

Reliance Surety & Insurance Co., Inc.  
Annual Meeting of Stockholders  
Bayleaf Hotel, Intramuros, Manila  
May 23, 2019  
10:00 A.M.

EXPLANATION OF AGENDA ITEMS

I. Call to Order

The President, Mr. Andrew Dee Co, 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 April 30, 2019 and posted on the corporate website on the same date.

III. Determination of Quorum

The Corporate Secretary will announce whether or not 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 May 3, 2018

The stockholders will be asked to read and approve the Minutes of the Annual Stockholders' Meeting held on May 3, 2018 which contains, among others, the (a) Annual Report of the President, (b) Ratification of all the Acts and Resolutions of the Executive Committee and of the Board of Directors, (c) Approval of the 2017 Financial Statements, and (d) Election of the Board of Directors and External Auditors. The proposed resolution is as follows:

"RESOLVED, as it is hereby resolved, that the stockholders of Reliance Surety & Insurance Co., Inc. (the "Company") approve, as they hereby approve, the Minutes of the Annual Stockholders' Meeting held on May 3, 2018."

V. Annual Report of the President

The President will render his Annual Report on the Company's activities, as well as its operational and financial performance, for the year 2018.

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



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Ratification by the stockholders will be sought for all the acts and resolutions of the Executive Committee and of the Board of Directors taken or adopted since the annual stockholders' meeting on May 3, 2018 until May 23, 2019.

The proposed resolution for this item is as follows:

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

VII. Approval of Audited Financial Statements for 2018

A copy of the 2018 Audited Financial Statements ("2018 AFS") will be available for viewing on the Company's website ([www.rsi-insure.com](http://www.rsi-insure.com)) beginning May 2, 2019.

During the meeting, the stockholders will be asked to approve the 2018 AFS. Prior thereto, the Asst. Vice President and Chief Accountant, Miss Angelita A. Ayson, will deliver a report on the content of the 2018 AFS and shall answer questions from the stockholders. Hereunder is the proposed resolution:

"RESOLVED, as it is hereby resolved, that the Audited Financial Statements for the year ended December 31, 2018 be, as the same are hereby, approved."

VIII. Election of Directors (including the Independent Directors)

Any stockholder, including minority stockholders, may submit the names of their nominees by May 13, 2019. 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



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The Audit Committee will endorse to the stockholders the election of the external auditor, R.R. Tan & Associates, CPAs, for the calendar year 2019. The Chairperson of the Audit Committee, Mr. George Duque, is proposing that Mr. Chester Nimitz Salvador be retained as the Company's signing partner for the current year.

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

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.

