

VIII. APPOINTMENT OF THE EXTERNAL AUDITOR

At this moment Bookkeeper Estel asked the board if the Sycip Gorez Velayo and Company will be re-appointed as the External Auditor of KGI-MBA for 2016.

The General Manager justified that KGI-MBA wanted to improve further the presentation of the company's financial report.

After further deliberation, Trustee Pajalla moved approving the appointment of Sycip Gorez Velayo and Company as the External Auditor of KGI-MBA.

Upon motion made by Trustee Susan Pajalla duly seconded and approved by the members assembled, the Board unanimously approved:

***Resolution No. 8-2016
A resolution approving the appointment
of Sycip Gorez Velayo and Company
as the External Auditor
of KGI-MBA***

IX. RATIFICATION OF THE AUDITED FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2015.

Bookkeeper Cristalyn Estel presented the Audited Financial Statement for the year ended December 31, 2015, a copy of which is attached as ANNEX "A" and made as integral part of this minutes.

The Bookkeeper asked if there were any questions on the Audited Financial Statement of the company, and there being none, upon discussion, Trustee Julieta Añonuevo moved the approval of the Audited FS.

Upon motion made by Trustee Julieta Añonuevo duly seconded and approved by the members assembled, the Board unanimously approved:

***Resolution No. 9-2016
Resolution ratifying the Audited
Financial Statement for
the year ended
December
31, 2015***

X. RATIFICATION OF ACTS AND RESOLUTIONS OF THE BOT AND THE MANAGEMENT FOR THE YEAR 2015

President Espino commented that all the previous acts of the board and the management are confirmed, approved, adopted and ratified by the board as long as it is in good faith and not contrary to the law and recorded on the minutes of the BOT meeting.

After further deliberation, Trustee Alfonso moved for the ratification of the previous acts of the board and the management. There being no other objections, the board unanimously ratified the previous acts of the board and the management.

Upon motion made by Trustee Julieta Alfonso duly seconded and approved by the members assembled, the Board unanimously approved:

***Resolution No. 10-2016
Resolution approving the ratification of
the previous acts of the board and
the management for the
year 2015***