

BOARD APPROVALS & RESOLUTIONS IN 2016

JANUARY

- 1 Ars Retirement Fund was approved to be invested under Sunlife Financial
This is to give a better rate of investment than mere placement of the fund in the bank.

FEBRUARY

- 2 Approved that the ceiling amount for the Financial Assistance for Staff is P20K except for five senior staff of which the ceiling amount is based on their last salary amount as of 2014.
- 3 Approved additional amount of investments on stocks worth P5M to COL and P5M to Abacus Securities. The increase of allowable amount of stock investment reserves the possibilities of immediate buyings before the National Election in May.

MARCH

- 4 Approved Rate of Dividends to PF Members are as follows:

* Dividend Rate for the Participating member	13.4%
* Dividend Rate for the Non-Participating member	10.5%

The above rates are presumably rewarding not only to non-participating member but more importantly a higher rate @13.4% for member patronizing PF Equity Loan.

APRIL

- 5 Approved to acquire a Toyota Fortuner unit for the official use of both Praxis Fides MBI & Petri Fidelis Farm. This unit is for rent to Petri Fidelis Corp. @ P2,500/day. Petrifidelis will shoulder the expenses for gas, toll fees, parking fee & the like.
- 6 Approved to place P5M to AUB as additional cash reserves to PF "Guarantee Fund". Increase in guarantee fund on a yearly basis shall help the association promptly match the required guarantee fund versus total equities in the future years.
- 7 Approved to hire a Human Resource Personnel for three (3) months. The purpose of putting up an HR is to help the association in ensuring that human resources & its concerns are well developed & handled.

MAY

- 8 Approved to place P5M with a Time Deposit rate @4.5% p.a. to Paschal Multi - Purpose Cooperative. This aims to increase earning from short-term placements.

JUNE

- 9 Approved to require an initial P5K worth of Cash Bond per Area Representative. This initial AR Bond funding shall protect Ars handling of OR booklet and cash collection from member. Both old and new Ars are required to submit / pay

contributions by the end of July 2016. Upon retirement or earlier termination of an AR this AR Bond and each share and its interest income shall be received by the AR.

10 Approved a transfer of P1M from UCPB to RCBC Savings Bank.

This P1M current fund of AR's Benefit Fund out of P1.365M will be temporarily placed under RCBC Saving at a rate of 1.325% p.a. until a better placement rate is available.

11 Resolved that a New Interest Rate for collateralized loans be approved.

This aims at giving a more competitive loan interest rate for PF member-borrowers than loan rates offered by other financial institutions like coops, lending & banks (Rural, Thrift, Commercial)

Purpose	Old Rate	New Rate
Business Loans	16%	14%
Provident/ Housing	12%	10%
Workforce Loan	10%	8%

JULY

12 Approved that aside from the initial AR Bond @ P5K per AR, The AR Bond Fund has the following sources to be added into it.

12.1 Ars Retirement Fund - Ars assembly budget, Ars monthly share & co. share.

12.2 Ars Bond Contribution depending on the 50% required bond vs. Ars 6mos previous MC production. A maximum 3 yr term to comply with the funding was also recommended by the Audit Committee.

A booklet per AR containing the above contributions to the fund will be provided , a regular reporting regarding this fund will also be reported to Acs during AC meeting.

13 With the recommendation by the Compensation Committee the 5S Program in the PF Office was approved to ensure & promote orderliness, cleanliness & safety in the PF employees work area. It was approved that a department with the most number of merits (earned points) will receive an incentive in kind every year end.

AUGUST

14 It was resolved that the company's existing Montero vehicle will be the one to be rented by Petrifidelis Corp at a rate of P2,500 (inclusive of the driver's pay of P700) per day. This Montero unit will also be used by Praxis Fides MBAI for its collection and of its other departments needing in vehicle in the accomplishment of tasks. The new Fortuner unit will be for the exclusive use of the PF MBAI GM Gener Luciano

SEPTEMBER

15 Approved that availment of PF House & Lot / Car Loan by qualified applicants for the second time/ renewal the following conditions apply:

15.1 Loan has an interest rate of 2% p.a. on balance with a maximum of 5 years term of payment.

15.2 One time availment only of the Co's participation.

15.3 Only serving to PF are entitled to this loan.

OCTOBER

16 Resolved that the 2% interest on Renewal of PF House & Lot/ Car Plan shall prevail and the rate applies on a diminishing balance. This rate is higher than the bank rates therefore it will give better return than those placed in banks.

NOVEMBER

17 Resolved that effective November 18, 2016 all approved collateral loan applications shall only be given a maximum of three (3) year term or 36 months.

This is to ensure that:

- 1 Borrower can finish paying a loan promptly without extending its term.
- 2 Release of excess loan not matched by capacity to pay will be avoided;
- 3 Future projections of receivables/ earnings not yet realizable will not form part of the borrowers' capacity to pay.
- 4 A shorter period of loan shall benefit other members of PFMBAI.

18 Resolved that borrower's capacity to pay shall be reviewed and presented in such a way that it shows only the "actual" earnings of an applicant who will shoulder the computed amortization of loan applied. Any "unrealized income" of the borrower shall not form part of the income of the applicant.

19 Approved that for collateral loan, granting of SPA is limited up to first degree only and no SPA Loans for amounts greater than equals or more than P1M

20 Approved that for collateral loans to be used for construction projects the release of loan shall be staggered based on the accomplishment of the project.

21 Approved that a completely filled-up Loan Recommendation Form from Cluster Head shall form part of the collateralized loan application.

22 Approved that PFMBAI shall no longer accept mountainous/ forest lands as security for collateral loan.

DECEMBER

23 Approved the 2017 PFMBAs' Schedule of BOT Meetings

Year 2017	Special Meeting	Regular Meeting
January	19-Jan	
February		10-Feb
March	16-Mar	
April		20-Apr
May	18-May	
June		15-Jun
July	20-Jul	
August		17-Aug

September	21-Sep	
October		19-Oct
November	16-Nov	
December		4-Dec

- 24 Approved that under the company's Risk Elimination Program the "Zero Cash Remittances by ACs/Ars to PFO and Sateiliite Offices & Acs" shall be implemented. Purpose of this is to avoid accidents that may happen whenever workforce handle cash collections.
- 25 Approved that under the PF Risk Protection Program a life insurance coverage for workforce handling cash/ collection & similar responsibilities shall be required for each AC/AR and PFO Employees. The above program will also provide insurance coverage for member of the AR Team who are already overage.
- 26 Approved the "Salary Loan" for employees with a maximum loanable amount equivalent to their retirement fund payable not more than 3 years and at 2% p.a. interest on a diminishing balance.