

PRAXIS FIDES MUTUAL BENEFIT ASSOCIATION INC.

No. 35 Paseo Del Congreso, Catmon, Malolos City

Praxis Fides MBAI 24th Annual General Meeting (AGM)

February 25, 2015

Cabanas Garden Pavillion

McArthur Highway, Longos

City of Malolos

THEME: "Promoting the value of savings towards a responsive service to the community."

Present:

A. Board of Trustees:	
1. Msgr. Luciano C. Balagtas	- Chairman of the Board
2. Engr. Rodelio P. Cristobal	- Vice Chairman
3. Mr. Antonio F. Juliano	- Corporate Secretary
4. Ms. Luciana M. Gonzales	- Auditor
5. Ms. Leonora D. San Juan	- Independent Trustee
Total BOT	- 5
B. PFO Staff	- 24
C. Area Representatives/Area Coordinators	- 277

Total Attendees	306

Minutes of the Annual General Meeting:

1.) The annual general meeting started at 8:30A.M. with a Eucharistic Celebration officiated by BOT Chairman, Msgr. Luciano C. Balagtas. In his homily, Msgr. Balagtas emphasized the words of Pope Francis that "the Church is a church of inclusion and not of exclusion"; that everybody is welcome to serve and be served. Similarly, Praxis Fides MBAI is an association that welcomes everybody to be a member regardless of status nor religion. He also stressed the theme of the AGM and encouraged every Area Representative to recruit more members.

2.) After the mass, the second part of the program followed with AC Eddie Santos of Sta. Maria and AC Marlene Varilla of San Rafael acting as Masters of Ceremonies.

- a. Trustee Leonora San Juan led and conducted the singing of the Phil National Anthem.
- b. AC Ruperto Dela Cruz of Bocaue led the opening prayer.
- c. BOT Chairma, Msgr. Luciano Balagtas, gave the opening remarks and welcomed the guests to the formal opening of the 24th Annual General Meeting of Praxis Fides MBAI.
- d. The Corporate Secretary, Mr. Antonio Juliano, read the minutes of the 23rd Annual General Meeting (Feb. 25, 2014) as well as the resolutions passed by the Board of Trustees during the previous year. After the last resolution was read, AR Mamerta Gatmaitan of Malolos moved for the approval of the minutes of the 23rd Annual General Meeting and seconded by AR Marites Alamo of Pandi. There being no objections raised by any of the members present, the minutes of the 23rd Annual General Meeting was duly APPROVED by the general membership.

The members also APPROVED the 2014 board resolutions implemented by the management. The Corporate Secretary also announced the actual number of voting members, as follows:

Physically Present	-	306
Via Proxy Votes	-	25,221
Total Record	-	25,527 equivalent to 56.06% as of 9:30A.M.

- e. After the approval of the minutes of the meeting, GM Gener Luciano discussed the present situation of Praxis Fides MBAI and plans of action for the year 2015 with a powerpoint presentation. He mentioned about the recent strategic planning seminar that was conducted by a resource speaker and how the association should go about to accomplish the corporate thrusts that were formulated during the seminar. Aside from the Performance Indicators both financial and non financial and the corporate objectives for all departments, he stressed the importance of solving one key risk situation and that is late remittances which cause delay in the preparation of the company's financial statements, and the answer is implementation of new cut-off dates of submitting area remittances
- f. Trustee Luciana Gonzales, Head of the Audit Committee, presented the unaudited financial report of the associaton and discussed the financial highlights as of December 31, 2014. Trustee Lucy also announced that as a result of the net income earned by Praxis Fides in 2014, the Board of Trustees APPROVED the declaration of dividends equivalent to 11% and to be distributed to the members. For the year 2014, the audit of the financial statements was undertaken by AMC & Associates who provided professional services including but not limited to :
 - a) Audit of financial statements of Praxis Fides MBAI as of Dec. 31, 2014;
 - b) General review of compliance with tax rules and regulations;
 - c) Routine consultation on accounting and related matters affecting the Company's business

The fees based on the scope of works mentioned above is **One Hundred Ten Thousand Pesos (P 110,000.00)**, exclusive of value added tax and out of pocket expenses. Out of pocket expenses consists of cost of printing and report reproduction, transportation, mailing, telephone and fax charges and other incidental expenses incurred in the course of carrying out the services herein provided.

AMC and Associates is an accounting firm composed of professionals who are trained and are well-educated to perform the services required. For many years, the firm has provided quality service and delivered timely reports to best serve the interest of Praxis Fides MBAI.

- 3.) The third part of the program was the recognition and awarding of top performing ARs and ACs for 2014. Management believes that outstanding contributions of the workforce particularly the Area Representatives and Area Coordinators should be duly recognized so that they will serve as an inspiration to other members of the workforce to strive harder in promoting the ideals of the association. Likewise, members of the staff were given recognition for their loyalty and dedication to the association measured by the number of years that they have served the company.
- 4.) The final part of the program was the conduct of elections to select a new member of the Board to replace Atty. Warlito Gogolin who completed his term of office. Nominating of candidates was announced last January 15, 2015 during the Area Coordinator monthly meeting for them to look for

possible candidates for BOT. The Election Committee/ Nominating Committee (ELECOM) headed by AC Susan Geronimo of San Ildefonso explained the rules and procedures as of the election which were discussed and formulated in prior meetings of the committee held on January 8 and February 12, 2015 were all members of the committee was present. She presented the candidates for the vacant position, namely:

- a. MR. RAMON BAGAY - a banker from RCBC Savings Bank and resident of Canalate, Malolos City
- b. MR. LARRY BAUTISTA – a teacher from St. Joseph College and resident of Patag, Sta. Maria, Bulacan

Both candidates were given an opportunity to speak and to introduce themselves to the voters. After the brief speech of the candidates, the election took place thru secret balloting and the ELECOM with the help of the PFO staff worked on the tabulation of the election results.

5.) While the votes are being counted, BOT Rodelio Cristobal, Head of Investment Committee discussed a proposal on the rice trading venture which aims to bring potential investment opportunity to the association and at the same time generate additional income for the ARs and ACs. The general membership welcomed and APPROVED the proposal.

6.) Before the announcement of the election results, there was an open forum to give the members an opportunity to ask questions or get clarifications on the issues discussed and provide suggestions for management and/or BOT consideration. He then ask if there were any questions, and there being none. At this point, Msgr. Luciano Balagtas suggested to move the conduct of the Annual General Meeting every third Saturday of March instead of third Saturday of February to allow a longer period in the preparation of financial reports. The extra period will allow the External Auditors of the company to review and submit the reports for further scrutiny. By doing so, this will give the members access to the audited financial statements and will provide them more accurate figures to show the financial condition of the association. AR Mamerta Gatmaitan of Malolos moved to accept the suggestion of Msgr. Balagtas. This was duly seconded by AR Annalyn Dela Cruz of Pandi and AR Marlene Varilla of San Rafael. The proposal was thereupon APPROVED for implementation.

RESOLUTION: After due consideration, the Meeting resolved, by majority of members attending the meeting to approve to change the date of Annual General Meeting from every third Saturday of February to every third Saturday of March.

7.) The ELECOM announced the official tally of votes and proclaimed Mr. Ramon Bagay as the new member of the Board of Trustees. Mr Bagay got 21,293 votes as against Mr. Bautista who got 5,678 .votes. Mr. Bagay will serve a term of five (5) years in the BOT.

8.) The Annual General Meeting was adjourned at 12:15P.M. with a closing prayer and final blessing of Msgr. Luciano Balagtas.

Prepared by:

ANTONIO F. JULIANO
Corporate Secretary

Approved by:

MSGR. LUCIANO C. BALAGTAS

Chairman of the Board