

MINUTES OF THE ANNUAL MEETING OF THE STOCKHOLDERS OF ALLIEDBANKERS INSURANCE CORPORATION HELD ON APRIL 17, 2018, AT 10:00 A.M., AT THE SUMMIT ROOM, CENTURY PARK HOTEL, 599 P. OCAMPO STREET, MALATE, MANILA

PRESENT:

In Person:	<u>NO. OF SHARES HELD</u>
REBECCA B. DELA CRUZ (also the President, a Member of the Board of Directors, a Member of the Corporate Governance, Remuneration and Nomination Committee, and a Member of the Investments Committee)	100
ROWENA T. CHUA (also the Executive Vice President for Strategic Partnership and Business Development, a Member of the Board of Directors, a Member of the Corporate Governance, Remuneration and Nomination Committee, and a Member of the Investments Committee)	100
MANUEL T. GONZALES (also a Member of the Board of Directors, a Member of the Related Party Transactions Committee, and a Member of the Investments Committee)	100
LUCIO K. TAN, JR. (also a Member of the Board of Directors, a Member of the Corporate Governance, Remuneration and Nomination Committee, a Member of the Audit and Compliance and Risk Management Committee, and a Member of the Related Party Transactions Committee)	100
MICHAEL G. TAN (also a Member of the Board of Directors, the Chairman of the Investments Committee, the Vice Chairman of the Corporate Governance, Remuneration and Nomination Committee, a Member of the Audit and Compliance and Risk Management Committee, and a Member of the Related Party Transactions Committee)	100
PETER Y. ONG (also an Independent Member of the Board of Directors, the Chairman of the Related Party Transactions Committee, an Independent Member of the Corporate Governance, Remuneration and Nomination Committee, and an Independent Member of the Audit and Compliance and Risk Management Committee)	100
RUFINA T. YU (also the Senior Vice President/Comptroller, a Member of the Board of Directors, and a Member of the Investments Committee)	100
By Proxy:	
QUALISURE HOLDINGS, INC. Represented by EDWIN L. TAN	240,625,000
LUCIO C. TAN Represented by JUANITA TAN LEE	165,000,225

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WILLY S. CO **38,750,000**
 Represented by DEXTER CO

PHILIPPINE NATIONAL BANK **25,000,000**
 Represented by MICHAEL G. TAN

Total No. of Shares Outstanding	625,000,000
No. Of Shares of Stockholders Present in Person	700
No. Of Shares of Stockholders Represented by Proxy	469,375,225
Total No. Of Shares Present in Person and Represented by Proxy	469,375,925
Percentage of Shares Present and Represented by Proxy	75.10%

ALSO PRESENT:

ATTY. ARLENE J. GUEVARRA - Corporate Secretary

I. CALL TO ORDER

In view of the absence of the Chairman of the Board of Directors, Dr. Lucio C. Tan, and of the Vice Chairman of the Board of Directors, Mr. Willy S. Co, the Stockholders called the meeting to order and unanimously agreed and decided to designate Mr. Michael G. Tan as Presiding Officer/Chair of the meeting. Mr. M. G. Tan proceeded to preside over the meeting. The Corporate Secretary, Atty. Arlene J. Guevarra, recorded the minutes of the proceedings.

II. CERTIFICATION OF NOTICE OF MEETING

The Presiding Officer/Chair of the meeting requested the Corporate Secretary to show proof that required notice of the meeting was duly sent to the stockholders. The Corporate Secretary certified that in accordance with Section 4, Article II of the Corporation's By-Laws, written notice of the date, time, place and purpose of the annual meeting was sent by personal delivery and/or by registered mail to all stockholders of record as of March 26, 2018 at their addresses as appearing on their records. This was confirmed by all the Stockholders present. All the Stockholders present likewise agreed to waive any defect in the notice of the meeting.

III. CERTIFICATION OF QUORUM

The Presiding Officer/Chair of the meeting then asked the Corporate Secretary if there was a quorum for the valid transaction of business. The Corporate Secretary certified that there was a quorum to transact all the matters in the Agenda, there being present at the meeting, in person or by proxy, Stockholders owning/representing a total of 469,375,925 shares equivalent to 75.10% or more than $\frac{2}{3}$ of the total issued and outstanding shares of the Corporation. The Presiding Officer/Chair of the meeting then declared the meeting open for business.

Before proceeding to the transaction of business, the Presiding Officer/Chair of the meeting requested the Corporate Secretary to discuss the voting procedures

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for the meeting. The Corporate Secretary informed the Stockholders that all items in the Agenda requiring approval will need the affirmative vote of at least a majority of the issued and outstanding capital stock of the Corporation. She also informed the Stockholders that each share of stock entitles the registered owner/holder to one (1) vote, except in the election of the directors where the Stockholders may cumulate their votes.

IV. READING AND APPROVAL OF THE MINUTES OF THE 2017 ANNUAL STOCKHOLDERS' MEETING HELD ON APRIL 18, 2017

The Presiding Officer/Chair of the meeting called on the next item in the Agenda which was the Reading and Approval of the Minutes of the 2017 Annual Stockholders' Meeting that was held on April 18, 2017. He stated that copies of the minutes were distributed to the Stockholders present prior to the meeting in order to give the Stockholders time to review the same.

Mr. Lucio K. Tan, Jr. moved that since copies of the minutes of the previous year Annual Stockholders' Meeting held on April 18, 2017 were made available and distributed to the Stockholders in advance for inspection/review, the reading of the minutes be dispensed with. He also moved that the minutes as presented be approved. Said motions were duly seconded by Ms. Rowena T. Chua.

The Presiding Officer/Chair of the meeting asked if there were any objections to the motions. There being none, the Stockholders, on motion duly made and seconded, unanimously resolved, as follows:

STOCKHOLDERS' RESOLUTION NO. 2018-01

RESOLVED, to dispense with and waive the reading and approve the Minutes of the 2017 Annual Stockholders' Meeting held on April 18, 2017 as presented.

	Voted in Favor	Voted Against	Abstained
Number of Voted Shares	469,375,925	0	0
% of Voting Shares Present	100%	0	0

V. PRESIDENT'S REPORT

The next item in the Agenda was the President's Report.

The Presiding Officer/Chair of the meeting turned the floor over to the President, Ms. Rebecca B. Dela Cruz, for the latter's report on the Corporation's result of operations for 2017.

President R. B. Dela Cruz gave the following report:

"I. Past Year's Operating Performance

A. Net Income Performance

AlliedBankers Insurance Corporation ("ABIC") ended the year 2017 with an audited net income after tax of **PhP78.4Million** as against last year's **PhP40.9Million**, or an increase of

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160.3% versus last year. This translates into a Return on Average Equity of about 6%.

The significant growth in net income performance for 2017 can be attributed to the growth in gross earned premiums from PhP443.0Million to PhP567.7Million or 28% increase, a profitable underwriting income of PhP157.0Million from PhP128.0Million, or an increase of 22%. With the implementation of the new reserving framework as required by the Insurance Commission, the Company booked additional reserves amounting to PhP18.0Million.

Versus the **Budgeted net income of PhP62.0Million**, the audited net income of **PhP78.0Million** is equivalent to 125.8% achievement ratio.

During the year, the country is fortunate that it was not hit by catastrophic losses. However, the Company had to book reserves for a fire loss for the account of a client of the bank (Philippine National Bank) amounting to PhP33.0Million. In 2016, the Company booked significant losses from casualty resulting from certain aviation losses and related aviation liability losses and the fire loss for University of the East ("UE") Recto. The Company also paid loss participation to its Lead Proportional reinsurer of PhP5.5Million pertaining to losses for the 2014 Treaty.

B. One of the Strongest Net Worth in the Philippine Non-Life Insurance Market (Top 11)

In June 2013, the mandatory increase in capitalization, based on net worth was already implemented by the Insurance Commission, hence, the number of insurance companies went down from 71 to 62 companies by end of that year. By December 31, 2017, the networth requirement is already at **PhP550.0Million** and based on the latest ranking, ABIC is in the **11th spot among the remaining 60 companies**. Seven (7) companies were given servicing licenses with their voluntary surrender of their license while five (5) companies were issued cease and desist orders (CDO) which was officially released in March of 2018. By 2019, there is a possibility of another 15-20 companies falling out and finally by 2023, when net worth requirement is at PhP1.3Billion, the estimated insurance companies that will remain may be reduced to just 20 to 25.

There have been significant changes in the regulatory and solvency environment effective January 1, 2017 and these include not only the minimum net worth requirement but also the implementation of new Risk Based Capital Framework or RBC2, the new reserving method for non-life insurance companies which includes not just the 24th reserving method but also a provision for Margin for Adverse Deviation or MFAD, additional provision of Incurred But Not Reported Losses (IBNR), and Incurred but Not Enough Reserves (IBNER) and the implementation of the new Financial Reporting Framework for purposes of financial reporting standards. As a

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relieve, the Insurance Commission will allow provision of only 50% of the change in MFAD starting 2018 and full recognition of the actual change in MFAD by 2019. On the investments valuation, the PFRS 9 also resulted in the change of valuation and classification of investments, which necessitates reclassification of some preferred shares with call option to be recognized as Fair Value to Profit and Loss (FVPL) instead of Available for Sale or AFS.

This market and improved regulatory scenario is expected to result in retaining only the bigger, stronger, well capitalized, and well managed players of the industry. This gives ABIC an opportunity to look into possibility of mergers or acquisition of portfolio of other non-life insurance companies, development of new and innovative products, as well as expansion of its distribution channels including digital marketing.

C. Reinsurance Support and Risk Management Strategy

ABIC was able to complete its proportional surplus and non-proportional treaties for the year effective April 1, 2018 under a combined treaty program with PNB General Insurers Co., Inc. ("PNB Gen") allowing the latter to now have a proportional treaty for this reinsurance year with a total of PhP1.0Billion capacity per risk. The proportional treaty also includes nat cat cover at PhP1.75Billion per event limit. The combined Whole Account Excess of Loss of PhP10.0Billion has to be maintained to cover the combined expiring policies of PNB Gen under the Whole Account Excess of Loss Treaty program and the net retention excess of loss cover of ABIC of PhP1.0Billion. It is important that both companies exercise due diligence in its underwriting in order to preserve the proportional treaty program, which originally has ABIC portfolio only. The reinsurers as mentioned before have been shying away from proportional treaties with catastrophic risks included because of the high exposure to catastrophic events of the Philippines. In the recent news and studies, seven (7) out of the top twenty (20) cities prone to cat risks are in the Philippines. Because of this, reinsurers are willing to accept only gross excess of loss or non-proportional treaties for cat exposures.

ABIC continues to enjoy the respect and high regard of reinsurers because of the consistent profitable performance of its portfolio in the long term, the integrity, professionalism, transparency, and fairness ABIC has shown in its dealings with them. ABIC strive hard to maintain this reputation as these are critical factors in maintaining the trust and confidence and long term relationship with the reinsurers. Likewise, ABIC has to ensure that reinsurance support is available for the group assets as part of the risk management strategy for the LT Group. ABIC should continue to leverage on the captive accounts through long term relationship and maintenance of all the group accounts and fairness in handling insurance claims.

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II. STRATEGIC DIRECTION FOR ABIC

A. Challenges and Key Drivers of Change

- a. Increasing capitalization, solvency and regulatory requirement
- b. Climate change and increasing catastrophic risks environment
- c. Digital by default, i.e., insurtech and fintech
- d. Global competition
- e. Need for increased operational efficiency
- f. Imminent mergers or acquisitions
- g. Need for more innovative products
- h. Insurance penetration is still low

B. Existing Competitive Advantage

- a. Sufficient capitalization to meet the minimum requirement till 2022 at PhP1.4Billion
- b. Diversified and stable distribution channels (LTG companies as backbone and Bancassurance)
- c. Cost effective reinsurance treaty programs and increased and flexible capacities
- d. Lead insurer for PPAI Business - leadership among certain group of insurance companies - reinsurance of ABIC's pool management capability
- e. Innovative Products and Increased Digitalization
- f. Lean and Increasing pool of young talents
- g. Improved Risk Management capability

C. Breakthrough to Excellence

a. First to Introduce the On-Line or eCTPL Platform

Last September, ABIC introduced the first complete online eCTPL program in the market. This has been gaining mileage as ABIC tie-ups with digital platforms selling online products. This is ABIC gateway to sell also other insurance products online.

b. More Innovative Products

The other key is **new and innovative products as a FOCUS**, being a GAME CHANGER. This means introducing new products to reliable markets or creating the demand for newly developed products:

- Motor Car Safe
- Home Safe
- Prepaid PA Products
- Auto Dealers Package
- Micro Insurance Product Packages
- Financial Liability Lines

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c. **Expansion of Market Channels - both traditional, non-traditional and digital avenues**

- Enhanced Bancassurance tie ups with digital marketing capabilities and improved operational efficiency
- Affinity Group marketing
- Dealers fleet or portfolio sales
- Wholesale Sales Organizations
- Micro insurance channels
- Digital and social media marketing
- Airline tie up
- Brokers and agents
- Collaborative marketers - riders automatically attached to products where available and possible
- Pooling of risks for high value items
- OFWs and beneficiaries - in the pipeline

d. **Portfolio or sales organization acquisition - a "niche" and "opportunistic" strategy**

With the closure of some insurance companies, ABIC was able to launch a partnership with the former Metropolitan Insurance. All the new and renewal businesses of Metropolitan Insurance are now being written by ABIC effective January 2018. ABIC is working toward greater synergy with PNB Gen with ABIC's proposed 100% acquisition in exchange for ABIC shares. ABIC is also looking at another portfolio transfer from another insurance company.

e. **GROUP's Risk Manager Capacity Building**

Be the "Risk Manager" for the Group's assets at reasonable cost. One of the directions ABIC would like to follow for the Group is the Portfolio Optimization similar to what the Ayala and the SM Groups are doing.

This translates to a portfolio placement of the risks or buying the security capacity on a wholesale basis. This will result in substantial savings for the premiums of the Group and avoid any gaps in the risk cover.

f. **Technology Portal Development**

A secured, efficient, revenue generating, customer friendly, flexible, agile and cost effective IT system is being developed. ABIC has completed the front end and back end policy administration module, client services and claims processing. ABIC is now working towards having mobile apps, an eco-system platform for claims processing and settlement, electronically

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issued policies, and risk cat modelling capability to improve operational efficiency while increasing volume.

g. **Talent Acquisition and Development**

ABIC has embarked on a new face as an EMPLOYER - That is the EMPLOYER of CHOICE - for the young and highly trainable talents. A good mixture of experienced talents, wisdom and technology driven talents continue to be in place as ABIC's key to the sustainability of the Company.

h. **Excellent Client Journey**

With the implementation of our "ABIC Cares" not just in acquiring sales but more so in claims settlement, ABIC has seen a remarkable improvement and commitment to serve its clients. ABIC is not yet perfect as the claims settlement is still manual and there are still lapses along the way in some areas. ABIC is continuously striving towards the fulfillment of the promise for more consistent and excellent customer journey. ABIC hopes to achieve this with the implementation of the online Claims Eco system supported by ABIC Cares Client Portal.

i. **Corporate Governance and Corporate Standards**

The year 2017 marked the serious commitment of the Company to implement good corporate governance and corporate standards. Starting from the Board, an assessment is being done, company matrix or benchmarks and departmental KRAs are defined, required committees at the management and board levels had been established, appropriate disclosures and transparency are being practiced. The corporate governance score of ABIC for 2016 is at 48%, higher by 8% compared to the previous year and the industry standard of 38%. It still needs a lot of improvement, but remarkable leaps are already being achieved.

D. Maximizing and optimizing general insurance business model for the Group

Size or economies of scale is a key factor to leverage and attain operational efficiency while diversification, cost effective reinsurance treaties, and good underwriting practices are key to excellent risk management and profitability. The combination of the two non-life companies of the Group will create high potential to achieve high synergy and improved profitability for the general insurance business of the Group.

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E. Finding Growth Opportunities and Overcoming Key Risks for 2018 and onwards

For the year 2018, ABIC on a stand alone basis is looking at a gross written premium of **PhP700.0Million** or a **growth of 23%** versus an industry's growth of **only 7.5%**. Included in this is a gross premiums written from the LTFRB PPAI related premium business amounting to **PhP180.0Million**.

2018 is going to be a challenging yet opportunistic and exciting year. It is a "Game Changing" but a "Breakthrough to Excellence" scenario and the more robust, creative, and innovative players will emerge as winners.

III. Reinforcement of Gratitude to the Board and Stockholders

Once again, we would like to thank the Board of Directors and our stakeholders for the trust and confidence in the ABIC Team and we are looking forward to attainment of such goals with their continued and full support."

Following the presentation of the President's Report, the Presiding Officer/Chair of the meeting opened the floor for any questions, issues, comments, or concerns that the Stockholders may want to raise regarding the Corporation's performance and/or operations for the year 2017.

There being no comments or questions, Mr. Manuel T. Gonzales moved for the notation of the President's Report as of December 31, 2017 which was seconded by Mr. Peter Y. Ong.

A motion having been made and seconded, the Stockholders passed and approved the following resolution:

STOCKHOLDERS' RESOLUTION NO. 2018-02

RESOLVED, that the President's Report for the year ended December 31, 2017 be, as it is hereby noted.

	Voted in Favor	Voted Against	Abstained
Number of Voted Shares	469,375,925	0	0
% of Voting Shares Present	100%	0	0

VI. PRESENTATION OF THE 2017 AUDITED FINANCIAL STATEMENTS

The Presiding Officer/Chair of the meeting proceeded to the next item in the Agenda which was the presentation of the 2017 Audited Financial Statements.

President R. B. Dela Cruz discussed in detail the Corporation's Statements of Financial Position, Statements of Income, Statements of Comprehensive Income, Statements of Changes in Stockholders' Equity, and Statements of Cash Flows for the year ended December 31, 2017, as audited and submitted by the Corporation's external auditor, SyCip Gorres Velayo & Co. ("SGV"). She explained that based on

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the 2017 Audited Financial Statements, for the year ended December 31, 2017, the Corporation has a total Net Income of P78,757,407.00 as against last year's P40,535,406.00, or higher by P38,221,001.00.

After due deliberation, Mr. P. Y. Ong moved for the adoption and confirmation of Board approval of the Corporation's 2017 Audited Financial Statements as audited by SGV, which motion was duly seconded by Ms. Rufina T. Yu. Thereupon, on motion duly made and seconded, the Stockholders unanimously resolved, as follows:

STOCKHOLDERS' RESOLUTION NO. 2018-03

RESOLVED, to adopt, confirm and ratify the Board of Directors' approval of the Corporation's Audited Financial Statements for the year 2017, as audited and prepared by the Auditing Firm SyCip Gorres Velayo & Co..

	Voted in Favor	Voted Against	Abstained
Number of Voted Shares	469,375,925	0	0
% of Voting Shares Present	100%	0	0

VII. RATIFICATION OF ALL THE ACTS, RESOLUTIONS, DECISIONS AND PROCEEDINGS OF THE BOARD OF DIRECTORS, STANDING BOARD AND MANAGEMENT COMMITTEES AND THE MANAGEMENT SINCE THE 2017 ANNUAL STOCKHOLDERS' MEETING

The Presiding Officer/Chair of the meeting called on the next order of business which was the Ratification of all the Acts, Resolutions, Decisions and Proceedings of the Board of Directors and standing Board and Management Committees, as well as of the Management and Officers, taken since the last Annual Stockholders' Meeting held on April 18, 2017 until today.

At the request of the Presiding Officer/Chair of the meeting, President R. B. Dela Cruz gave a brief summary of the acts, resolutions, decisions and proceedings of the Board of Directors, standing Board and Management Committees and Management since the 2017 Annual Stockholders' Meeting. She explained that said acts, resolutions, decisions and proceedings were corporate acts taken by the Board and Management in the normal course of business and in the general exercise of their duties. She also informed the Stockholders that copies of the minutes of the meetings of the Board of Directors, as well as of the standing Board and Management Committees, are on file with the Office of the Corporate Secretary and are available for inspection upon request by any Stockholder at anytime during office hours.

After due deliberation, Mr. L. K. Tan, Jr. moved for the approval and confirmation of all the acts, resolutions, decisions and proceedings of the Board and Management since the last Annual Stockholders Meeting held on April 18, 2017 up to the current annual meeting of the Stockholders. Said motion was seconded by Mr. M. T. Gonzales.

Thereafter, the Stockholders, upon a motion duly made and seconded, unanimously approved the following resolution:

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STOCKHOLDERS' RESOLUTION NO. 2018-04

RESOLVED, to approve, ratify and confirm all the acts, resolutions, decisions and proceedings of the Board of Directors, standing Board and Management Committees, Corporate Officers and Management taken in the general exercise of their duties and in the normal course of business during the past year up to the date of this Annual Stockholders' Meeting.

	Voted in Favor	Voted Against	Abstained
Number of Voted Shares	469,375,925	0	0
% of Voting Shares Present	100%	0	0

VIII. ELECTION OF DIRECTORS

The next order of business was the Election of Directors for the ensuing year 2018-2019.

The Presiding Officer/Chair of the meeting M. G. Tan who is also the Vice Chairman of the Corporation's Corporate Governance, Remuneration and Nomination Committee, explained that the Corporation's Articles of Incorporation provides for eleven (11) directors. He also explained that there were only eleven (11) persons nominated to the eleven (11) seats in the Board to be filled-up, namely:

1. Lucio C. Tan
2. Willy S. Co
3. Rowena T. Chua
4. Manuel T. Gonzales
5. Harry C. Tan
6. Lucio K. Tan, Jr.
7. Michael G. Tan
8. Rebecca B. Dela Cruz
9. Rufina T. Yu
10. Alfredo B. Jimenez as Independent Director
11. Peter Y. Ong as Independent Director

He further explained that the Corporate Governance, Remuneration and Nomination Committee, at a meeting called for the purpose, had screened and reviewed the qualifications of the eleven (11) nominees and determined that all the eleven (11) nominees have met all the requirements and possess all the qualifications and none of the disqualifications to be elected as directors of the Corporation. He added that all the nominees have given their consent to their nomination.

Ms. R. T. Chua moved that since there were only eleven (11) persons nominated to, and qualified for, the eleven (11) seats in the Board, all the votes be cast in favor of the eleven (11) nominees and thereafter, they be declared as the elected Directors of the Corporation for the ensuing year to serve for a term of one (1) year until their successors shall have been elected and qualified. Qualisure Holdings, Inc.'s appointed proxy/representative Mr. Edwin L. Tan duly seconded the motion.

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A motion having been made and seconded and there being no objection from any of the Stockholders, the Presiding Officer/Chair of the meeting directed the Corporate Secretary to cast, as she did cast, all the votes in favor of the eleven (11) nominees.

Based on the tabulation, the nominee for election as members of the Board of Directors of the Corporation received the following number of votes:

Nominees	Vote	No. of Votes [one (1) share one (1) vote]	% of Voting Shares Present
Lucio C. Tan	Yes	469,375,925	100%
	No	0	0
	Abstain	0	0
	Total	469,375,925	100%
Willy S. Co	Yes	469,375,925	100%
	No	0	0
	Abstain	0	0
	Total	469,375,925	100%
Rowena T. Chua	Yes	469,375,925	100%
	No	0	0
	Abstain	0	0
	Total	469,375,925	100%
Manuel T. Gonzales	Yes	469,375,925	100%
	No	0	0
	Abstain	0	0
	Total	469,375,925	100%
Harry C. Tan	Yes	469,375,925	100%
	No	0	0
	Abstain	0	0
	Total	469,375,925	100%
Lucio K. Tan, Jr.	Yes	469,375,925	100%
	No	0	0
	Abstain	0	0
	Total	469,375,925	100%
Michael G. Tan	Yes	469,375,925	100%
	No	0	0
	Abstain	0	0
	Total	469,375,925	100%
Rebecca B. Dela Cruz	Yes	469,375,925	100%
	No	0	0
	Abstain	0	0
	Total	469,375,925	100%
Rufina T. Yu	Yes	469,375,925	100%
	No	0	0
	Abstain	0	0
	Total	469,375,925	100%

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Alfredo B. Jimenez, Jr. (Independent Director)	Yes	469,375,925	100%
	No	0	0
	Abstain	0	0
	Total	469,375,925	100%
Peter Y. Ong (Independent Director)	Yes	469,375,925	100%
	No	0	0
	Abstain	0	0
	Total	469,375,925	100%

Pursuant to the tabulation results, the Presiding Officer/Chair of the meeting declared all the eleven (11) nominees elected as Directors of the Corporation for the ensuing year 2018 - 2019, to serve as such in accordance with the Corporation's By-Laws for a period of one (1) year or until their successors shall have been duly elected and qualified.

IX. APPOINTMENT OF EXTERNAL AUDITOR

The Presiding Officer/Chair of the meeting proceeded to the next item in the Agenda which was the Appointment of External Auditor for the year 2018.

President R. B. Dela Cruz explained that the Corporation's present External Auditor, SyCip Gorres Velayo & Co., has consistently provided satisfactory service to the Corporation for the past years and on that basis, the Board of Directors, upon endorsement of Management and the Audit and Compliance and Risk Management Committee, approved the retention/re-appointment of SyCip Gorres Velayo & Co. as External Auditor for the year 2018. Hence, the recommendation.

After due deliberation, Ms. P. Y. Ong moved in favor of the re-appointment of SyCip Gorres Velayo & Co as the Corporation's external auditor for the year 2018, which motion was duly seconded by Mr. M. T. Gonzales.

Thereupon, the Stockholders, on motion duly made and seconded, unanimously resolved, as follows:

STOCKHOLDERS' RESOLUTION NO. 2018-05

RESOLVED, to approve the re-appointment of the auditing firm SyCip Gorres Velayo & Co. as the Corporation's External Auditor for the year 2018 under such terms and conditions as may be approved by the Board of Directors.

	Voted in Favor	Voted Against	Abstained
Number of Voted Shares	469,375,925	0	0
% of Voting Shares Present	100%	0	0

X. OTHER MATTERS


The Presiding Officer/Chair of the meeting inquired whether there were any other matters or questions or concerns which the Stockholders wished to raise or take-up to Management or to the Board of Directors before adjournment. There were no other matters raised.

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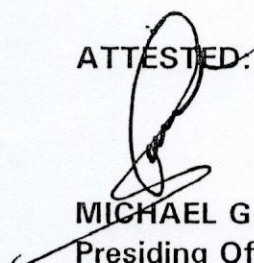
XI. ADJOURNMENT

There being no further business to transact, the Presiding Officer/Chair of the meeting, on motion made by Mr. M. T. Gonzales which was seconded by Ms. R. T. Chua, adjourned the meeting at 11:12 a.m..

CERTIFIED CORRECT:


ATTY. ARLENE J. GUEVARRA
Corporate Secretary

ATTESTED:


MICHAEL G. TAN
Presiding Officer/Chair
of the Meeting