

**MINUTES OF MEETING  
OF THE STOCKHOLDERS  
PHILIPPINE BUSINESS BANK, INC. (A Savings Bank)**

Venue: New World Makati Hotel, Esperanza Street corner Makati Avenue, Ayala Center,  
Makati City

Date: May 30, 2014

Time: 2:00 p.m.

Stockholders present:

Mr. Francis T. Lee, Stockholder  
Mr. Peter N. Yap, Stockholder  
Mr. Rolando R. Avante, Stockholder  
Mr. Jeffrey S. Yao, Stockholder  
Ms. Leticia M. Yao, Stockholder  
Mr. Amador T. Vallejos, Jr., Stockholder  
Mr. Paterno H. Dizon, Stockholder  
Mr. Benjamin R. Sta.Catalina, Jr., Stockholder  
Mr. Alfredo M. Yao, Stockholder  
Mr. Armando M. Yao, Stockholder  
Ms. Carolyn S. Yao, Stockholder  
Ms. Mary Grace S. Yao, Stockholder  
Ms. Erlinda M. Yao, Stockholder  
Zest-O Corporation (Represented herein by Ms. Carolyn S. Yao), Stockholder

Absent:

Mr. Roberto A. Atendido, Stockholder  
Mr. Honorio O. Reyes-Lao, Stockholder

**CALL TO ORDER**

The Chairman, Francis T. Lee, as the Presiding Officer, called the meeting to order. Corporate Secretary, Atty. Roberto S. Santos certified that all the Stockholders were duly sent notices of this meeting and existence of a quorum. Atty. Roberto S. Santos then proceeded to record the minutes of the meeting.

**APPROVAL OF THE PREVIOUS STOCKHOLDERS' MEETING**

After reading the Minutes of the previous Annual Stockholders' Meeting, June 28, 2013, upon motion duly seconded, the Stockholders approved the same.

**PRESIDENT AND CEO REPORT**

Upon motion duly seconded, the stockholders unanimously approved the President and CEO Report on Management operations for 2013.

### **RATIFICATION OF THE AUDITED FINANCIAL STATEMENTS**

Upon motion duly seconded, the stockholders unanimously approved and ratified the Audited Financial Statements for the year ending December 31, 2013.

### **RATIFICATION OF PAST ACTIONS OF THE BOARD AND MANAGEMENT**

Upon motion duly seconded, the stockholders unanimously approved and ratified the Past Actions of the Board and of Management for 2013.

### **ELECTION OF DIRECTORS**

The Corporate Secretary moved for election of the new set of directors for the year 2014-2015. The motion was duly seconded by Director Francis T. Lee. Thereafter, the following persons were elected as members of the Board of Directors, to wit:

Mr. Francis T. Lee  
Mr. Peter N. Yap  
Mr. Rolando R. Avante  
Mr. Amador T. Vallejos, Jr.  
Mr. Jeffrey S. Yao  
Mr. Honorio O. Reyes-Lao  
Ms. Leticia M. Yao  
Mr. Roberto A. Atendido  
Mr. Paterno H. Dizon – Independent Director  
Mr. Benjamin R. Sta. Catalina, Jr. – Independent Director

### **APPROVAL OF THE AMENDMENT OF THE BANK'S ARTICLE OF INCORPORATION AND BY-LAWS**

Upon motion duly seconded, the stockholders unanimously approved and ratified the following proposed amendments, to wit;

#### A. Articles of Incorporation

- a.) Article III - That the principal office of the corporation shall be in **350 Rizal Avenue corner 8<sup>th</sup> Avenue, Gracepark, Caloocan City, Metro Manila, Philippines.** (As mandated by SEC Memorandum, Circular 6, Series of 2014).

#### B. By-Laws

- a.) Article II, Section 1 – Change the date of the Annual Stockholders' Meeting **from last Friday of April to last Friday of May.**

- b.) Article II, Section 8 – Change of Closing the Transfer Books of Fixing the Record Date **FROM “at least ten (10) working days immediately preceding such meeting, but not in any case to exceed, twenty (20) days” TO “at least ten (10) working days immediately preceding such meeting, but not in any case to exceed, thirty (30) days.**
- c.) Article III, Section 2 – Change of date of submission of Nominations for Directors **FROM “at least twenty (20) days prior to the date of the regular meeting or special meeting of the stockholders for the election of the directors” TO “at least twenty-five (25) days prior to the date of the regular meeting or special meeting of the stockholders for the election of the directors”.**

### **APPROVAL OF THE DIVIDEND DECLARATION**

Upon motion duly seconded, the stockholders unanimously approved and ratified the Dividend Declaration of the Bank, subject to Bangko Sentral ng Pilipinas (BSP) approval, to wit;

1. 25% Declaration of stock dividends to all issued and outstanding common stockholders amounting to Php 858,333,500.00
2. Declaration of cash dividends amounting to Php 62,325,000.00 to all the preferred stockholders.

### **APPOINTMENT OF EXTERNAL AUDITOR**

The Corporate Secretary, Atty. Roberto S. Santos, opened the floor for the re-appointment of the External Auditor for the year 2014-2015.

Mr. Efren P. Mercado, a stockholder present at the said stockholders meeting, nominated Punong Bayan and Araullo as the Bank's External Auditor for the year 2014-2015.

After being nominated by Mr. Mercado and upon motion duly seconded, Punong Bayan and Araullo was unanimously appointed as the Bank's External Auditor.

### **ADJOURNMENT**

There being no other matter to be discussed, the meeting was adjourned.

**ATTY. ROBERTO S. SANTOS**  
Corporate Secretary

**READ & APPROVED BY:**

**FRANCIS T. LEE**  
Chairman

**PETER N. YAP**  
Vice- Chairman

**ROLANDO R. AVANTE**  
President / CEO

**LETICIA M. YAO**  
Director

**JEFFREY S. YAO**  
Director

**AMADOR T. VALLEJOS, JR.**  
Director

**BENJAMIN R. STA. CATALINA, JR**  
Independent Director

**PATERNO H. DIZON**  
Independent Director

Noted by:

**ROBERTO A. ATENDIDO**  
Director

**HONORIO O. REYES-LAO**  
Director