

Board Resolutions

(January-December 2014)

- **JANUARY**

DUHAT PROPERTY 1st Lot @ 293 sqm.

- ✓ Approved the sale of 293 sqm lot in Duhat, Bocaue to Arch. Maricris dela Cruz.

STOCK RIGHTS

- ✓ Approved to purchase the share entitlement through stock rights by BPI.

Lot in front of PFO

- ✓ Approved for clearing and construction of additional parking lot.

COMPENSATION COMMITTEE

- ✓ Approved the release of the salary adjustment resulting from EPE dated June 2013 retroactive July 2013.
- ✓ Approved also the proposed salary scheme & salary restructuring of PFO Staff.
- ✓ Approved the amendments of Provident Fund guidelines.
- ✓ Approved the 5 point targets basis for Performance Bonus.
- ✓ Approved the upgrade of cellphone load subsidy of selected AC's based on their area production.

- **FEBRUARY**

Dividend to members for the year 2013

- ✓ Approved 15% rate of dividend for 2013 (for assigned surplus, 13% and unassigned surplus, 2%) and approved of the allocations of funds.

DUHAT PROPERTY 2nd Lot @ 2899 sqm.

- ✓ Approved the proposed subdivision plan into nine (9) lots.

- **MARCH**

Pf Vacant Lot Property

- ✓ Authorized GM Gener to negotiate lease of vacant lot with 7/11 Commercial Convenient Store.

DRT Property

- ✓ Approved Rev. Fr. Nap Baltazar to manage our property.

Composition of the BOT

- ✓ Agreed to maintain the presence of at least two (2) clergy, three (3) professionals, and two (2) ACs or ARs.

Asia United Bank (AUB)

- ✓ Approved to avail the collection services offered.

Duhat Property

- ✓ Approved to sale all the subdivided lots to prospective buyers: Arch. Maricris dela Cruz, AR Jeffrey Domingo, Billboard, caretaker Jose Lucero, Dodge Big Board Mktg. and the other two more available lots.

Board of Advisors

- ✓ Approved the organization and activation of the BOA with a corresponding budget.

- **APRIL**

COMMITTEES

- ✓ Approved that the BOT Chairman is automatic member of any committee but not a head of a particular committee.
- ✓ Approved that Engr. Rodelio Cristobal will be the Head of Investment Committee and Trustee Antonio Juliano will be the Head of the Human Resource Committee.

PF External Auditors

- ✓ Approved the audit services of AMC and set a meeting before submitting the Annual Statements to IC.

Investments in Mutual Funds

- ✓ Approved to invest Php 10M to Sunlife; Php 10M to Philam and Php 5M to RCBC for at least 5 years.
- ✓ PFO Staff Retirement Fund will also be invested with this kind of Investment.

Comilang's Case

- ✓ Approved to acquire the property of Ms. Rose Comilang located at the vicinity of Mines View Park (2,362 sqm) with an estimated market value of Php 18k to Php 22k/sqm. Through the use of "Pacto de Retro" buying procedure within three (3) years (2014-2017).

Corporate Social Responsibility Initiative

- ✓ Approved the financial assistance of scholar Seminarian Jose Mari Tanola with ceiling @ Php 80,700.00 and to assign trustee interviewer for character confirmation.

Compensation Committee

- ✓ Approved the appointment of Ms. Rosanna Jose as head of the Cash Department and Ms. Mae Gaddi as Comptroller in the Accounting Department.

Education Committee

- ✓ Approved the Education Committee Workshop on May 23-25, 2014 with a corresponding budget, to evaluate and plan for PF education component (e.g. ARs Manual, ARs Training, Campaign materials, Recollection and Retreat etc.)
- ✓ Approved to give Php 1,000.00 honorarium for the speaker(s) to ARs Training/Seminar officially conducted in or out of PF office and will submit a written report (date of training, name of speaker(s), and list of participants).
- ✓ Approved to change the existing signage to a bigger one in front of our building, with 2 x ¼ angular frame costing Php 100k. But for pricing consultation to other possible bidders/signage builders.

- **MAY**

DRT Property

- ✓ Approved to request Fr. Nap Baltazar to mediate in behalf of PFMBAI with the adverse claimant named "Danilo" and talked with him regarding the claiming issue.

AR w/tax due from Loan Collection Incentive

- ✓ Approved to assign Trustee Luciana Gonzales as head of AC/AR Expanded Withholding Tax(EWT) Committee with GM Gener, Bernadette de Guzman, Monic Capablanca and Leonora San Juan as members.

Corporate Social Responsibility Initiative:

- ✓ Approved the appointment the Education Committee to head the Corporate Social Responsibility Initiative and draft the necessary requirements for accepting the applicants.
- ✓ Approved to accept only the seminarians on theology Department. Atty. Warlito Gogolin and Fr. Angel Santiago are the members of the Committee and Fr. Jonathan as resource person.

Five Points Target for Measuring Performance:

- ✓ Approved the proposal of bonus to BOT using the Five Points Target Performance yearly but with the approval of the General Assembly.
- ✓ Approved the proposal of bonus to PF Employees using the Five Points Target Performance yearly as approved during their BOT Regular Meeting.

Five (5) - Point TARGETS basis for Performance Bonus

KPA	KPI	KSF	E	VG	S	F	NI	
			(10)	(8)	(6)	(4)	(0)	
• Assets	- Asset Growth/Increase	- Ag20%	20-18	17-15	14-12	11-10	below10	
• Income	- Sources of Income Growth - Gross_Incg	25%	25-21	20-16	15-13	12-10	below10	
• Loan Releases - Equity Loans Increase	- ELg	20%	20-19	18-16	15-13	12-10	below10	
	Special Loans Increase	- SLg	40%	40-36	35-31	30-26	25-20	below20
• NPL	- Decreasing ratio of NPL versus loan portfolio	- NPL	3%	<3%	<3.5	<4	<4.5	5&Up

- URC - Detection/Elimination - URC_10% 10-9 8-7 6-5 4-3 below3 of URC cases

Purposes:

1. To promote a collective high level of variable performance among PFO staff aiming to achieve a set of key success targets and indicators based on approved yearly Operational Plan.
2. To promote fairness that when it comes to receiving a bonus on performance it is a combination of the quality of input (hard work) and the acceptability of the output (good results).
3. To specifically be goal oriented regarding the following:
 - a.) The continuous growth of the assets of the company factored by justifiable expenditures;
 - b.) Growth/Increase of the company's sources of income;
 - c.) Maximization of efforts to increase loan releases and minimize idle funds;
 - d.) Decrease if not eliminate problematic loan accounts encountered;
 - e.) Early detection and elimination of unremitted collections (URCs) and late remittances.
4. To promote better service to clients and members from among members of the operations.
5. While promoting solidarity in performing what is the best beneficial to the company enjoy a well balanced opportunity of compensation, both the fixed & the variable through a very systemic way of measurement.

Accounting Mentoring Service

- ✓ Approved to hire Ms. Lolit San Felipe to mentor the different departments regarding AS requirements not to exceed six (6) months.

Equity Transfer

- ✓ Approved to implement equity transfer up to the fourth degree only (consanguinity and affinity) parents, brothers, sisters, sons/daughters, grandsons/granddaughters.

Internal Control for MIS

- ✓ Approved to offer Mr. Dante Torres auditing services for our existing MIS.

- JUNE

Evaluation Guide for GM & Officers

- ✓ Approved to evaluate the performance of GM Gener & Officers.

ARs Commissions Income subject to tax

- ✓ Approved to require the operations to compute a commission income to ACs and ARs subject for taxation due to increase of membership collection.
- ✓ Approved to grant incentives for the top three (3) ARs with counterpart to ACs, depending on their performance.

Educational Assistance

- ✓ Approved granting Php 100k as educational assistance to performing ARs.

Proposed Amendments to Audited FS & Annual Statement

- ✓ Approved the amendment of the submitted AS.

PF Employees Retirement Funding Requirement

- ✓ Approved the setting up of allocations to this requirement.

Mater Dei Academy

- ✓ Approved the granting of bridge loan to Mater Dei Academy if the institution will submit loan application.

Repainting of front & firewall of PF Building

- ✓ Approved Php 152,625.00 budget for the project.

• JULY

Second Liners

- ✓ Approved that after six (6) months, second liner will rotate their position to other department, a mandate from BOT.

Human Relations

- ✓ Approved to conduct an overnight seminar on human relations with the staff and other BOT.
- ✓ Approved to give corresponding honorarium to Education Committee Chairman, Trustee Antonio Juliano for the job assigned to him by the BOT. The Chairman Msgr. Luciano Balagtas and GM Gener Luciano will discuss the amount.

Taxable Commission Income

- ✓ Approved to grant the modification and effect of the withholding tax due starting August 2014.

AR Educational Assistance

- ✓ Approved to distribute the ARs Educational Assistance this month of July 2014.

Placements

- ✓ Approved to place the remaining 50% @ Php 5M for Sunlife and Php 5M for Philamlife in mutual funds investment.

Angel Reyes' Case

- ✓ Approved of 75:25 ratio in the profit sharing from sale of the Angel Reyes 4,791 sq.m lot plus 12% interest per annum on balance.

• AUGUST

Fr. Len Coronel's Loan Account

- ✓ Approved to foreclose the loan accounts of Fr. Len.

PFO Retirement Fund Asset Management

- ✓ Approved the offer of China Bank Trust Group to manage the PFO Employees Retirement Fund.

Other Matters:

- ✓ Approved to give power to General Manager to develop the staff for multi-tasking position .

Investments

- ✓ Approved to open the privilege vouchers from Sun Life to Php 3M borrowers only until supply of vouchers lasts.

Processes

- ✓ Approved to hire a replacement staff for Cash Department and regularize new staff in the Accounting Department who will handle OR audits manually.

Transfer of Deposits from Real/BDO to UCPB

- ✓ Signed the resolutions in UCPB Malolos Branch for various funds in order to maintain a separate and independent accounting for those outside the book transactions of the associations.

• SEPTEMBER

Guaranty Fund

- ✓ Approved the 5% Guaranty Fund accumulation step per MBAI based on Standard Chart of Accounts.

- **OCTOBER**

Fr. Len Coronel's Account

- ✓ Approved to grant the request of Fr. Len to comply with his loan obligations to PF.

AR Bond

- ✓ Approved to require any candidate ARs to have a minimum amount of equity not loanable in the association. This will serve as reserve bond in favor of the association in case an AR commits URC (UnRemitted Collections).

Member's Passbook Audit and Validation at PFO

- ✓ Approved to hire Mr. Jordan Villanueva to become a permanent employee of PF who will be assigned to members passbook audit and validation at PFO. The effectivity of his work will depend on the decision of GM Gener Luciano.

PF Strategic Planning November 19-21, 2014

- Review of Corporate Thrusts
- Review of Company Vision & Mission
- Review of Company Targets & Previous Years Performances
- Creation of a three-year Plan for Recruitment & Loans

- **NOVEMBER**

Dr. Ronald Padiernos' Account

- ✓ Decided not to grant the request of Dr. Ronald Padiernos, PF will consult the lawyer regarding the issue and will tell the decision to Dr. Padiernos not later than November 25, 2014 after consulting the lawyer.

On Staff Bonuses

- ✓ Approved that the Christmas Bonus for staff be given yearly but only half of their monthly salary every Dec. 1.

HR Person

- ✓ Decided to tap a professional HR to assist PFMBAI regarding hiring, disciplining, firing, interviewing and any activity related to HR Management like benefits, SSS, Philhealth, taxes, salaries, wages etc.

- **DECEMBER**

Consultancy Services

- ✓ Approved hiring Ms. Lolit San Felipe as consultant (for Annual Statement & SCA matters) on a project basis.

ARs Benefit Funds

- ✓ Approved to grant the proposed counterpart for ARs Benefit Funds.

Contribution Loan

- ✓ Decided to implement the procedures as stated on the back portion of the Member Certificate.

Company Vehicle

- ✓ Approved the sale of the i10 unit.

