

CITYSTATE SAVINGS BANK
2ND Floor, Citystate Centre
709 Shaw Boulevard, Pasig City

MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING
Held on August 18, 2020 at 9:00 A.M.
At the 2nd Floor, Citystate Centre Building via ZOOM
709 Shaw Boulevard, Pasig City

Present:

BOARD OF DIRECTORS

D. Edgard A. Cabangon	-	Chairman
Benjamin V. Ramos	-	President
D. Arnold A. Cabangon	-	Director
J. Wilfredo A. Cabangon	-	Director
Ramon L. Sin	-	Director
Susan M. Belen	-	Director
Michael F. Rellosa	-	Director
Atty. Emmanuel R. Sison	-	Director
Edith D. Dychiao	-	Independent Director
Justice Jose Armando R. Melo	-	Independent Director
Atty. Jose Roderick F. Fernando	-	Independent Director
Wilfredo S. Madarang Jr.	-	Independent Director

STOCKHOLDERS

Amb. ALC Holdings and Management Corporation
Amb. Antonio L. Cabangon Chua (Others)
Top Ventures Investment
Alfred A. Cabangon
Fortune Life Insurance, Co. Inc.
Fortune General Insurance Corporation
Feorelio Bote
Ronaldo Zamora
Gencars-Batangas, Inc.
Eternal Plans, Inc.
D. Edgard A. Cabangon
Eternal Gardens Memorial
D. Antoinette Cabangon-Jacinto

Eternal Plans Inc. Life Trust Fund (093-16-000006-5)
Eternal Plans Inc. Pension Trust Fund (093-16-000005-8)
Eternal Plans Inc. Education Trust Fund (093-16-000004-1)
Gencars-San Pablo, Inc.
Aliw Broadcasting Corp.
D. Arnold A. Cabangon
Eternal Crematory & Chapel
ALC Fortune Corporation
Eternal Gardens Retirement
Fortune Life Retirement Plan
CSBI-Trust Gencars - Isuzu Makati
CSBI Trust Fortune General Retirement
Benjamin V. Ramos
CSBI Trust Eternal Gardens
Eternal Plans Retirement
CSBI Trust - Citystate Tower Hotel
AAA Southeast Equities
CSBI Trust -Cherry Blossoms Hotel
Eastern Defender Security Agency
Rose Bella M. Ramos
Citystate Retirement
Abacus Sec. Corp.-Dealer Account
Ramon L. Sin
Edith D. Dychiao
Jose Roderick F. Fernando
Susan M. Belen
Yolanda M. or Emilio M. De La Cruz
Emmanuel R. Sison
Augustus T. Sales, Jr.
Valeriano Pedro O. Plantilla III

Also Present:

Atty. Socrates M. Arevalo	-	Corporate Secretary
Atty. Freda F. Bartolome-Ringor	-	Asst. Corporate Secretary
Mr. Ariel V. Ajesta	-	Chief Compliance Officer
Ms. Sarah E. Benito	-	Chief Audit Executive

I. CALL TO ORDER

The President, Benjamin V. Ramos called the meeting to order at 9:00 A.M.

II. CERTIFICATION OF NOTICE OF MEETING

The Corporate Secretary, Atty. Socrates Arevalo, certified that the stockholders were duly notified and notices of this annual meeting to the stockholders of record as of July 28, 2020, the definitive Information Statement were sent to stockholders of record as of July 10, 2020 in three ways:

1. By email to all stockholders who have provided their e-mail address
2. By Posting on the Corporation website and
3. By disclosure in the Philippine Stock Exchange

In addition, on July 27 and 28, the Notice was published in the Business Mirror and Pilipino Mirror.

Accordingly the stockholders were notified of the meeting in accordance with the Bank's By-laws and applicable SEC Rules including and our internal guidelines on participation in stockholders meeting by remote communication and voting in absentia under extra ordinary circumstances which are embodied in our Definitive Information Statement which the Securities and Exchange Commission approved.

III. DETERMINATION OF QUORUM

The Corporate Secretary, Atty. Socrates Arevalo, announced that the total stockholders physically present and/or represented by proxies sufficiently met the required quorum for the conduct of the meeting. The shares present is with the total of 90,913,481 shares representing 90.91 % of the 100 Million total outstanding shares which constitutes more than a majority of the total issued and outstanding shares. The said shares are all virtually present at the day of the meeting.

The Corporate Secretary also explained the Rules of conduct and voting procedures for the meeting. The Rules and Procedures are set forth in the Definitive Information Statement and the Agenda items which forms part of the notice of the Annual Stockholders meeting. The rules and Procedure are as follows

1. Stockholders who have registered through voting in absentia or through proxy or have emailed or registered under asmregistration@citystatesavings.com not later than August 7, 2020 signifying their intention to participate in the stockholders meeting through remote communication may send their queries to the said email address.

2. All Question or comments received if any before 8:30 A.M today will be addressed during the meeting on other matters. All other questions not taken up will be replied upon by the Management
3. There are nine (9) resolutions proposed for adoption. Each resolution will be shown in the screen as it is being taken up
4. Stockholders who have casted their votes in this proposed resolution and the elections of directors beginning July 10, 2020 will be counted and polls will remain open until the end of this meeting to those who will cast their votes by proxy or in absentia
5. The votes cast as of August 17, 2020 after the end of the proxy validation process were tabulated. The results will be announced during the meeting and the final results will be reflected in the minutes of the meeting.

IV. READING AND APPROVAL OF THE MINUTES OF THE 2019 ANNUAL STOCKHOLDERS' MEETING

The President, Benjamin V. Ramos took notice of the fact that the copies of the Minutes of the Stockholders' Meeting held on May 28, 2019 have been previously distributed to the stockholders, and thus, he moved that the reading of the minutes be dispensed with and that the same be approved as circulated.

The Corporate Secretary, Atty. Socrates Arevalo then proposed for the adoption of Resolution No: ASM -01-2020 for the approval of the Minutes of the Annual Stockholders' Meeting held on May 28, 2019. The Corporate Secretary then reported that the shares representing 99.9 % of the voting shares represented in this meeting voted to affirm the resolution. Therefore, the Resolution has been approved

RESOLUTION NO. ASHM-01-2020

*“RESOLVED, AS IT IS HEREBY RESOLVED,
to approve the Minutes of the previous Stock holders
meeting held on May 28, 2019.*

V. CONSIDERATION OF THE PRESIDENT'S REPORT ON THE RESULTS OF THE CORPORATION'S OPERATIONS FOR THE YEAR ENDED

DECEMBER 31, 2019 AND THE 2019 FINANCIAL STATEMENTS OF THE CORPORATION

The President, Benjamin V. Ramos, presented to the stockholders, the report on the results of the corporation's operations for the year ended December 31, 2019 and the audited financial statements of the corporation for the year ended December 31, 2019. The President highlighted the plans and goals of the Bank which were laid on the Banks time table:

- a. at least one new revenue stream per year;
- b. to build a stable and adequate funding;
- c. to strengthen the Bank's distribution and solutions capability;
- d. branch transformation in terms of format and footprint;
- e. an ingrained Sales and Service culture;
- f. introduction of Branch Lites and moving existing branches to new sites;
- g. and our full foray into the digital space through online and mobile banking and stepped up Cash Management Solutions, among others.

The Corporate Secretary, Atty. Socrates Arevalo then proposed for the adoption of Resolution No: ASM -02-2020 to note the President's Annual Report and to approve the audited financial statement of the Corporation as of December 31, 2019 as audited by the Corporation's External Auditor Punongbayan and Araullo. The Corporate Secretary then reported that the shares representing 99.9 % of the voting shares represented in this meeting voted to affirm the resolution. Therefore, the Resolution has been approved

RESOLUTION NO. ASHM-02-2020

*“RESOLVED, AS IT IS HEREBY RESOLVED,
to note the President's Annual Report and to approve
the audited financial statement of the Corporation as
of December 31, 2019 as audited by the Corporation's
External Auditor Punongbayan and Araullo*

VI. RATIFICATION OF ACTIONS TAKEN BY THE BOARD OF DIRECTORS, THE RELATED PARTY TRANSACTIONS COMMITTEE, THE DULY CONSTITUTED COMMITTEES, THE MANAGEMENT AND THE OFFICERS OF THE CORPORATION SINCE THE LAST ANNUAL MEETING OF THE STOCKHOLDERS

The Corporate Secretary, Atty. Socrates Arevalo then proposed for the adoption of Resolution No: ASM -03-2020 for the confirmation and ratification of all the acts and resolutions of the Board of Directors, the acts of Board Committees, the acts of the Management and the acts of the officers of the Corporation performed in the General Conduct of Business or in accordance with the Resolutions of the Board, Committees and By-laws of the Corporation which was adopted from May 28, 2019 up to July 28, 2020 be, in all respects, confirmed, ratified and approved and that the directors, officers and employees of the corporation be commended for all its acts for the year 2019. These acts were all reflected in the minutes of their respective meetings and matters covered by the disclosures to the SEC, PSEi and BSP. The Corporate Secretary then reported that the shares representing 99.9 % of the voting shares represented in this meeting voted to affirm the resolution. Therefore, the Resolution has been approved

RESOLUTION NO. ASHM-03-2020

“RESOLVED, AS IT IS HEREBY RESOLVED, to confirm and ratify each and every acts of the Officers, Management, The Executive Committee and the Board of Directors since the last Annual Meeting of the Stockholders on May 28, 2019 to July 28, 2020

VII ELECTION OF DIRECTORS

The President Benjamin v. Ramos, announced the election of directors of the corporation for the ensuing year and until the next election. He asked Atty. Jose Roderick Fernando, Independent Director and Chairman of the Corporate Governance Committee to explain the nomination procedure of the Members of the Board.

Atty. Jose Roderick Fernando then explained that In Accordance with our By-laws, Corporate Governance Manual and Charter of the Board of Directors. The following stockholders were duly nominated as Board of Directors of the Corporation for the ensuing term

1. Mr. D. Alfred A. Cabangon
2. Dr. Ramon L. Sin
3. Mr. D. Arnold A. Cabangon
4. Mr. Michael F. Rellosa
5. Mr. J. Wilfredo A. Cabangon
6. Engr. Feorelio M. Bote
7. Mr. D. Edgard A. Cabangon
8. Mr. Benjamin V. Ramos
9. Atty. Emmanuel R. Sison

10. Ms. Susan M. Belen
11. Mr. Lucito L. Sioson – Independent Director
12. Justice Jose A.R. Melo – Independent Director
13. Mr. Wilfredo S. Madarang, Jr. – Independent Director
14. Atty. Jose Roderick F. Fernando – Independent Director
15. Ms. Edith D. Dychiao – Independent Director

The Corporate Governance and Nomination Committee of the Board has ascertain that the 10 nominees for Director and the 5 nominated Independent Director are qualified to serve as Directors of the Corporation. All the nominees have given their consent to their respective nominations.

The Corporate Secretary, Atty. Socrates Arevalo then explained the results of the Elections. He shared that each of the nominees has garnered votes with shares representing 99.9 % of the voting shares and certify that each of the nominees have received enough votes for election to the Board and that Resolution No: ASM -04-2020 has been approved.

RESOLUTION NO. ASHM-04-2020

“RESOLVED, AS IT IS HEREBY RESOLVED, to confirm the election of the following as Directors of the Bank to serve as such beginning today until their successors are elected and be qualified:

1. Mr. D. Alfred A. Cabangon
2. Dr. Ramon L. Sin
3. Mr. D. Arnold A. Cabangon
4. Mr. Michael F. Rellosa
5. Mr. J. Wilfredo A. Cabangon
6. Engr. Feorelio M. Bote
7. Mr. D. Edgard A. Cabangon
8. Mr. Benjamin V. Ramos
9. Atty. Emmanuel R. Sison
10. Ms. Susan M. Belen
11. Mr. Lucito L. Sioson – Independent Director
12. Justice Jose A.R. Melo – Independent Director

- 13. Mr. Wilfredo S. Madarang, Jr. – Independent Director
- 14. Atty. Jose Roderick F. Fernando – Independent Director
- 15. Ms. Edith D. Dychiao – Independent Director

The President congratulated all the elected Board Members and then asked for a moment of silence to remember the late Director Alfonso Siy.

VIII. APPOINTMENT OF EXTERNAL AUDITOR AND FIXING OF REMUNERATION

The Corporate Secretary, Atty. Socrates Arevalo proposed for the adoption of Resolution No: ASM -05-2020 for the Board of Directors to be authorized and empowered to appoint the external auditor of the Company for 2020 and determine the terms of the engagement. The Corporate Secretary also shared that the shares representing 99.9 % of the voting shares represented in this meeting voted to affirm the resolution. Therefore, the Resolution has been approved

RESOLUTION NO. ASHM-05-2020

“RESOLVED, AS IT IS HEREBY RESOLVED, to approve the authority for the Board to appoint external auditor of the Bank for 2020 and determine the terms of engagement.

IX. APPROVAL OF THE AMENDMENTS TO THE ARTICLES OF INCORPORATION AND BY-LAWS to ADOPT THE PROVISIONS OF THE REVISED CORPORATION CODE AND SEC MEMORANDUM NUMBER 6-2020

The Corporate Secretary, Atty. Socrates Arevalo presented the proposed resolution Resolution No: ASM -06-2020 for the approval of the amendments in the Articles of Incorporation and By-Laws to adopt the Provisions of the Revised Corporation Code and SEC Memorandum Number 6-2020, specifically in the following sections of Article II:

1. Article II Section 2- on Proxy, wherein the Proxy form must be presented at least seven (7) banking days before the meeting

2. Article II Section 3- On Quorum, participation through remote communication or in absentia shall be deemed present for purposes of quorum
3. Article II Section 4 – on Voting Right, the right to vote of the stockholders may now be exercised in person, through proxy or through remote communication or in absentia
4. Article II Section 7 – Notice of meeting by publication in a newspaper of General Circulation shall be at least 21 days prior to the meeting.

The said amendments were already approved by the Board of Directors on July 10, 2020.

The Corporate Secretary informed that the shares representing 99.9 % of the voting shares represented in this meeting voted to affirm the resolution. Therefore, the Resolution has been approved

RESOLUTION NO. ASHM-06-2020

“RESOLVED, AS IT IS HEREBY RESOLVED, to approve the Amendments to the By-Laws and Articles of Incorporation of the Bank to adopt the provisions of Revised Corporation Code and SEC Memorandum No. 6 Series of 2020 to now read as follows:

Article II Section 2:

Sec. 2. Proxy – Stockholders may vote in all meetings either in person or by proxy given in writing and signed by the stockholders concerned and presented to the Secretary at least seven (7) banking days prior to the date of the meeting, for verification and record purposes. Revocation of proxies shall also be in writing and signed by the stockholders concerned and presented to the Secretary before the same deadline

Article II Section 3:

Sec. 3. Quorum – Stockholders present or represented in the meeting and owning a majority of the outstanding voting stock shall constitute a quorum for the transaction of business in the meeting. When a quorum is present at such meeting, the vote of the stockholders owning a majority of the outstanding voting stock, present or represented at such meeting, shall decide on any matter brought before such meeting, unless the affirmative vote of stockholders owning a greater capital stock is required by law.

A stockholder or member who participates through remote communication or in absentia, shall be deemed present for purposes of quorum

Article II Section 7:

Sec. 7. Notices of Meetings – Notices of meetings of the stockholders shall be made, as the Board of Directors may determine, either by publication in a newspaper of general circulation at least once and at least twenty-one (21) calendar days prior to the date of the meeting or by written notice sent by delivery, fax or ordinary mail to each stockholder at least twenty-one (21) calendar days prior to the date of the meeting. The notice shall state the date, time and place of the meeting and if a special meeting, the purpose for which the meeting is called.

Article II Section 4

Sec. 4. Voting Right – At a stockholders' meeting, every stockholder shall be entitled to one (1) vote for each share of voting stock standing in his name on the proper book of the Bank at the time of closing thereof for the purpose of the meeting. The right to vote of stockholders or members may be exercised in person, through a proxy, or through remote communication or in absentia.

X. CONFIRMATION OF MATERIAL RELATED PARTY TRANSACTIONS OF THE BANK

The Corporate Secretary, Atty. Socrates Arevalo proposed for the adoption of Resolution No: ASM -07-2020 for the approval of all the Related Party Transactions entered into by the Bank from 28 May 2019 to 28 July 2020. The Corporate Secretary also shared that the shares representing 99.9 % of the voting shares represented in this meeting voted to affirm the resolution. Therefore, the Resolution No: ASM -07-2020 has been approved.

RESOLUTION NO. ASHM-07-2020

“RESOLVED, AS IT IS HEREBY RESOLVED, to approve the Amendments to the By-Laws and Articles of Incorporation of the Bank to adopt the provisions of Revised Corporation Code and SEC Memorandum No. 6 Series of 2020

XI. SUBSCRIPTION of AMB. ALC Holdings and Management Corp. (AAHMC) to 42,000,000 shares, Top Ventures Investments and Management (TVIMC) to 7,680,000 shares and Eternal Garden Memorial Park Corp. (EGMPC) to 320,000 shares of Citystate Savings Bank Inc, and the Approval of the waiver of the PSE rights/public offering pursuant to Section 5 a) and b) of the Consolidated Listing and disclosure Rules relative to the abovementioned subscriptions.

The President then presented the next item which is the stockholder's approval of the subscription of AMB. ALC Holdings and Management Corp. (AAHMC) to 42,000,000 shares, Top Ventures Investments and Management (TVIMC) to 7,680,000 shares and Eternal Garden Memorial Park Corp. (EGMPC) to 320,000 shares of Citystate Savings Bank Inc, and Approval of the waiver of the PSE rights/public offering pursuant to Section 5 a) and b) of the Consolidated Listing and disclosure Rules relative to the abovementioned subscriptions which was already approved by the Board on July 10, 2020.

The Corporate Secretary, Atty. Socrates Arevalo presented the proposed resolution Resolution No: ASM -08-2020 for the approval subscription of AMB. ALC Holdings and Management Corp. (AAHMC) to 42,000,000 shares, Top Ventures Investments and Management (TVIMC) to 7,680,000 shares and Eternal Garden Memorial Park Corp. (EGMPC) to 320,000 shares of Citystate Savings Bank Inc., and Resolution No: ASM -09-2020 for the approval of the waiver of the PSE rights/public offering pursuant to Section 5 a) and b) of the Consolidated Listing and disclosure Rules relative to the abovementioned subscriptions. The Corporate Secretary also reported that, shares representing 99.9 % of the voting shares represented in this meeting, affirmed both the resolution. Therefore, Resolution No: ASM -08-2020 and Resolution No: ASM -08-2020 has been approved

RESOLUTION NO. ASHM-08-2020

“RESOLVED, AS IT IS HEREBY RESOLVED, to approve the Subscription of AMB. ALC Holdings and Management Corp. (AAHMC) to 42,000,000 shares, Top Ventures Investment and Management (TVIMC) to 7,680,000 shares and Eternal Gardens Memorial Park Corp. (EGMPC) to 320,000 shares of Citystate Savings Bank, Inc.

RESOLUTION NO. ASHM-08-2020

“RESOLVED, AS IT IS HEREBY RESOLVED, to approve the waiver of the PSE rights/public offering pursuant to Section 5 a) and b) of the consolidated listing and disclosure rules relative to the abovementioned subscriptions.

XII. OTHER MATTERS

The President then asked if there are any questions from the stockholders. As the President hears none the meeting is adjourned and informed that the link to this meeting can be requested, or any question or clarification can be coursed through asmregistration@citystatesavings.com.

The president also explained that the Bank will also post the copy of this proceedings to our website. The stockholders may raise any concern or issue from the posting of the link to our website and social media pages through the same email mentioned.

XI. SCHEDULE OF THE BOARD MEETING

Based on the provisions of the By-laws of the corporation, the stockholders delegated the fixing of the schedule of the Board of Directors meeting, as it may deem fit and necessary.

XII. ADJOURNMENT

The meeting was adjourned at 9:30 A.M.



ATTY. SOCRATES M. AREVALO
Corporate Secretary



ATTY. FRED A F. BARTOLOME-RINGOR
Assistant Corporate Secretary