

**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 30 May 2022 at 4:00 P.M.

Stockholders Present in Person or by Proxy	No. of Shares	% to Total
Augusto W. Go	553,972	18.46%
University of Cebu (by proxy: Augusto W. Go)	506,914	16.89%
Candice Gotianuy (by proxy: Augusto W. Go)	263,851	8.79%
Elizabeth Gan Go (by proxy: Augusto W. Go)	128,717	4.29%
Kenneth L. Go	217,065	7.23%
Patrick James Go (by proxy: Kenneth Go)	157,963	5.26%
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)	15,045	0.50%
Peter Go (by proxy: Kenneth Go)	179	0.005%
Beatriz Lu (by proxy: Dwight Lu)	59,643	1.98%
David Lu (by proxy: Dwight Lu)	64,748	2.15%
Gabriel Leyson	608	0.02%
Marriel's Peak Corp. (proxy by: Gabriel Leyson)	5,635	0.18%
Martin Qua	53,212	1.77%
Jepama Holdings (proxy by: Martin Qua)	179,872	5.99%
Jimson Yankee	419	0.0139%
Baldomero Estenzo	8	0.0002%
Pio Y. Go	1	0.00003%
Sonie Go	184	0.006%
Flora Go Giok Chuan	341	0.0113%
Henry Go	341	0.0113%
Margarita U. Go	683	0.022%
Go Giok Chuan	851	0.0283%
Go Ciok Keng	851	0.0283%
John D. Young	460	0.0153%
Albert Tan	6,001	0.20003%
Total number of shares present	2,374,757	79%

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 79% 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. Pio Go, seconded by Mr. Dwight Lu, the minutes of the previous meeting was approved.

4. PRESIDENT'S REPORT

The President Kenneth Go presented the following reports for the year ended 2021:

- 1) **Production Report per Branch 2021** in comparison to production in 2020:
 - a) Head Office increased by 15%
 - b) Bohol Branch increased by 92%
 - c) Cagayan de Oro Branch increased by 31%
 - d) Dagupan Branch increased by 41%
 - e) Dumaguete Branch increased by 78%
 - f) Davao Branch decreased by 8%
 - g) Tacloban Branch decreased by 10%
 - h) Butuan Branch - newly opened, production P7,595,908.44
 - i) Butuan Extension - serving Hyundai account decreased by 32%
 - j) General Santos Branch - increased by 84%
 - k) Manila Extension Office - increased 78%
 - l) Manila Branch - increased by 33%
 - m) Bacolod newly opened - P1,437,821.96
 - n) Ilo-ilo newly opened - P3,673,970.18
 - o) Tandag newly opened - P4,354,982.29
 - p) Zamboanga newly opened - P607,492.46

Total Consolidated Production for 16 branches nationwide in 2021 is P701,327,880.24 or an increase of 24% compared to 2020.

The Chairman informed the body that with the change of Hyundai management, he expects better production from the Hyundai account; he asked if it was sustainable to operate the small branches which only have a minimal premium collection, the President responded that there were only 2 staff and the overhead was minimal.

The Chairman asked for update on the merger of the Manila Branch with the Manila Extension Office. The President said that the renovation of the newly acquired building is still ongoing. The Chairman requested the President to target the anniversary date, July 14, to complete the office renovation. The Chairman reminded the President to ensure that the title is transferred to the company.

2) **Financial Statements as of December 31, 2021.**

The President presented the financial statements which shows a Net Income of P41,264,199.00 which is an increase of 11.6% from 2020.

3) **Capital Net Worth Analysis in Preparation for IC Requirement**

The President reported that with the P1.3B capital requirement, the company will need P381,211,481.81 capital infusion to meet the P1.3Billion requirement. There is a lobby to stop the increase at P900M, but the bill is still pending in Congress. The Chairman asked the President to examine other options to increase capital and consider ASPAC and CUNA declaring dividends or to request other stockholders to put in additional capital with incentive to give higher per diem to board of directors.

4. CLAIMS UPDATE ON TYPHOON ODETTTE

The President reported that the projected total claim for motorcar is P15M, for marine hull P522M, for property P1.9B. Even considering re-insurance, the projected net loss of the company is P387,240,593.70.

The company has already started paying the claims and continue to process claims with the assistance of the re-insurer.

The Chairman called for a management meeting to address the issues of capital net worth requirement and the claims for losses on Typhoon Odette.

The Chairman asked the President to consider selling all holdings in stocks which is about P25M and to sell it as soon as possible.

Upon motion duly made and seconded, the following resolution was passed and approved:

Resolution To Sell Investment in Shares of Stocks

“RESOLVED, as it is hereby resolved that the Company unload/sell all its investments in shares of stocks
RESOLVED FURTHER, that the President be authorized, and he is hereby authorized to implement the foregoing resolution.
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
Martin Qua
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

To address the need to increase capital, Mr. Jimson Yankee suggested that a stockholders' road show be organized to invite the present stockholders to infuse more money. He suggested that the company has been earning 5-10% a year but this year the company needs 900M and if the IC will press on increasing capital to P1.3B he feels that the management should make investing in the company attractive. He noted that invitations were sent to increase capital proportionate to shares these were not successful because maybe the shareholders do not know about the company and has less confidence; that the company image is good so there should be more marketing for shareholders.

The Chairman agreed and will discuss with the President on how to increase the capital. He said that at the start the capital of the company was very small. The Chairman invited Jimson Yankee to a meeting within 2 weeks on plans how to increase capital but need clearer picture of losses as the timing is not good due to the Odette claims.

The Chairman also asked the other shareholders for other ideas. The President explained that maybe the invitation to invest more was not attractive because no dividends were declared before but after the last tranche of increase, the company should be able to declare dividends. If not for Typhoon Odette, the company should have started declaring dividends.

The Chairman encouraged the President to speak about the big clients like the Gokongwei group, whose broker is already with the company. The Chairman suggested leads to the Gokongwei group to drum up more business from the group.

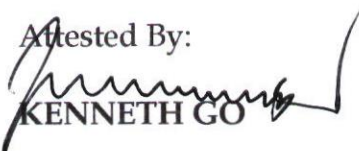
8. ADJOURNMENT

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