be deposited intact with the bank depository on the same day or at the next banking day, and no disbursement shall be made directly from the cash collections.

Section 5. Disbursements. - No money shall be disbursed except for projects, activities and budgeted expenditures duly approved by the Board. All disbursements, except from the petty cash fund, shall be in the form of checks jointly signed by two check signatories designated by the Board and covered with duly approved cash vouchers.

Section 6. Accounting - There shall be a separate accounting for each of the funds of the Association.

ARTICLE IX. MISCELLANEOUS MATTERS

Section 1. Fiscal Year. The fiscal year of the Association shall commence on the first day of January of each calendar year and shall close on the 31st day of December of the same year.

Section 2. Corporate Seal. The corporate seal of the Association shall be in such form and design as may be prescribed or approved by the Board of Trustees.

Section 3. Prohibition against Sharing in Earnings – No part of the Association’s net income shall inure to the benefit of any private individual. Neither shall it accrue to the pecuniary benefit of any member, trustee, officer or employee of the Association, or any other private individual or entity. No such person shall be entitled to share in the distribution of any of the corporate assets upon the dissolution of the Association.

Section 4. Dissolution. The Association may be dissolved in accordance with the law.

Section 5. Disposal of Assets - Upon dissolution, all assets of the Association, net of liabilities, shall be disposed of in accordance with law, and the existing assets of the Association will be passed on to another accredited NGO or organization of similar thrusts or purpose/s or to the State for public use.

ARTICLE X. AMENDMENT OF BY-LAWS

Section 1. Majority of the members of the Association and majority of the Board of Trustees may, at a meeting duly called for the purpose, amend or repeal the existing By-Laws and adopt a new one, subject to the approval of the Insurance Commission and the Securities and Exchange Commission.

ARTICLE XI. RESCISSION CLAUSE

Section 1. The existing Amended By-Laws of the Association approved by the SEC in 2015 are hereby rescinded by this New By-Laws.

Done in Quezon City on _____.