MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING OF THE PHILIPPINE VETERANS BANK held on 17 JUNE 2022 at 2:00 p.m. at the SMX Convention Center, Sea Shell Lane, Mall of Asia Complex, Pasay City

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CALL TO ORDER

The 2022 Annual Stockholders Meeting of the Philippine Veterans Bank (PVB) was held back in the SMX Convention Center, Sea Shell Lane, Mall of Asia Complex, Pasay City It opened with the singing of the Philippine National Anthem, followed by the Panunumpa Sa Watawat led by Vice-Chairman Guillermo L. Parayno, Jr. Shortly thereafter, Director Percianita G. Racho delivered the invocation.

Mr. Roberto F. De Ocampo, OBE, Chairman of the Board and Chairman of the Stockholders' Meeting, formally called the meeting to order at 2:00 p.m., and delivered his message to the Stockholders.

MESSAGE OF THE CHAIRMAN OF THE BOARD

The message of Mr. Roberto F. de Ocampo, Chairman of the Board and Chairman of the Stockholders' Meeting, is quoted as follows:

"Magandang Hapon po sa inyong lahat. Minamahal kong Beterano, mga Spouse ng Veterans of World War II. Ang mga katulad ko na SDAI. Ako po ay tuwang tuwa na pagkatapos ng dalawang taon na tayo ay nakakulong dahil sa pandemya, sama sama na naman tayo ngayon dito sa ating Annual Stockholders Meeting.

Kaya kanina po sa tuwa ko, nagbigay pa po ako ng isang awit para sa inyong lahat, sorry lang po at kagagaling ko lang po sa Amerika noong isang araw at dahil sa ganun medyo masakit ang aking lalamunan kaya hindi po ako nakapag patuloy sa plinaplano nating sundan ng isa pang awit at siguro mga lima pang awit pagkatapos nun, hanggang magsawa po kayong lahat.

Maski ako po'y nagkakaroon ng konting "sore throat", ako po'y tuwang tuwa na habang umikot ikot ako kanina noong kararating ko lang dito, nakita ko po na madami pa sa inyo dyan ay malusog pa rin. Malusog, masaya at dapat ganun din ang Philippine Veterans Bank. Over the past years na hindi tayo nagkita, nagkayod po kami kasama po ang ating President Toto Claravall at ang ating mga Board of Directors upang iangat ang katatagan at kalakasan ng Philippine Veterans Bank. At dahil sa ganon, nung natapos po ang taong 2019, nagkaroon ang Philippine Veterans Bank ng kauna unahang malaking profit. Yun po ang pinakamalaki na experience ng Philippine Veterans Bank sa matagal nitong kasaysayan at ang akala ko po tuloy tuloy na.

Malas lang natin at ng buong mundo na hindi natin akalain na magkakaroon ng isang pandemya na hindi pa nakikita sa kasaysayan ng buong mundo. Ito po ay yong COVID. At dahil sa ganun ang buong ekonomiya ng buong mundo ay nagsara. Ang buong ekonomiya ng Pilipinas ay nagsara rin. At kapag ang mga ekonomiya ay nagsara, wala pong nagkakaroon ng hanapbuhay, suweldo, at iba pa. At ang hanapbuhay ng bangko ay medyo humihina din. Sapagkat sino ang magiging kliyente mo kung ang mga business ay nagsara. Dahil sa ganoon, lahat ng bangko sa Pilipinas ay nahirapan ng husto.

During the dalawang taon ng pandemya, kasama na roon ang Philippine Veterans Bank, at noong pumasok ito, tayo'y katulad ng lahat ng bangko na nagkaroon ng mas slow, mas mahinang business at sa ganoon, yung naranasan nating profit sa 2019 ay hindi natin magawa sa 2020 at sa 2021. Ang tanong? Habang nagkakaroon ba ng pandemya natulog lang ba kami sa kangkungan? O sa pansitan? Hindi po! It was during the period of pandemya na aming isinulong sa Congreso at sa Senado ang bagong Charter ng Philippine Veterans Bank. Yan po ang napakahalaga para sa atin. Sapagka't kung hindi natin binago ang Charter at pinalakas natin ang pundasyon ng Philippine Veterans Bank ay baka hindi lang pandemya ang makakatumba sa atin. Pero dahil nagkaroon tayo ng bagong Charter, meron tayong pagkakataon upang palakasin hanggang maging isang pinakamalakas na bangko sa Pilipinas ang Philippine Veterans Bank.

Alam po ninyo, sa mga hindi pa nakakasali sa ating mga Stockholders' Meeting, naririnig ko po na sila ay nasindak sa dami ng nandidito sa ating Stockholders' Meeting. At kung natatandaan ninyo, yong ibang Stockholders' Meeting natin bago nagkaroon ng pandemic, mas madami pa kesa sa mga nandito ngayon, punong puno hanggang doon. Ako po'y nakaupo sa ibang corporation at kapag nagkaroon ng 200 na Stockholders na sumipot, na para bang napakadaming dumating noh? Baka napakasarap ng meryendang hinanda kaya dumating sila. Ngunit sa Philippine Veterans Bank, basta nagkaroon tayo ng Stockholders' Meeting, ipinakikita ang ating kalakasan at suporta at ang ating isinusulong na pagpapalakas ng Philippine Veterans Bank. Ipinagmamalaki ko nga sa maski kanino kong kausap na ito lamang ang pribadong commercial bank sa buong Pilipinas na malawak ang ownership, ang may ari ay madami. Hindi lang madami kung hindi mga "bayani" ng ating lipunan, kayo pong mga Veterans, SDAI, Spouses. Hindi ko po masasabi yong tungkol sa ibang bangko na maski malaki sa atin, na hindi ko na babanggitin ang pangalan, syempre katulad ng BDO, Metro Bank, mga ganoon ba, pero di ko na babanggitin ang pangalan nila. Pero ang katunayan, tayo lang ang ganito, malawak ang ownership base, malawak ang pag suporta sa Philippine Veterans Bank. Dahil sa ganoon, nagkaroon tayo ng bagong Charter na magbibigay ng mas malaking tsansa na magkaroon tayo ng malaking tinatawag nilang pundo, para masuportahan ang Philippine Veterans Bank. Ito yong tinatawag nilang Capital. Nakalagay sa Charter na ang "Capital ng Veterans Bank ay aangat hanggang sa Sampung Bilyong Piso. Ngayon, kulang ng mga Tatlong Bilyong Peso ang ating Capital. Ngunit pag isipan ninyo, pag inabot natin yang Ten Billion, napakalaki na ng Philippine Veterans Bank at lalo nating matutulungan ang mga Beterano at lalo po tayo magkakaroon ng panahon upang mabayaran na ang inaantay Ninyo na mga dibidendo at iba pang benefits na mararanasan ninyo sa isang malakas na Philippine Veterans Bank. Bukod pa doon, tayo ay isang Designated Government Depository Bank. Tatatlo lang yan, Land Bank, Development Bank of the Philippines at Philippine Veterans Bank. Sa tatlong yan, isa lang ang bangko na ang nagmamay-ari ay pribado at mga bayani, walang iba kung hindi ang mga Beterano ng ating lipunan.

Sa dadating na mga panahon, ang gagawin po natin ay ipoposisyon ang ating Philippine Veterans Bank, upang maging priority Bangko ng lahat ng Beterano, sa lahat ng Militar, sa lahat ng nasa Philippine National Police, at dahil sa ganoong kalawak na sasali sa business ng Philippine Veterans Bank ay lalong lalakas ang ating Bangko. Ngunit pinag ukulan ko po na mailagay sa ating Charter na maski imbitahan natin ang ibang Beterano na makasali po sa business ng Philippine Veterans Bank, ang prayoridad ng Philippine Veterans Bank ay palaging World War II Veterans, their Spouses at tsaka ang mga SDAI. Kayo po ang nagsimula ng bangkong ito, kayo po ang kasama namin upang mapalakas itong bangko, at hindi natin makakalimutan na ang mga Beterano ng World War II ay siya lamang Beterano na lumaban sa dayuhan na gustong sumakop sa ating bansa. Sila lang. Kaya po dapat, tama lang na kayo ang mabigyan natin ng prayoridad.

Sa palagay ko po, sa mga dadating na panahon, siguro sa kabuuan ng susunod na administrasyon, baka mas maaga pa ang Philippine Veterans Bank na magiging isa sa pinakamalaki at malakas na bangko sa bansa. Lalong lalo na pag nagsamasama lahat ng Beterano katulad ng sinasabi ni BBM, magkaroon po tayo ng "UNITY". Wala ng ayaw ayaw, inggitan sapagkat pag tayo ay sama sama lahat tayo ay makakaranas ng mas magandang kinabukasan at katatagan. Ayon po ang ating inaasahan at malakas po ang aking loob na magagawa natin ito. Hindi lang dahil napakagaling ng suporta ninyo. Napakalakas din at napakagaling ng ating kasama sa Board of Directors ng Philippine Veterans Bank. At lalo pang lumalakas ang loob ko sapagkat baka hindi ninyo alam, na ang Author, sabagay medyo nasabi na ni Congressman Ray Mendoza, ng ating Charter, ang bagong Charter, ay walang iba kung hindi ang ating magiging Speaker ng House of Representatives. Dadating sana sya, kaya lang sa last minute, tinawag sya sa mas importanteng meeting. Pero pagisipan ninyo yan. Ang suporta natin ay nanggagaling mismo sa Author ng ating Charter ng walang iba kundi ang magiging Speaker. Kasama rin doon sa nag Author ng ating Charter ay walang iba kundi si Congressman Ray Mendoza. Hindi ko po alam kase, sapagkat ngayon, haka haka lang, balibalita, na ang nagsugod ng ating Charter sa Senado ay si Senador Miguel Zubiri, na siya ang nababalitang baka sumunod na Presidente ng ating Senado. Pag yun po ang nangyari, meron tayong maaasahang tulong galling sa Speaker at galing sa Senate President. Ano pa masasabi ko kung hindi, baka hindi ninyo alam, na isang SDAI at isang registered Stockholder ng Philippine Veterans Bank ay may tatlong initials, ito po ay "BBM". Kaya po ano pa masasabi ko kundi malaki ang ating kompiyansa, yong kalakasan ng Veterans Bank ay mapupuna sa mga dadating na taon at madaming magugulat. Sapagkat gagapang tayo na walang masyadong ingay, sapagkat tayo ay mga Guerilla, di ba? Kailangan sa mga Guerilla na gumapang ng walang ingay habang tumutungo sa gusto nilang objective at tagumpay. Bago pa malaman ng mga ibang bangko ang competition kung ano ba? Aba'y nandoon na tayo. At sasabihin nila "Ha!?", akala namin itong Philippine Veterans Bank ay isang saling pusa lang sa mga Bangko. Eh ngayon, naging isang higante na at dahil ang mga miyembro nyan ay walang iba kundi ang mga matatapang na Beterano, mga Guerilla, mga Bayani ng lipunan, aba medyo mahirap kabangga. Yun ang plano, at yun po ang pangako namin na mangyayari sa susunod na mga taon at hindi ninyo kailangang maghintay ng sampung taon, sa palagay ko bago matapos ang susunod na administrasyon, ay makikita na ninyo ang bagong malaki, malakas, matatag, makakatulong ng husto sa mga pangangailangan ng mga Beterano, lalo na ng mga Beterano ng World War II, at yan po dapat ang ginagawa ng malakas na Philippine Veterans Bank.

Maraming Salamat po sa inyong lahat. Mabuhay po kayo lahat! Mabuhay ang mga Beterano! Mabuhay ang mga Spouses ng mga Beterano! Mabuhay ang mga SDAI! At isulong natin ng sama sama ang katatagan at kalakasan ng Philippine Veterans Bank! Marami pong Salamat!

PROOF OF DUE NOTICE OF MEETING

The Board Secretary informed the Stockholders present that in accordance with the provisions of the Amended By-Laws, Notices of the Annual Stockholders' Meeting were sent to each and every stockholder whose certificates had already been delivered at their last known addresses, whereas, the Notices of the Annual Stockholders' Meeting for stockholders with undelivered shares were sent to the Board of Trustees of the Veterans of World War II (BTVWWII), while the Notices of the Annual Stockholders' Meeting for stockholders with incomplete addresses and those who can no longer be located in their last declared addresses, were sent/delivered to the Veterans Federation of the Philippines thru its Vice-President for Administration/ Secretary General and District Presidents nationwide.

In addition, the Notice of the Annual Stockholders' Meeting was published in the **May 13, 2022** and **May 27, 2022** issues of the Philippine Star and the Pilipino Star Ngayon, both newspapers of general circulation.

DETERMINATION AND CERTICATION OF PRESENCE OF A QUORUM

The Board Secretary announced that there were **634** stockholders present representing **45,354** common shares and **6,420** preferred shares. In addition, **238,373** stockholders owning **15,472,339** common shares and **2,386,410** preferred shares were represented by their duly authorized proxies/representatives. The undelivered shares consisting of **33,149** common shares and **33,149** preferred shares were represented by the Board of Trustees of the Veterans of World War II as provided for under Section 8 of Republic Act (RA) No. 7169 and RA No. 11597.

The Board Secretary certified the presence of a quorum after stating that stockholders owning **15,550,842** common shares and **2,425,979** preferred shares or **68%** of the outstanding common and preferred shares were present and/or represented by their duly authorized proxies/representatives.

Thereafter, Chairman of the Board and Chairman of the Stockholders Meeting, Mr. Roberto F. De Ocampo, will then appointed the Floor Leaders: Gen. Joel A. Cabides, President of Eastern Samar Veterans District, Region VIII, and Col. Hannibal S. Lipardo, President of Region VI, Veterans Region, and the Secretary of the Meeting: Atty. Jocelyn Grace N. Navato.

READING AND APPROVAL OF THE MINUTES OF THE PREVIOUS MEETING

Floor Leader Joel A. Cabides moved to dispense with the reading of the minutes of the last Annual Stockholders' Meeting held on September 10, 2021, copy of which was published in the PVB Official Website. Upon motion made by Floor Leader Joel A. Cabides and seconded by Floor Leader Hannibal Lipardo, the stockholders approved unanimously the following resolution:

RESOLUTION NO. 2022-0I(ASM)

> "**RESOLVED**, as it is hereby resolved, to approve, and the same is hereby approved, the minutes of the Annual Stockholders' Meeting held on September 10, 2021. "

ANNUAL REPORT OF THE PRESIDENT

President Renato A. Claravall delivered his annual report to the stockholders, which we quote, as follows:

> " Magandang hapon po sa inyong lahat!
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> Natutuwa po ako na makita muli kayong lahat. After two years, we are finally able to hold our Annual Stockholders Meeting physically and we are able to meet and greet one another face to face. Sigurado po ako na ang ating Annual Stockholders Meeting ay magiging tanging reunion para sa ating mga anak o apo ng mga magigiting na beterano ng World War II.
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> The global covid-19 pandemic, has truly changed our lives, it is a once in a lifetime event. All around the world, health concerns forced cities to lock down and economic activities slowed to a level unseen for decades. Last year, we still had to cope with the surge of cases because of new variants. Businesses suffered, and some even had to close down.

The good news is that Veterans Bank's deposits remained high at 48.75 billion Pesos by end of 2021, which is even higher than the previous year's deposit level of 46.7 billion Pesos. For this we are thankful to you and many of our depositors. Because of your trust and confidence, PVB continues to have a high level of liquidity.

However, many of our clients were not spared the harsh effects of the pandemic and this has adversely affected our lending business, the main source of income for the Bank. New loans were also hard to come by brought about by the risks and uncertainty of the pandemic. Nonetheless, the Bank was able to retain its corporate loan portfolio level at P 13.98 billion as of end 2021.

During the covid-19 pandemic, people have started to embrace alternative banking channels. Towards this end, I am pleased to report that PVB has successfully migrated to a new and more robust core banking system. This new system will not only serve as a platform to create new services such as mobile and online banking but will allow the Bank to function more efficiently in its day to day banking operations.

In terms of our ATM network, we were able to expand from 146 ATMs as of end 2020 to 191 units by December 2021 as well as replace the older units. Almost all of these are offsite ATMs for the benefit of our LGU clients and their communities.

Indeed, many more can be done by Veterans Bank in servicing the needs of our banking clients and thereby deliver the results to you, our stockholders. We are however limited by the Bank's charter embodied in Republic Acts 3518 and 7169. As these were penned by our legislators over half a century ago, it has inhibited the potential and expansion of Veterans Bank, especially with the more recent developments in banking regulations and technology.

With opportunities that became, the initiative to amend PVB's charter became a major effort last year led by our very own Chairman Bobby de Ocampo who had presented proposed amendments in the PVB Charter. After much discussions and deliberations in both houses of Congress, Veterans Bank made history as President Rodrigo Duterte signs into law Republic Act 11597, otherwise known as the "Philippine Veterans Bank Act" last December 10, 2021. This new law will revitalize the Bank with the increase of the Bank's authorized capital from P100 million to P10 billion. It also allows post-WWII veterans and AFP Retirees to own PVB shares of stock.

With this new Bank Charter and the reopening of the economy, capital raising will be our top priority. We have been discussing this with you for some time now with the Stock Rights Offer which has been extended up to the end of this month.

The capital raising efforts will prioritize the original stockholders, the World War II veterans and their heirs, then followed by AFP Retirees and other post-war veterans and other investors. This means the Bank will be embracing a wider veteran community that will include AFP retirees and their families.

With all these exciting developments and a new Government Administration coming, I am confident that we can finally realize the full potential of the Veterans Bank franchise.

As I close, I would like to thank the Board of Directors led by our Chairman Bobby de Ocampo for their continued guidance and wisdom. May I also express my appreciation to our officers and staff, especially our branch frontliners, for your commitment and dedication through another difficult year. My thanks also goes to our clients and partners who have stayed by our side and continued to extend their trust and confidence. But most of all, I want to thank you, our shareholders, the World War II veteran community for your continued support.

Maraming salamat po sa inyong lahat."

Upon motion of Floor Leader Joel A. Cabides, duly seconded by Floor Leader Hannibal Lipardo, the following resolution was unanimously approved:

RESOLUTION NO. 2022-02(ASM)

*"**RESOLVED**, as it is hereby resolved, to approve, and the same is hereby approved, the Annual Report of President Renato A. Claravall."*

RATIFICATION OF ALL ACTS AND PROCEEDINGS OF THE BOARD OF DIRECTORS, MANAGEMENT AND CORPORATE OFFICERS ACTING WITHIN THE SCOPE OF THEIR DESIGNATED AUTHORITY SINCE THE 2021 ANNUAL STOCKHOLDERS' MEETING UP TO THE DATE OF THIS MEETING INCLUDING THE APPROVAL OF PVB'S REQUEST FROM BSP TO INVEST IN NON-FINANCIAL ALLIED ENTERPRISE ENGAGED IN INSURANCE BROKERAGE, AND ALL THE MATERIAL RELATED PARTY TRANSACTIONS.

On motion of Floor Leader Joel A. Cabides, duly seconded by Floor Leader Hannibal Lipardo, the stockholders unanimously approved the following resolution:

RESOLUTION NO. 2022-03(ASM)

"**RESOLVED,** as it is hereby resolved, to approve, confirm and ratify all the resolutions and acts of the Board of Directors, Management and Corporate Officers acting within the scope of their designated authority since the 2021 annual stockholders' meeting up to the date of this meeting including the approval of PVB's request from BSP to invest in non-financial allied enterprise engaged in insurance brokerage, and all the material related party transactions."

AMENDMENT OF THE AMENDED ARTICLES OF INCORPORATION (AOI) AND AMENDED BY-LAWS (BL) IN ORDER TO (A) CONFORM TO THE PROVISIONS OF THE NEW PVB CHARTER, R.A. 11597; B) REFLECT THE INCREASE IN AUTHORIZED CAPITAL STOCK; AND C) INCLUDE THE FEATURES OF PREFERRED SHARES

The Corporate Secretary presented the proposed amendments to the Articles of Incorporation and By-Laws, specifically: (a) amendments to conform to the provisions of the New PVB Charter; (b) increase in Authorized Capital Stock by Php 5.0 Billion, or from Php 10.0 Billion to Php 15.0 Billion; and (c) features of Preferred Shares.

On motion of Floor Leader Joel A. Cabides, duly seconded by Floor Leader Hannibal Lipardo, the stockholders present and represented in the meeting unanimously approved the following resolutions:

RESOLUTION NO. 2022-04(ASM)

"**RESOLVED**, as it is hereby resolved, that the following provisions of the Amended Articles of Incorporation of Philippine Veterans Bank are hereby revised and amended in order to conform with the provisions of the RA 11597 and other regulatory issuances as follows:

'KNOW ALL MEN BY THESE PRESENTS:

THAT WE, all of legal age, citizens and residents of the Philippines, have on this day voluntarily adopted these Articles of Incorporation of the Philippine Veterans Bank, which have been necessitated by the repeal of its original Charter, Republic Act No. 3518, by Republic Act No. 11597, and for all legal intents and purposes.

ARTICLE III
LEGAL EXISTENCE

That the legal existence of the Bank shall be perpetual in accordance with Section 11 of Republic Act No. 11232.

ARTICLE IV
CORPORATE PURPOSES AND POWERS

Section 2. The Philippine Veterans Bank shall be a corporate body and shall have the power:

a) xxx;

b) xxx;

c) xxx;

d) To carry on a trust business subject to compliance with pertinent provisions of laws and in accordance with the applicable Bangko Sentral ng Pilipinas (BSP) rules and regulations;

e) To grant loans and advances in accordance with Republic Act No. 8791, otherwise known as "The General Banking Law of 2000", and the BSP rules and regulations with preference given to veterans defined in Section 6(a) hereof;

f) To invest in stocks and other investment instruments in accordance with Republic Act No. 8791 and the BSP rules and regulations;

g) To issue bonds and other certificates of indebtedness in accordance with Republic Act No.8791 and the BSP rules and regulations;

h) xxx;

i) xxx;

j) To create and/or make equity investments to subsidiaries and affiliates or privately-owned financial institutions, subject to such limitations prescribed by Republic Act No. 8791 and the BSP rules and regulations;

k) To exercise the powers granted under Republic Act No. 11597 and such incidental powers as may be necessary to carry on and engage in the business of general banking; and

l) To exercise the general powers mentioned in Republic Act No. 11232, otherwise known as the "Revised Corporation Code of the Philippines" and Republic Act No. 8791, insofar as they are not inconsistent or incompatible with the provisions of Republic Act No. 11597.

Article V
AUTHORIZED CAPITAL STOCK

Section 1. The capital stock of the Bank shall be Ten billion pesos (P10,000,000,000.00) divided into seventy-five million (75,000,000) common shares and twenty-five million (25,000,000) preferred shares with a par value of One Hundred pesos (P100.00) each. The Board of Directors and stockholders are hereby authorized to increase the authorized capital stock and provide the features of preferred shares, subject to pertinent laws and the rules and regulations of the BSP and Securities and Exchange Commission (SEC).

Section 2. The seventy-five million (75,000,000) common shares shall include:

a) the original five hundred ten thousand (510,000) common shares subscribed and fully paid by the government for and in behalf of the World War II veterans and was already issued/transferred to the said veterans;

b) the stock dividends on common shares issued to the stockholders; and

c) the common shares issued to the stockholders representing subscription on increases in the authorized capital stock, common, approved by the SEC as of the date of the effectivity of Republic Act No. 11597.

The unsubscribed balance shall be opened for subscription by the existing stockholders and the other veterans entitled to benefit from Republic Act No. 11597 as adopted under Article VI hereof.

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Section 3. The twenty-five million (25,000,000) preferred shares shall include:

a. the original four hundred ninety thousand (490,000) preferred shares subscribed and fully paid by the veterans;

b. the stock dividends on preferred shares issued to the stockholders; and

c. any preferred shares under RA 3518 that remain unissued.

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Section 4. The unsubscribed shares on increases in the authorized capital stock, preferred, approved by the SEC as of the date of effectivity of Republic Act No. 11597, shall be opened for subscription by the existing stockholders and the other veterans entitled to benefit from Republic Act No. 11597 as described in Article VI hereof.

The transfer of the share/s of a veteran to the widow, orphan or compulsory heir of a veteran by way of succession or donation shall not be subject to tax.

Shares may be opened for investment to non-veterans: Provided, That at all times the majority of the common shares shall be held by the veterans as defined under RA No. 11597.

ARTICLE VI
DETERMINATION OF VETERANS ENTITLED TO THE BENEFITS OF REPUBLIC ACT NO. 11597

Section 1. The following provisions of Section 6 of Republic Act No. 11597 in the determination of veterans entitled to the benefit of said law are hereby adopted, to wit:

a) The term "veteran or veterans" shall include primarily any person or persons who served in the regularly constituted air, land, or naval services or arms, or in such non-regularly organized military units in the Philippines during World War II, and whose services with such units are duly recognized by the Republic of the Philippines or by the Government of the United States of America: Provided, That for the purpose of the Charter, the term "veteran or veterans" also includes the widow, orphan, or a compulsory heir of a deceased veteran, as determined by existing laws; and those veterans referred to under Republic Act No. 6948, as amended by

Republic Act No. 7696 and Republic Act No. 9396: Provided, That post-World War II veterans and AFP retirees shall enjoy the benefits and privileges provided under Republic Act No. 11597 after they have invested in Philippine Veterans Bank.

b) The term "organized or acknowledged veterans' organizations" as used in the Charter shall mean a veterans organization duly recognized or acknowledged as such by the Philippine Veterans Affairs Office (PVAO) and the Armed Forces of the Philippines (AFP), both of which shall keep an official roster of such veterans organizations.

c) The share of each beneficiary, war veteran or widow, orphan or compulsory heir of a deceased veteran, in the distribution of the benefits and in the ownership of shares, will be equal, regardless of rank and services rendered: Provided, That in the case of orphan or orphans of a deceased veterans, they shall be counted as one (1) unit only and the share of all of them regardless of their number will be the same or equal to that of a surviving war veteran or surviving widow."

RESOLVED, FURTHER, that the following provisions in the Amended Articles of Incorporation are hereby **deleted** in order to conform with the intent and provisions of RA 11597:

ARTICLE IV
BOARD OF DIRECTORS

Section 1.b The President of the Veterans Federation of the Philippines, if he is a qualified stockholder of the Bank, will automatically be nominated as member of the Board of Directors and the Chairman thereof.

ARTICLE VIII
RESTRICTION OF SALE/TRANSFER OF SHARES OF STOCK

The sale or transfer of a share of stock of a veteran, widow, orphan or compulsory heir of a veteran to a party not a veteran, widow, orphan or compulsory heir of a veteran shall not be allowed under any circumstances. Any share may be sold or transferred to the Bank which shall issue the same to the stockholders who are veterans, their widows, orphans or compulsory heirs. (As amended on November 15, 1996).

RESOLVED, FURTHER, that the following provisions of the Amended By-Laws of the Philippine Veterans Bank are hereby revised, as follows:

'ARTICLE III
STOCKHOLDERS' MEETING

Section 1.a.) The election of the directors shall be held in annual meeting of the stockholders every third Friday of June of each year at 2:00 o'clock in the afternoon at such place within Metro Manila, Philippines as may be fixed by majority vote of the Board of Directors, unless the same is a legal or special holiday, in which case, it shall be held on the next succeeding business day. Notice of such meeting shall be delivered personally or by mail, postage prepaid, or through electronic mail at least twenty-one (21) calendar days prior to the date thereof addressed to each stockholder at his address appearing in the books of the corporation, unless the SEC prescribes a different or alternative mode and manner of the sending or publication of such Notice. Likewise, notice of such meeting shall be published in two newspapers of general circulation at least twenty-one (21) days before the date of the meeting. In such notice, there shall appear, in addition to the date, hour, and place of the meeting, a statement of the matters to be taken up at such meeting. Nominations for directors must be submitted to the Secretary at least thirty (30) days before the meeting commences.

ARTICLE IV
BOARD OF DIRECTORS

Section 1. The corporate powers of the corporation shall be vested and exercised, its business conducted, and its property controlled by, a Board of Directors composed of fifteen members, all of whom shall be citizens of the Philippines.

Section 2. Regular Meeting. Unless otherwise determined by the Board, the Board of Directors shall hold regular meetings with or without notice on every first Tuesday of the month at the head office of the corporation. The date of the meeting shall be determined by the Chairman of the Board. Should the date appointed for the regular meeting fall on a legal or a special holiday, the meeting shall be held at the same hour on the succeeding business day.

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Section 9. No member of the Board of Directors, except the President, shall be eligible to occupy any executive position in the Bank unless allowed under BSP regulations.

ARTICLE VII
APPOINTMENT, REMOVAL, COMPENSATION
POWERS AND DUTIES OF OFFICERS OF THE CORPORATION

Section 1. The Executive Officers of the corporation shall be:

a) The Chief Operating Officer of the Bank shall be the President who shall be chosen by the Board of Directors.

b) The Vice Presidents who shall be elected and may be removed by the Board of Directors. The President and Vice Presidents shall possess practical experience in banking and finance as top executives, at least (10) years for the President and at least (5) years for the Vice Presidents. The salaries of the President and the Vice Presidents shall be reasonable, and shall be set and approved by the Board of Directors in accordance with applicable laws and sound corporate governance practices.

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g) Other Officers. All other officers of the Bank shall be appointed and removed by the Board of Directors upon recommendation of the human resources committee of the Board: Provided, however, That all other circumstances being equal, preference in the appointment of the said Veterans Bank officers shall be given to veterans, or their widows, orphans or compulsory heirs, who must likewise possess the qualifications, integrity, experience and expertise in banking and finance under pertinent BSP rules and regulations. Said officers shall have duties and compensation which shall be set by the human resources committee with the approval of the Board of Directors.

Section 3. Duties and Powers of the President. The President of the Bank shall execute and administer the policies, measures, orders, and resolutions approved by the Board of Directors, and direct and supervise the operation and administration of the Veterans Bank.

The President shall have the power and duty to:

a) Approve loans, investments, and other instruments in accordance with Republic Act No. 8791 and the existing BSP rules and regulations: Provided, That the total amount of such loans, investments, and other instruments shall not exceed five percent (5%) of the paid-up capital and surplus: Provided, further, That any loan, investment, and other instrument in excess therewith shall be approved by the Board of Directors;

b) Make, with the advice and consent of the Board of Directors, all contracts on behalf of the Veterans Bank and enter into all necessary obligations that the Charter requires or permits;

c) Report monthly to the Board of Directors the main facts concerning the operations of the Veterans Bank during the preceding month and to suggest changes in rates of discount of interest, exchange, or policy which to him may seem best; and

d) Exercise such other powers and perform such other duties as may be directed by the Board of Directors from time to time.

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Section 6. Legal Counsel. The Bank shall have its own legal department, the chief and members of which shall be appointed by the Board of Directors. The Board may engage the professional services of private external legal counsel whenever deemed necessary.

Section 7. The Auditor. The Bank shall have its own auditing department, the head of which shall be appointed by the Board of Directors preferably from among recognized veterans or their heirs of good standing who are certified public accountants and with actual experience in the work of a comptroller or auditor. The auditor shall not suffer any diminution in salary during the auditor's term of office, and may not be removed except for cause.

The auditor shall make a report to the Board of Directors and to government regulatory authorities on the condition of the Veterans Bank. The Board of Directors shall set the frequency of submission of the auditor's report to the Board, subject to BSP rules and regulations.

ARTICLE IX
DISPOSITION OF PROFITS

Section 1. At the close of each calendar year, the Bank shall include in the determination of its net profit the provisions for impairment allowances, in accordance with pertinent BSP rules and regulations, and the net profit arrived thereat shall be allocated, as follows:

a) Twenty percent (20%) of such net profit shall accrue to the reserve account; and

b) From the remaining amount of the net profit after deducting the amount accrued to the reserve account shall be deducted the guaranteed earnings of the preferred shares and the ten percent (10%) dividends on common shares; Provided, however, That the declaration of these dividends shall be out of the unrestricted and free retained earnings in accordance with the pertinent provisions of Republic Act No. 11232, Republic Act No. 8791, and the BSP rules and regulations.

c) Thereafter, twenty percent (20%) of the net profit deducting the guaranteed earnings of the preferred shares and the ten (10%) dividends on common shares, or the amount of Thirty million pesos (P30,000,000.00), whichever is lower, shall be paid in cash to the Board of Trustees of the Veterans of World War II (BTVWWII) as provided in the Charter for disposition and shall be available for 'grants-in-aid' to veterans, their widows, orphans, or compulsory heirs, for educational, social, charitable, and rehabilitation purposes, to organizations doing services for the cause of the veterans, and for such other purpose beneficial to the veterans, which maximum limit may be increased upon mutual agreement between the Veterans Bank and the BTVWWII: Provided, that the latter shall render an accounting of the funds received from the former and shall be audited annually by a reputable external auditing firm.

d) The remaining profits shall be at the disposition of the Board of Directors of the Bank in accordance with the pertinent provisions of Republic Act No. 11232, Republic Act No. 8791, and the BSP rules and regulations.

RESOLVED, FURTHER, that the following provisions of the Amended By-Laws of the Philippine Veterans Bank are hereby deleted in order to conform with the intent and provisions of RA 11597:

Article II
CAPITAL STOCK

Section 3. Transfer of Shares of Stocks.

a) Whenever a stockholder wishes to transfer his shares of stock to another qualified stockholder, he must transfer both his original common share and the stock dividends earned by it, as well as his original preferred share and the stock dividends earned by it. Only transfer of shares made in accordance with this provision and other pertinent provisions of the Amended Articles of Incorporation and Amended By-Laws shall be accepted and recorded in the Stock and Transfer Book of the corporation.

Article IV
BOARD OF DIRECTORS

Section 1.b The President of the Veterans Federation of the Philippines, if he is a qualified stockholder of the Bank, will automatically be nominated as member of the Board of Directors and the Chairman thereof.'

RESOLVED, FURTHER, that the Amended Articles of Incorporation and Amended By-Laws, as revised hereunder, are hereby renumbered."

RESOLUTION NO. 2022-05(ASM)

"**RESOLVED**, as it is hereby resolved, that the following provision of the Amended Articles of Incorporation of Philippine Veterans Bank is amended as follows:

Article V
CAPITAL STOCK

Section 3. On top of the increase in capital stock under RA 11597, there shall be an additional capitalization of Five billion pesos (Php 5,000,000,000.00) consisting of fifty million

(50,000,000) common shares with par value of One hundred pesos each, thereby resulting in a total capitalization of Fifteen billion pesos. These additional common shares shall also be opened for subscription to existing stockholders, other veterans entitled to benefit from Section 6(a) of Republic Act No. 11597, and non-veterans."

RESOLUTION NO. 2022-06(ASM)

"**RESOLVED**, as it is hereby resolved, that Article V of the Amended Articles of Incorporation of Philippine Veterans Bank is hereby amended and revised as follows:

Article V
AUTHORIZED CAPITAL STOCK

Section 5. Preferred shares shall be non-voting and shall have the priority in case of liquidation or insolvency. The preferred shares shall be classified as "Series A Preferred Shares" and "Series B Preferred Shares":

a. The Series A preferred shares of stock consist of the original 490,000 preferred shares issued under RA 3518 and the stock dividends issued on these shares; they shall be guaranteed a dividend of eight percent (8%) annually from the net profits.

b. The Series B preferred shares of stock are perpetual, cumulative, non-participating, convertible, and are callable by the Bank within five (5) years from issue date based on the issue price. The Board shall have the authority to establish and designate each particular issuance or subseries of Series B preferred shares, to fix the number of shares to be included in each of such issuance or subseries, and to determine the dividend rate, coupon rate, issue price, and other features as well as other terms and conditions for each issuance or subseries of shares.

c. The Series B preferred shares shall, as applicable, be subject to the terms and conditions promulgated by the BSP.

RESOLVED, FURTHER, that Article II of the Amended By-Laws is hereby amended as follows:

Section 6. Preferred shares of stock which are non-voting shall be subscribed as provided for in RA 3518, and shall be divided into "Series A preferred shares" and "Series B preferred shares". The holders of Series A preferred shares are guaranteed a dividend of eight percent (8%) annually from the net profits. Both series of preferred shares shall have priority in case of liquidation or insolvency.

Section 7. The Series B preferred shares of stock may be issued from time to time in one or more issuances as may be determined by the Board. The Board shall have the authority to establish and designate each particular issuance or subseries of Series B preferred shares, to fix the number of shares to be included in each of such issuance or subseries, and to determine the dividend rate, coupon rate, issue price and other features as well as other terms and conditions for each issuance or subseries of shares."

APPOINTMENT OF EXTERNAL AUDITOR

On motion of Floor Leader Hannibal S. Lipardo, duly seconded by Floor Leader Joel A. Cabides, the stockholders present and represented in the meeting approved unanimously the following resolution:

RESOLUTION NO. 2022-07(ASM)

"**RESOLVED**, as it is hereby resolved, that of Punongbayan & Araullo (P&A Grant Thornton) is hereby appointed as the External Auditor of the Philippine Veterans Bank for the year 2022."

ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS

The Chairman of the Board and Chairman of the Stockholders' Meeting, Mr. Roberto F. De Ocampo, announced that the next item in the Agenda is the election of the eleven (11) members of the Board of Directors. He then requested the Secretary of the Meeting to read the names of the stockholders nominated as members of the Board of Directors.

As read, there are eleven (11) stockholders who were nominated as members of the Board of Directors of the Bank, namely:

1. Gerardo Manuel Luis B. Anonas
2. Renato A. Claravall
3. Roberto F. De Ocampo
4. Francisco S. Magsajo Jr.
5. Michael Democrito C. Mendoza
6. Jose A. Nuñez Jr.
7. Guillermo L. Parayno Jr
8. Percianita G. Racho
9. Cesar A. Rubio
10. Ma. Cecilia G. Soriano
11. Reynaldo V. Velasco

The Chairman of the Board and Chairman of the Stockholders' Meeting, Mr. Roberto F. De Ocampo, thanked outgoing Directors Nieves R. Confesor and Judith V. Lopez, whose terms as Independent Directors have expired in accordance with BSP regulations, and extended the Bank's appreciation for their contributions for their nine (9) years with PVB. He then announced that the voting for the eleven (11) members of the Board of Directors will continue until 3:00 p.m.

Thereafter, the stockholders proceeded to cast their votes (many have cast their votes earlier) for the eleven (11) members of the Board of Directors.

As tallied by SGV & Co., the result of the voting is as follows:

	Candidate Name	**Total Votes**
1	De Ocampo, Roberto F.	348,332
2	Racho, Percianita G.	190,587
3	Mendoza, Michael Democrito C.	183,149
4	Soriano, Ma. Cecilia G.	172,815
5	Parayno, Guillermo, Jr. L.	166,180
6	Nuñez, Jose Jr. A.	164,180
7	Velasco, Reynaldo V.	163,993
8	Anonas, Gerardo Manuel Luis B.	160,553
9	Claravall, Renato A.	160,526
10	Rubio, Cesar A.	158,462
11	Magsajo, Francisco Jr. S.	153,229

On the basis of the said election results duly certified by the COMELEC, on motion of Floor Leader Joel A. Cabides, duly seconded by Floor Leader Hannibal Lipardo, the following were declared duly elected members of the Board of Directors of the Philippine Veterans Bank for 2022-2023 or until their successors shall have been elected and qualified, hence, the following resolution approved unanimously by the stockholders present and represented in the meeting:

RESOLUTION NO. 2022-08(ASM)

"**RESOLVED,** as it is hereby resolved, to elect the following as members of the Board of Directors for 2022-2023 term, namely:

De Ocampo, Roberto F.
Racho, Percianita G.
Mendoza, Michael Democrito C.
Soriano, Ma. Cecilia G.
Parayno, Guillermo, Jr. L.
Nuñez, Jose, Jr. A.
Velasco, Reynaldo V.
Anonas, Gerardo Manuel Luis B.
Claravall, Renato A.
Rubio, Cesar A.
Magsajo, Francisco Jr. S."

ADJOURNMENT

There being no other matters to be taken up, on motion duly made and seconded, the annual stockholders' meeting was adjourned at 4:00 p.m.

CERTIFIED TRUE AND CORRECT:

[redacted]

JOCELYN GRACE N. NAVATO
Board Secretary &
Secretary of the Stockholders' Meeting

ATTEST: [redacted]

ROBERTO F. DE OCAMPO, OBE
Chairman of the Board &
Chairman of the Stockholders' Meeting