

EMPIRE INSURANCE COMPANY

BOARD OF DIRECTORS

AUGUSTO BENEDICTO S. SANTOS
Chairman of the Board

MEMBERS

MICHAEL DE LEON ESCALER

BLANQUITA S. GONZALEZ

JOSE MA. G. SANTOS

JOSE L. SANTOS

ROMAN L. SANTOS

VICENTE ROMAN S. SANTOS

& INDEPENDENT DIRECTORS

JOSE MA. S. LOPEZ

CHRISTIAN S. MONSOD

/April 2017-2018

EXECUTIVE OFFICERS

AUGUSTO BENEDICTO S. SANTOS
Chairman of the Board

JOSE MA. G. SANTOS
President & CEO

ROMAN L. SANTOS
Vice President & Treasurer

ADORACION C. MAÑEBO
Vice President - Insurance

ELVIS E. DELA PEÑA
Vice President - Reinsurance / Underwriting

MERIAM M. FERNANDEZ
Vice President - Finance & Administration

ANTONIO F. SABUGA
Marketing Director-Visayas Mindanao

VICENTE ROMAN S. SANTOS
Corporate Secretary

MIRIAM W. REYNA
Assistant Treasurer
and Assistant Corporate Secretary

April 2017-2018

28 February 2017

TO : ALL STOCKHOLDERS
RE : ANNUAL STOCKHOLDERS' MEETING

Please be informed that the Annual Stockholders Meeting of EMPIRE INSURANCE COMPANY will be held at 10:00 A. M. on Thursday 20 April 2017, at the Board Room, 2nd Floor, B & P Building, # 843 A. Arnaiz Avenue, Legaspi Village, Makati City.

Your presence is requested in this meeting but in the event of your inability to attend, please accomplish the enclosed Proxy Form and return to us not later than 03 April 2017.

EMPIRE INSURANCE COMPANY

Original signed

MIRIAM W. REYNA
Asst. Corporate Secretary

A G E N D A

- 1. Calling the Roll.**
- 2. Proof of the required notice of the meeting.**
- 3. Reading and approval of previous meeting and action thereon.**
- 4. Report of Board of Directors and Officers.**
- 5. Unfinished Business.**
- 6. Ratification of all acts and resolutions of the Board of Directors.**
- 7. Election of Directors for ensuing year.**
- 8. Approval of Financial Statements for the year 2016.**
- 9. Appointment of Auditors.**
- 10. Other Matters**
- 11. Adjournment**

MWR/agf

/annualstocknot



PROXY : ANNUAL STOCKHOLDERS MEETING ON 20 April 2017

KNOW ALL MEN BY THESE PRESENTS that the undersigned stockholder of the EMPIRE INSURANCE COMPANY, has made, constituted and appointed and by these presents, does make, constitute and appoint:

to be the true and lawful attorney and proxy for and in the name, place and stead of the undersigned to vote all stock standing in the name of the undersigned at the Annual Meeting of the Stockholders of the EMPIRE INSURANCE COMPANY, to be held at the 2nd Floor, B & P Building, # 843 A. Arnaiz Avenue, Legaspi Village, City of Makati, at 10:00 a.m. on 20 April 2017 and at any and all adjournments thereof, for the purpose stated in the Notice of the ANNUAL Meeting of Stockholders, with full power and authority to do and perform all and any act and thing whatsoever requisite and necessary to be done in and about the premises with full power of substitution and revocation, thereby ratifying and confirming all that said attorney and proxy or his substitute shall lawfully do or cause to be done by virtue thereof.

IN WITNESS WHEREOF, this proxy is executed this _____ day of _____ 2017.

No. of Shares _____
MGWR/gg
:proxies

MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING OF EMPIRE INSURANCE COMPANY HELD ON 20 APRIL 2017 AT 10:00 A.M. AT THE BOARD ROOM, 2ND FLOOR B & P BUILDING, # 843 A. ARNAIZ AVENUE, LEGASPI VILLAGE, MAKATI CITY

Mr. Jose Ma. G. Santos acted as the Chairman and Mrs. Miriam W. Reyna acted as Secretary.

Directors Present:

Jose Ma. G. Santos	President & CEO, Director
Vicente Roman S. Santos	Director
Jose Ma. S. Lopez	Independent Director
Christian S. Monsod	Independent Director
Michael L. Escaler	Director

1. ROLL CALL

The Chairman instructed the Secretary to determine the existence of a quorum. The Secretary informed the Chairman that out of a total of 2,500,000 shares of stock issued and outstanding, 2,099,802 shares were represented in person or by proxy as follows:

	Own Stocks	Proxy	Total	Percentage
Jose Ma. G. Santos	45,529	1,620,657	1,666,186	67%
Jose Ma. S. Lopez	1		1	
Christian S. Monsod	1		1	
Michael L. Escaler	1		1	
Vicente Roman S. Santos	42,632	390,981	433,613	17%
	88,164	2,011,638	2,099,802	84%
Absent		400,198	400,198	16%
Total	88,164	2,411,836	2,500,000	100%

Out of the 400,198 shares, 235 shares or .01% represent Treasury Shares.

There being a quorum, the Chairman called the meeting to order at 10:00 a.m.

2. PROOF OF NOTICE

The Secretary informed the Chairman that the required notice was duly sent to all Stockholders on or before March 09, 2017, or 42 days prior to the Annual Stockholders Meeting, supported by corresponding receipts. Signed proxy forms had been validated against signature cards on record and were not required to be notarized.

The Chairman informed the Body that votation on each resolution for approval and for the election of members of the Board was to be by poll with cumulation allowed, that is, each Stockholder of record as of February 28, 2017 was to be entitled to one vote for each share of stock in his/her name. Each Stockholder may vote either in person or by proxy authorized in writing by the Stockholder himself/herself and submitted on or before April 17, 2017.

3. READING AND APPROVAL OF MINUTES OF THE ANNUAL MEETING ON 21 APRIL 2016 AND SPECIAL MEETING 06 DECEMBER 2016.

The minutes of the Annual Meeting of the Stockholders held on 21 April 2016 and the Special Meeting Minutes held on December 06, 2016, copies of which were furnished to each Stockholder or proxy present, were read. The Chairman opened the floor for questions, but none was asked.

Upon motion duly made and seconded it was unanimously

RESOLVED: That the Annual Meeting Minutes held on 21 April 2016 and the Special Meeting Minutes held on 06 December 2016 be, as they are hereby, approved.

With 84% votes in favor, represented in person or by proxy, and 16% votes absent.

4. REPORT OF BOARD OF DIRECTORS AND OFFICER

The President and CEO, MR. JOSE MA. G. SANTOS presented and summarized the Financial Highlights of operations for the year 2016 and compared with those of the previous four years. A copy of the reports was furnished to each of the Stockholders present.

5. UNFINISHED BUSINESS

There was no unfinished Business reported.

6. RATIFICATION OF ALL ACTS AND RESOLUTIONS OF THE BOARD OF DIRECTORS FOR THE YEAR 2016

Upon motion duly made and seconded, it was unanimously

RESOLVED : That all acts and resolutions of the Board of Directors during the year 2016 be, as they are hereby, ratified.

With 84% votes in favor, represented in person or by proxy, and 16% votes absent.

7. ELECTION OF DIRECTORS

Before the start of the Election of Directors, the Nomination Committee Chairman, on behalf of the Board, informed the Stockholders that there was a need to elect Non-Executive Directors who hold no other position than Director to ensure impartial and fair judgement in the Boards’ decision making process.

The Chairman opened the floor to nomination and informed the Body that there were up to 11 Directors to be elected. All Stockholders, including the non-controlling Stockholders, were given the opportunity to nominate candidates for the Board.

The following were nominated:

- Augusto Benedicto L. Santos;
- Blanquita S. Gonzalez;
- Jose Ma. G. Santos;
- Jose L. Santos;
- Roman L. Santos;
- Vicente Roman S. Santos;
- Michael L. Escaler;
- Jose Ma. S. Lopez (Independent Director); and
- Christian S. Monsod (Independent Director)

On motion made and duly seconded, nominations were closed and voting commenced. After all Shareholders had finished casting their votes, voting was officially closed. Thereafter, the counting of votes immediately proceeded. Nine (9) were elected.

Upon motion duly made and seconded it was

RESOLVED : That the following Directors of this Corporation be as they are hereby elected to hold office until their successors are duly elected and have qualified.

- Augusto Benedicto L. Santos;
- Jose L. Santos;
- Blanquita S. Gonzalez;
- Jose Ma. G. Santos;
- Roman L. Santos;
- Jose Ma. S. Lopez (Independent Director);
- Christian S. Monsod (Independent Director);
- Vicente Roman S. Santos; and
- Michael L. Escaler

With each one garnering 84 % votes in favor, represented in person or by proxy, and 16% votes absent.

8. APPROVAL OF FINANCIAL STATEMENTS FOR THE YEAR 2016

The President & CEO, MR. JOSE MA. G . SANTOS presented the Audited Financial Statements of EMPIRE INSURANCE COMPANY on the operation for the period ending December 31, 2016 prepared by the Corporation's Vice-President, Finance and Administration, Mrs. Meriam M. Fernandez, and audited by the Corporation's External Auditors, M. A. MERCADO & CO. (Certified Public Accountants) a copy of which was furnished to each of the Stockholders.

Upon motion duly made and seconded it was unanimously

RESOLVED : That the Audited Financial Statement of EMPIRE INSURANCE COMPANY for the period ending December 31, 2016 as prepared by the Corporation's Vice-President, Finance and Administration, Mrs. Meriam M. Fernandez, and audited by the Coporation's External Auditors, M. A. MERCADO & CO. (Certified Public Accountants) of which was furnished be, as it is hereby, noted, approved and ratified.

With 84 % votes in favor, represented in person or by proxy, and 16% votes absent.

9. APPOINTMENT OF AUDITORS

Upon motion duly made and seconded it was

RESOLVED : That the External Auditors, M.A. MERCADO & CO. (Certified Public Accountants) be as they are hereby appointed as the Corporations's External Auditors for the current year, subject to the negotiation of fees.

With 84 % votes in favor, represented in person or by proxy, and 16% votes absent.

10. ISSUES/ QUESTIONS

All Stockholders were given the opportunity to ask questions or raise issues during the meeting, however none was raised.

11. ADJOURNMENT

There being no other business to transact, upon motion duly made and seconded, the meeting was adjourned.

CERTIFIED BY:

Original signed

MIRIAM W. REYNA
Asst. Corporate Secretary

ATTESTED BY :

Original signed

JOSE MA. G. SANTOS
Acted as Chairman

**BOARD OF DIRECTORS'
ORGANIZATIONAL MEETING**

**MINUTES OF THE ORGANIZATIONAL MEETING
MEETING OF THE BOARD OF DIRECTORS OF
EMPIRE INSURANCE COMPANY HELD ON
20 APRIL 2017 AT THE BOARD ROOM, AND
FLOOR B & P BUILDING, 843 A. ARNAIZ AVENUE,
CITY OF MAKATI**

20 APRIL 2017

ATTENDANCE

Present:

**Mssers : Jose Ma. G. Santos
Vicente Roman S. Santos
Jose Ma. S. Lopez
Christian S. Monsod
Jose L. Santos
Roman L. Santos
Blanquita S. Gonzalez
Michael De Leon Escaler**

Also Present :

Mrs. : Miriam W. Reyna

Absent :

Mr. : Augusto Benedicto L. Santos

**CHAIRMAN AND
SECRETARY**

**Mr. Jose Ma. G. Santos acted as Chairman and
Mr. Vicente Roman S. Santos acted as Secretary of this
meeting.**

MINUTES APPROVED

**The minutes of the meeting held on 21 April 2016 were
read and upon motion duly made and seconded, the
same were approved.**

ELECTION OF OFFICERS

**The Chairman announced that the first order of business
would be the election of officers as provided for the By-
laws of the Corporation. The following persons
expressed their consent in writing to be nominated
and elected as officers of the company and thereupon were
presented for nomination for the office or offices set
opposite their respective names:**

- | | |
|------------------------------------|---|
| Augusto Benedicto L. Santos | - Chairman of the Board |
| Jose Ma. G. Santos | - President and Chief Executive Officer |
| Roman L. Santos | - Vice President & Treasurer |
| Elvis Dela Pena | - Vice President – Reinsurance and Underwriting |
| Adoracion C. Manebo | - Vice President – Insurance6 |
| Myriam M. Fernandez | - Vice President – Finance & Administration |
| Antonio F. Sabuga | - Marketing Director – Visayas & Mindanao |
| Vicente Roman S. Santos | - Technical Asst. to the Chairman & Corporate Secretary |
| Miriam W. Reyna | - Assistant Treasurer and Asst. Corporate Secretary |

There being no other nominations and upon motion duly made and seconded, it was unanimously

RESOLVED : That the above nominees be declared elected and/or re-elected to the office or offices for which they had been nominated until the election and qualification of their successors in said office or offices.

**ELECTION OF MEMBERS
TO THE EXECUTIVE COMMITTEE**

Upon motion duly made and seconded, it was unanimously

RESOLVED : That the following will compose the Executive Committee:

- a. Augusto Benedicto L. Santos – (c);
- b. Jose Ma. G. Santos;
- c. Christian S. Monsod – Independent Director;
- d. Vicente Roman S. Santos

**ELECTION OF MEMBERS TO THE
INVESTMENT COMMITTEE**

Upon motion duly made and seconded it was unanimously

RESOLVED : That the following compose the Investment Committee:

- a. Augusto Benedicto L. Santos;
- b. Jose Ma. G. Santos;
- c. Michael L. Escaler;
- d. Vicente Roman S. Santos

**ELECTION OF MEMBERS TO
THE AUDIT COMMITTEE**

Upon motion duly made and seconded it was unanimously

RESOLVED : That the following compose the Audit Committee:

- a. Christian S. Monsod (c) – Independent Director;
- b. Blanquita S. Gonzalez;
- c. Jose Ma. S. Lopez (c) – Independent Director;

**ELECTION OF MEMBERS TO
THE NOMINATION COMMITTEE**

Upon motion duly made and seconded it was unanimously

RESOLVED : That the following compose the Nomination Committee:

- a. Jose Ma. S. Lopez – Independent Director (c);
- b. Roman L. Santos ;
- c. Vicente Roman S. Santos

**ELECTION OF MEMBERS TO THE
REMUNERATION COMMITTEE
(COMPENSATION COMMITTEE)**

Upon motion duly made and seconded, it was unanimously

RESOLVED : That the following compose the Remuneration Committee:

- a. Christian S. Monsod (c) - Independent Director;
- b. Vicente Roman S. Santos;
- c. Jose Ma. S. Lopez (c) – Independent Director

SCHEDULE OF BOARD MEETING

Upon motion duly made and seconded, it was unanimously

RESOLVED : That the regular meeting of the Board of Directors shall be held on the last Monday of each month at 11:30 A.M. at the Board Room, 2nd Floor B & P Building, # 843 A. Arnaiz Avenue, Legaspi Village, Makati City on such day and time as the Board may determine from time to time.

**AUTHORITY AND POWERS
OF MR. JOSE MA. G. SANTOS,
PRESIDENT & CEO**

Upon motion duly made and seconded, it was unanimously

RESOLVED : That the President, MR. JOSE MA. G. SANTOS, be as he is hereby authorized and empowered to approve and to sign and/or endorse for and on behalf of this Company all surety bonds, insurance policies, contracts, mortgages, releases of mortgage, certificate of stocks acquired either by purchase or subscription, government bonds and securities, powers of attorney, deed of sale and such other undertakings for the proper conduct of the business of this Company as authorized by the Executive Committee, or the Board of Directors.

AUTHORIZED SIGNATORIES

Upon motion duly made and seconded, it was unanimously

RESOLVED : That any two (2) of the following be as they are hereby authorized and empowered to endorse to any natural or juridical person any stock certificate acquired by purchase or subscription from any other corporation/s, to execute a separate instrument containing a written assignment of the Certificate to sell, assign, or transfer the same or the shares represented thereby, which assignment may be either in blank or to a specified person; and to deliver the necessary certificate, deed of assignment to any natural or juridical persons/s as the case may be.

- a. Augusto Benedicto L. Santos;
- b. Jose Ma. G. Santos;
- c. Vicente Roman S. Santos;
- d. Roman L. Santos; and
- e. Blanquita S. Gonzalez

ADJOURNMENT

There being no other business to transact, upon motion duly made and seconded, the meeting was adjourned.

CERTIFIED BY:

Original Signed

VICENTE ROMAN S. SANTOS
Corporate Secretary

ATTEST :

Original Signed

JOSE MA. G. SANTOS

Chairman

We hereby ratify and confirm the forgoing minutes:

Original Signed

JOSE L. SANTOS

Original Signed

VICENTE ROMAN S. SANTOS

Original Signed

ROMAN L. SANTOS

Original Signed

CHRISTIAN S. MONSOD

Original Signed

JOSE MA. S. LOPEZ

Original Signed

MICHAEL DE LEON ESCALER

Original Signed

BLANQUITA S. GONZALEZ

ACKNOWLEDGEMENT RECEIPT

Received from **EMPIRE INSURANCE COMPANY** a copy of the Circular Letter No. 31-2005 dated September 26, 2005 issued by the **INSURANCE COMMISSION** together with a copy of the **Code of Corporate Governance Principle and Leading Practices** stating among others, the **specific Duties and Responsibilities of the Board of Directors**.

I hereby certify I have read the contents and fully understand the same.

original signed

Vicente Roman S. Santos
Director

10 January 2017

TO : ALL MEMBERS OF THE BOARD

RE : BOARD OF DIRECTORS SELF- ASSESSMENT QUESTIONNAIRE -2016

In compliance with the **ASEAN CORPORATE GOVERNANCE SCORECARD**, attached hereto is the **Summary - Board of Directors Self- Assessment Questionnaire** to be accomplished and returned to Empire Insurance Company on or before next Board Meeting **January 2017**.

Thank you.

Very truly yours,

EMPIRE INSURANCE COMPANY

Original signed

MIRIAM W. REYNA
Asst Corporate Secretary

/boardselfassessmentltr