



## **MINUTES OF THE GENERAL MEMBERSHIP MEETING**

June 19, 2019, 2:00 PM, Marco Polo Ortigas Manila  
Meralco Avenue and Sapphire Street Ortigas Center, San Antonio, Pasig City

### **1. ATTENDANCE**

The list of members present, as represented by their respective authorized representatives and/or designated proxies, are listed in **Annex A** of these Minutes.

### **2. PRELIMINARIES, CALL TO ORDER AND PROCEDURES FOR VOTING**

Before the meeting proper, the national anthem was played and opening prayers were sung by the Children's Joy Choir. Thereafter, the Chairman of the PEM Board, Mr. Noel V. Aboboto, called the meeting to order. He gave brief welcome remarks and introduced the Members of the PEM Board of Directors. Atty. Marian Dela Fuente, Corporate Secretary, then read the ground rules and voting procedure for the meeting. For an orderly conduct of the proceedings, she mentioned that any member who wishes to take the floor must wait to be acknowledged by the Chairman and later identify himself while addressing his concerns to the Chairman. Questions from the floor shall be entertained only if relevant to the item in the agenda being discussed and limited to three (3) questions per agenda. Questions about the Company and its operations will be entertained after the President's report.

As to the voting procedure, Atty. Dela Fuente explained that the Company's sectoral membership entitles the holder to a vote in accordance with the allocation set out in the By-Laws of the Company. The affirmative vote of the members representing at least a majority of the total voting shares shall be needed to pass and approve each proposed resolution unless the law provides otherwise. As each item in the agenda is taken up, the Corporate Secretary will report on the votes received and tabulated as of 1:45 pm. The Minutes will, however, reflect the final tally of votes. Voting will close when the meeting is adjourned.

### **3. CERTIFICATION OF NOTICE AND QUORUM**

Atty. Dela Fuente confirmed that written notices of the meeting were sent to all members of record as of May 30, 2019 in accordance with the Corporation Code and the By-Laws of the Company. The rationale and explanation for each agenda item that requires the members' approval were also provided in the notice. Atty. Dela Fuente also certified the presence of quorum for the meeting. She mentioned that as of 1:55 pm, members representing approximately 58.5% of the total voting rights were in

attendance thus, the required quorum for the meeting was reached. For the final attendance count, members representing approximately 73.3% of the total voting rights attended the meeting. This figure represents 1,824,236.2772 voting rights out of the total voting rights which is 2,488,316.0164.

#### **4. APPROVAL OF THE MINUTES OF THE ANNUAL GENERAL MEETING OF MEMBERS HELD ON JUNE 25, 2018**

Mr. Regino Galindes, representative of Panay Electric Company, Inc. moved to dispense with the reading of the minutes of the Annual General Member’s Meeting held on June 25, 2018 and that the said minutes be approved as recorded and for this purpose, Resolution No. 2019-1 be adopted. Ms. Geraldine A. Rodriguez of PEMC seconded the motion. With 99.7% of the total number of shares of members present and voting, the motion was approved and carried. Resolution No. 2019-1 was therefore adopted. The Corporate Secretary recorded the following votes for this agenda item as follows:

<b>Vote</b>	<b>Number of Votes</b>	<b>Percentage of Shares / Rights Represented</b>
Yes	1,555,306.11	99.74%
No	306.00	0.02%
Abstain	3,745.60	0.24%
<b>Total No. of Shares of Voting Members</b>	<b>1,559,357.71</b>	<b>100%</b>

#### **5. REPORT OF THE PRESIDENT**

President Oscar E. Ala delivered the President’s Report and the floor later was opened for discussion. The text of the President’s Report is attached as **Annex B** of these Minutes. After sufficient discussion on the report, Mr. Clares Jalocon of PEMC moved to close the discussion; which motion was seconded by Atty. Monica Martin of PEMC. The motion was approved by the Chairman and the meeting proceeded to the next item on the agenda.

#### **6. OUTLOOK FROM THE CHAIRMAN**

Chairman Noel Aboboto gave his Chairman’s address. The text of the Chairman’s address is attached as **Annex C** of these Minutes. After sufficient discussion, Mr. Clares Jalocon of PEMC once again moved to close the discussion; which motion was again seconded by Atty. Monica Martin of PEMC. Thus, upon motion duly seconded and there being no objection, the Chairman closed the discussion.

## 7. RATIFICATION OF ACTS OF THE BOARD AND MANAGEMENT

Next on the agenda is the ratification and approval of the acts, resolutions and deeds of the Board of Directors, its Committees and Management of the Company since the Annual General Membership Meeting held on June 25, 2018 until the date of the meeting. Atty. Marian Dela Fuente, Corporate Secretary, sought ratification of all the acts, resolutions and deeds of the Board, its Committees as well as all acts of Management which are provided in the minutes of the meetings of the Board, its Committees and Management. These also include the approval of market manuals, amendments to market rules, market fees, contracts and agreements, projects, treasury matters, and disclosures to the Securities and Exchange Commission, Energy Regulatory Commission and the Department of Energy. She further explained that acts of management pertain to those taken to implement the resolutions, directives and instructions of the Board and its Committees and those done in the regular course of the Company's business.

Atty. Monalyn Baquiran-Ong, representative of SMCGP Philippines, Inc. (subsidiary of SMC Global Power), moved to approve all acts, resolutions and deeds of the Board of Directors, its Committees and the Management of the Company from the Annual General Membership Meeting held on June 25, 2018 up to the date of the meeting, and that in all respects, they be confirmed, ratified and approved; and for this purpose, Resolution No. 2019-2 be adopted. Mr. Marcial Brummel Jimenez of PEMC seconded the motion. With 96.3% of the total number of voting rights of the members present and voting, the motion was approved and carried. Resolution No. 2019-2 was therefore adopted. The Corporate Secretary recorded the following votes for this agenda item as follows:

<b>Vote</b>	<b>Number of Votes</b>	<b>Percentage of Shares / Rights Represented</b>
Yes	1,501,791.96	96.3%
No	0	0.0%
Abstain	57,565.75	3.7%
<b>Total No. of Shares of Voting Members</b>	<b>1,559,357.71</b>	<b>100%</b>

## 8. APPROVAL OF THE 2018 AUDITED FINANCIAL STATEMENTS

The next order of business was the approval of the Company's Audited Financial Statements for the period ended December 31, 2018. Mr. Leonardo Robel, Jr. representative of SN Aboitiz Power Group moved that these Audited Financial Statements be approved and for this purpose, Resolution No. 2019-3 be adopted. Ms.

Karen Varquez of PEMC seconded the motion. With 98.7% of the total number of voting rights of the members present and voting, the motion was approved and carried. Resolution No. 2019-3 was therefore adopted. The Corporate Secretary recorded the following votes for this agenda item as follows:

<b>Vote</b>	<b>Number of Votes</b>	<b>Percentage of Shares / Rights Represented</b>
Yes	1,538,839.23	98.7%
No	0	0.0%
Abstain	20,518.48	1.3%
<b>Total No. of Shares of Voting Members</b>	<b>1,559,357.71</b>	<b>100%</b>

## **9. APPOINTMENT OF EXTERNAL AUDITORS**

Director Ellen D. Go presented the next item on the agenda relative to the appointment of the Company's External Auditor. She explained that PEMC has evaluated the performance of the Company's external auditor, Navarro Amper & Co. (Deloitte) during the past year. For the year ended December 31, 2018, the Company paid an audit fee of PhP375,000 exclusive of Value-Added Tax. Over all, she reported that PEMC has been satisfied with their performance. With this, she declared that the Board of Directors endorse the reappointment of Navarro Amper & Co. (Deloitte) as External Auditor of the Company for the ensuing year.

Mr. Ernesto Cabral, representative of the Retail Electricity Suppliers Association moved for the approval of the PEM Board's recommendation to reappoint the external auditor, Navarro Amper & Co. (Deloitte), Certified Public Accountants, or to retain them as the Company's external auditor; and for this purpose, Resolution No. 2019-4 be adopted. Mr. Bienvenido Mendoza of PEMC seconded the motion.

With 98.3% of the total number of voting rights of the members present and voting, the motion was approved and carried. Resolution No. 2019-1 was therefore adopted. The Corporate Secretary recorded the following votes for this agenda item as follows:

<b>Vote</b>	<b>Number of Votes</b>	<b>Percentage of Shares / Rights Represented</b>
Yes	1,532,187.27	98.3%
No	0	0.0%
Abstain	27,170.44	1.7%
<b>Total No. of Shares of Voting Members</b>	<b>1,559,357.71</b>	<b>100%</b>

## **10. ADJOURNMENT**

Since there was no other business to consider, Mr. Carlos Arevalo of Biopower moved that the annual general membership meeting be adjourned. Ms. Janeth Ceniza of PEMC seconded the motion. There being no objection and upon motion duly made and seconded, the Annual General Membership' Meeting was thereby adjourned at around 3:00 p.m.

**Prepared by:**

**MARIAN VENUSSA S. SANTIAGO-DELA FUENTE**  
Corporate Secretary

