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

Venue: Diamond Hotel, Roxas Blvd., cor. Dr. J. Quintos Street, Manila, 1000, Philippines

Date: May 27, 2016 Time: 2:00 p.m.

ATTENDANCE:

		NO. OF SHARES	PERCENTAGE
PROXIES		369,917,448	68.95%
ATTENDANCE	•	53,800,216	10.03%
TOTAL		423,717,664	78.98%

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 on May 29, 2015, 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 2015.

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, 2015.

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 2015.

ELECTION OF DIRECTORS

The Corporate Secretary moved for election of the new set of directors for the year 2016-2017. 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. Jeffrey S. Yao

Mr. Rolando R. Avante

Mr. Amador T. Vallejos, Jr.

Mr. Honorio O. Reyes-Lao

Ms. Leticia M. Yao

Mr. Roberto A. Atendido

Mr. Danilo A. Alcoseba

Mr. Paterno H. Dizon - Independent Director

Mr. Benjamin R. Sta. Catalina, Jr. - Independent Director

APPOINTMENT OF EXTERNAL AUDITOR

The Corporate Secretary, Atty. Roberto S. Santos, opened the floor for the reappointment of the External Auditor for the year 2016-2017.

Ms. Katherine Pura, a stockholder present at the said stockholders meeting, nominated Punong Bayan and Araullo as the Bank's External Auditor for the year 2016-2017.

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

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;

Articles of Incorporation

SEVENTH: That the authorized capital stock of the corporation is TEN BILLION PESOS (P10,000,000,000.00) pesos in lawful money of the Philippines, divided into EIGHT HUNDRED SEVENTY MILLION (870,000,000) common shares with par value of TEN PESOS (P10.00) per share and ONE HUNDRED THIRTY MILLION (130,000,000) preferred shares with par value of TEN PESOS (P 10.00) per share, which preferred shares shall have the following features:

- b) FROM "That the said shares shall be perpetual; meaning non-redeemable" TO "That the said shares shall be redeemable and convertible at par value at Bank's option";

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

ROLANDO R. AVANTE
President / CEO

AMADOR T. VALLEJOS, JR.

Director

LETICIA M. YAO

Director

BENJAMIN R. STA. CATALINA, JR

Independent Director

JEFFREY S. YAO Vice- Chairman

HONORIO Ø. REYES-LAO

Director

ROBERTO A. ATENDIDO

Director

DANILO A. ALCOSEBA

Director

PATERNO H. DIZON

Independent Director