

**MINUTES OF THE STOCKHOLDERS' MEETING  
VISAYAN SURETY AND INSURANCE CORPORATION**

Held at the Conference Room, Unit 1403 Keppel Center

Samar Loop cor. Cardinal Rosales Avenue

Cebu Business Park, Cebu City

on 31 May 2021 at 4:00 P.M.

<b>Stockholders Present in Person or by Proxy</b>	<b>No. of Shares</b>	<b>% to Total</b>
Augusto W. Go	559,945	18.66%
University of Cebu (by proxy: Augusto W. Go)	512,380	17.08%
Candice Gotianuy (by proxy: Augusto W. Go)	251,024	8.37%
Elizabeth Gan Go (by proxy: Augusto W. Go)	130,105	4.34%
Kenneth L. Go	216,047	7.20%
Patrick James Go (by proxy: Kenneth Go)	157,963	5.27%
Michael Ronald Go (by proxy: Kenneth Go)	157,632	5.25%
Jonathan Go (by proxy: Kenneth Go)	157,524	5.25%
Rosa Go (by proxy: Kenneth Go)	15,208	0.51%
Peter Go (by proxy: Kenneth Go)	181	0.01%
Beatriz Lu (by proxy: Dwight Lu)	59,644	1.99%
David Lu (by proxy: Dwight Lu)	64,747	2.16%
Josefina Poblete/ JLP Holdings	104,522	3.48%
Gabriel Leyson	608	0.02%
Marriel's Peak Corp. (proxy by: Gabriel Leyson)	5,124	0.17%
Martin Qua (proxy for Fe Qua and Jepama Holdings)	181,811	6.06%
Jimson Yankee	119	0.01%
Estate of John D. Young (by proxy: Virginia Ann D. Young)	460	0.02%
Baldomero Estenzo	8	0.01%
<b>Total number of shares present</b>	<b>2,548,022</b>	<b>86.00%</b>

**1. CALL TO ORDER**

The meeting was called to order at 4:00 P.M. by Atty. Augusto W. Go who presided as Chairman. The Corporate Secretary, Atty. Ma. Iolanda B. Abella recorded the minutes of the proceedings.

**2. CERTIFICATION OF NOTICE AND QUORUM**

The Corporate Secretary certified that all stockholders have been notified of the meeting and that stockholders representing 86% of total issued and outstanding shares were present in person and proxy constituting a quorum for the conduct of business.

**3. APPROVAL OF THE MINUTES OF THE PREVIOUS MEETING**

Upon motion of Atty. Baldomero Estenzo, seconded by Ms. Virginia Young, the minutes of the previous meeting was approved.

**4. PRESIDENT'S REPORT**

The President Kenneth Go presented the following reports for the year ended 2020:



- 1) **Production Report per Branch 2020** in comparison to production in 2019:
  - a) Head Office decreased by 7%
  - b) Bohol Branch increased by 98%
  - c) Cagayan de Oro Branch decreased by 17%
  - d) Dagupan Branch increased by 94%
  - e) Dumaguete Branch increased by 14%
  - f) Davao Branch decreased by 7%
  - g) Tacloban Branch decreased by 50%
  - h) Butuan Branch - newly opened, production P1,005,898.07
  - i) General Santos Branch - newly opened, production P1,360,979.35
  - j) Manila Extension Office - decreased 20%
  - k) Manila Branch - production P344,509.00

Total Consolidated Production for 2020 is P568,836,331.27 or a decrease of 7% compared to 2019.

The Chairman asked for clarification on the different insurance lines. He asked on the big decrease on microinsurance. The President explained that the reason why the Company started offering microinsurance the past years was because there was a move by the Insurance Commission to peg the net worth requirement at 550M if half of the Company's portfolio of premiums written was in microinsurance. This way, in case the Company could not meet the 1.3B ultimate net worth requirement, there will be a fallback position to just comply with 550M. However, due to adverse claim experience, this line of business is now being winded down and all claims have been paid.

The Chairman suggested to the President to study the merger of the Manila Branch with the Manila Extension Office to save money on office rentals and other expenses but to continue giving salary to Mr Wong and his wife. The Chairman explained to the stockholders the arrangement with Mr Wong on money remittance and sharing of interests in money market placements which has been in place even before his time and which has been continued in recognition of his services in the early years of the company.

The Chairman directed the President to check if Hyundai have properties in Butuan to be insured so as to grow the production of the Butuan Branch. He also inquired on the President on the status of the IPI account and he was informed that IPI gave 20% of IPI insurance business to the company, specifically on fire insurance.

The Chairman then asked for update on the Dapitan lot and the President reported that titles were given as collateral for a bond and that there are offers to buy the properties. The Chairman instructed the President to check on the adjacent property owners who may give a better value for the properties.

The President also reported that Empire Insurance closed and Visayan was able to hire its Vice President who brought in 5 branches (Bacolod, Ilo-ilo, Tandag, Butuan and Zamboanga) with him. The Chairman cautioned on claims from Empire and the President assured him that this was already cleared before the hiring.

2) **Updated Production Report per Branch as of April 2021:**

- a) Head Office increased by 35%
- b) Bohol Branch increased by 18%
- c) Cagayan de Oro Branch increased by 46%
- d) Dagupan Branch increased by 67%
- e) Dumaguete Branch increased by 16%
- f) Davao Branch decreased by 34%
- g) Tacloban Branch decreased by 9%
- h) Butuan Branch - increased by 58%
- i) General Santos Branch - increased by 325%
- j) Manila Extension Office - increased by 288%
- k) Manila Branch - production P895,843.67

Total Consolidated Production as of April 2021 is P250,030,474.77.

3) **Statement of Income as of December 31, 2020 compared to 2019.**

The President proceeded to report on the following:

- a) Balance Sheet showing:
  - (i) total assets of P1,888,093,332.65
  - (ii) total liabilities of P838,439,834.06
  - (iii) total equity of P1,049,653,498.60
- b) Income Statement showing Net Income of P36,990,341.27 which is an increase of 30% from 2019

The Chairman instructed the President to examine if the company can generate business from Capitol University thru Atty Casimiro Juarez on personal accident and/or fire insurance.

Upon motion, duly seconded, the report of the President was noted and approved.

5. **ELECTION OF DIRECTORS**

Upon motion duly made and seconded, the following were nominated for the office of Director:

Augusto W. Go  
Kenneth Go  
Candice Gotianuy  
Albert Tan  
Gabriel Leyson  
Baldomero Estenzo - Independent Director



Pio Y. Go - Independent Director

Thereafter, upon motion duly seconded, the nominations were declared closed and the Secretary was directed to cast the ballots for all the stockholders present in favor of the above-named nominees. The above-named persons were then declared by the Chairman to be duly elected directors of the corporation for the ensuing year and until their successors have been duly elected and qualified.

#### **6. APPOINTMENT OF EXTERNAL AUDITOR**

Upon motion duly made and seconded, Sta. Ana Rivera and Co. was appointed as the corporation's external auditor.

#### **7. OTHER MATTERS**

The Chairman commended the President on a good performance and for the company's increasing its capitalization to P900 Million.

The President announced that the company will be celebrating its 90<sup>th</sup> anniversary on July 14. The Chairman emphasized the importance of a press release because the company's business is based on trust. He also asked the President to study the possibility of taking the company public in the future and listing in the stock exchange.

Ms. Virginia Young suggested that for the anniversary a sharing of stories on helping clients, safeguarding assets and livelihood be published in social media and newspapers. The President welcomed the suggestion as the company prepares for its 90<sup>th</sup> anniversary.

#### **8. ADJOURNMENT**

There being no other matters to discuss, the meeting was thereupon adjourned.

Certified Correct:

  
**MA. IOLANDA B. ABELLA**  
Corporate Secretary

Attested By:

  
**KENNETH GO**  
President