

**MINUTES OF MEETING  
OF THE STOCKHOLDERS  
PHILIPPINE BUSINESS BANK, INC. (A Savings Bank)**  
Venue: Sofitel Philippine Plaza, CCP Complex, Roxas Boulevard, Manila

Date: June 28, 2013  
Time: 2:00 p.m.

Stockholders present:

Mr. Francis T. Lee, Stockholder  
Mr. Peter N. Yap, Stockholder  
Mr. Rolando R. Avante, Stockholder  
Mr. Honorio O. Reyes-Lao, Stockholder  
Mr. Jeffrey S. Yao, Stockholder  
Mr. Roberto A. Atendido, 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

**CALL TO ORDER**

The Chairman, Francis T. Lee, as the Presiding Officer, called the meeting to order. Assistant 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, April 27, 2012, 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 2012.



C. Audit Committee

Chairman : Benjamin R. Sta. Catalina, Jr.  
 Members : Paterno H. Dizon  
 Amador T. Vallejos, Jr.  
 Jeffrey S. Yao

D. Risk Management Committee

Chairman : Amador T. Vallejos, Jr.  
 Members : Jeffrey S. Yao  
 Benjamin R. Sta. Catalina, Jr.  
 Paterno H. Dizon  
 Honorio O. Reyes-Lao

E. Corporate Governance/Nomination Committee

Chairman : Paterno H. Dizon  
 Members : Amador T. Vallejos, Jr.  
 Benjamin R. Sta. Catalina, Jr.

F. Trust Committee

Chairman : Honorio O. Reyes-Lao  
 Members : Francis T. Lee  
 Rolando R. Avante  
 Dra. Leticia M. Yao  
 Alfredo M. Yao (Ex-Officio Member)

The following Executive Officers of the Bank were also re-elected during the Organizational Meeting of the Board of Directors;

<b>Position</b>	<b>Name</b>
Chairman	: Francis T. Lee
Vice Chairman/COO	: Peter N. Yap
President/CEO	: Rolando R. Avante
Treasurer/SVP	: Joseph Edwin S. Cabalde
Chief Finance Officer/SVP/Comptroller	: Alice P. Rodil
Corporate Secretary	: Atty. Josephine Joy D. Caneba
Asst. Corp. Secretary	: Atty. Roberto S. Santos
Compliance Officer	: Agustin E. Dingle
Internal Auditor	: Laurence R. Rapanut
Trust officer	: Teresita S. Sion
SVP/Head - AMG 1	: Raymond T. Co
FVP/Head - BBG	: Felipe V. Friginal
FVP/Head - IT	: Keith S. Chan

Please take note that the above-mentioned Executive Officers are all shareholders of the Bank except for our Corp. Secretary Atty. Josephine Joy D. Caneba, our Trust Officer Ms. Teresita S. Sion and our AMG 1 Head, Mr. Raymond T. Co.

**APPROVAL OF THE DIVIDEND POLICY**

Upon motion duly seconded, the stockholders unanimously approved and ratified the Dividend Policy of the Bank, to wit;

“Pay-out of 20% to 30% of Bank’s annual net income on condition that the Bank is well compliant with existing regulatory requirements for capitalization under its approved license and the minimum capital adequacy ratio (CAR).

This particular policy does not in any way preclude the bank from declaring stock and cash dividends as the Board deems proper.

**APPOINTMENT OF EXTERNAL AUDITOR**

The Assistant Corporate Secretary, Atty. Roberto S. Santos, opened the floor for the nomination of the External Auditor for the year 2013-2014.

Mr. Francis T. Lee, current Chairman of the Board nominated Punong Bayan and Araullo as the Bank’s External Auditor for the year 2013-2014.


After being nominated by Mr. Lee and upon motion duly seconded, Punong Bayan and Araullo was unanimously appointed by the members of the Board as the Bank’s External Auditor.

**ADJOURNMENT**

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

**READ & APPROVED BY:**

  
**FRANCIS T. LEE**  
Chairman

  
**ROLANDO R. AVANTE**  
President / CEO

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

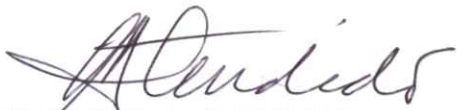
  
**PETER N. YAP**  
Vice- Chairman

  
**LETICIA M. YAO**  
Director

June 28, 2013 (ASM)



**HONORIO O. REYES-LAO**  
Director



**ROBERTO A. ATENDIDO**  
Director



**JEFFREY S. YAO**  
Director



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



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



**PATERNIO H. DIZON**  
Independent Director