

AA Guaranty Assurance Co., Inc.
Annual Meeting of Stockholders
AAGA Conference Room
7th Floor, Unionbank Centre-Manila, 208 Dasmariñas St., Binondo, Manila
June 30, 2020
09:00 A.M.

EXPLANATION OF AGENDA ITEMS

I. Call to Order

The President, Mrs. Rebecca dela Cruz, will welcome the stockholders and call the meeting to order.

II. Proof of Proper Notice of Meeting

The Corporate Secretary, Ms. Nanette Quin-Sia, will certify that Notice of the Meeting was sent to all stockholders on June 01, 2020.

III. Determination of Quorum

The Corporate Secretary will announce whether a quorum is present either in person or by proxy, constituting at least two-thirds (2/3) of the outstanding capital stock.

IV. Reading and Approval of the Minutes of the Annual Stockholders' Meeting held on June 25, 2019

The stockholders will be asked to read and approve the Minutes of the Meeting of the Annual Stockholders' Meeting held on June 25, 2019 a copy of which is attached to the 2020 Notice of Annual Meeting of Stockholders. The proposed resolution is as follows:

“RESOLVED, as it is hereby resolved, that the stockholders of AA Guaranty Assurance Co., Inc. (the “Company”) approve, as they hereby approve, the Minutes of the Annual Stockholders' Meeting held on June 25, 2019.”

V. Annual Report of the President

The President will render her annual report on the Company's activities, as well as its operational and financial performance, for the year 2019.

VI. Ratification of all Acts and Resolutions of the Board of Directors

Explanation of Agenda Items for Board Approval/Election
June 30, 2020

Ratification by the stockholders will be sought for all the acts and resolutions of the Board of Directors taken or adopted since the annual stockholders' meeting on June 25, 2019 until June 30, 2020.

The proposed resolution for this item is as follows:

“RESOLVED, as it is hereby resolved, that all corporate acts and resolutions of the Board of Directors of the Company during the interim period be approved, ratified and confirmed”

VII. Approval of the Audited Financial Statements for 2019

During the meeting, the stockholders will be asked to approve the 2019 Audited Financial Statements (“2019 AFS”). Prior thereto, the Treasurer, Ms. Angelita A. Ayson, will deliver a report on the content of the 2019 AFS and shall answer questions from the stockholders.

“RESOLVED, as it is hereby resolved, that the Audited Financial Statement for the year ended December 31, 2019 be, as the same are hereby, approved”

VIII. Election of Directors (including Independent Directors)

Any stockholder, including minority stockholders, may submit the names of their nominees by June 20, 2020. The President will present the nominees for election as members of the Board of Directors, including Independent Directors, based on the review and evaluation of the Nominations Committee.

Election shall be held by ballot and chosen by a plurality of votes of stockholders voting either in person or by proxy. The stockholders of the company have the right to cumulative voting with the number of votes of each stockholder equal to the product of the number of shares owned and the number of directors to be elected. Stockholders of record may distribute their votes by cumulating them all in favor of one candidate or distributing them equally or proportionately among as many candidates they may wish to elect. Counting of votes will be done by a representative of the external auditor, R.R. Tan and Associates, CPAs.

IX. Election of External Auditors

The Audit Committee will endorse to the stockholders the election of the external auditor, R.R. Tan and Associates, CPAs, for the year 2020.

X. Consideration of Such Other Business as May Properly Come Before the Meeting

Explanation of Agenda Items for Board Approval/Election
June 30, 2020

The President will open the floor for comments and questions by the stockholders. Stockholders may also propose to consider such other relevant matters or issues.

XI. Adjournment

The President shall call for adjournment of the meeting after all business and other relevant matters are taken up.