

**MINUTES OF THE MEETING  
RISK OVERSIGHT COMMITTEE of the BOARD  
OF BETHEL GENERAL INSURANCE AND SURETY CORPORATION  
VIA HYBRID MEETING AT 10:00 A.M. ON MAY 19, 2023**

**PRESENT:**

Ms. Vida T. Chiong	Chairperson
Ms. Dominga G. Garcia	Member
Mr. Nestor B. Liwanag, Jr.	VP-Underwriting/Chief Risk Officer
Atty. Rozaire G. Ombao-Bagares	Minute taker (Corporate Secretary)

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**CALL TO ORDER**

The Meeting was called to order by the Chairperson of the Risk Oversight Committee at 10:00 A.M. on May 19, 2023 via hybrid meeting – Ms. Vida Chiong and Ms. Dominga Garcia attended thru Zoom videoconferencing, while Mr. Liwanag and Atty. Ombao were at the Bethel Conference Room, located at the Bethel General Insurance - Head Office. Atty. Ombao took the minutes of the meeting.

**SERVICE OF NOTICE AND DETERMINATION OF QUORUM**

The Corporate Secretary reported that, in accordance with the provisions of the Corporation Code and the Amended By-Laws of the Company, written notice of the meeting was served to all members of the Risk Oversight Committee. The majority of the members of the committee are present to validly transact business at today's meeting.

A copy of the Underwriting Report was sent via email on May 17, 2023, ahead of the Committee meeting.

**DISCUSSION ON THE UNDERWRITING REPORT AS OF DECEMBER 31, 2022**

Atty. Ombao screen-shared the report of Mr. Nestor Liwanag, Jr., VP for Underwriting and Chief Risk Officer.

Mr. Liwanag reported to the Committee the premium combined production as of December 31, 2022, which is composed of direct business and reinsurance incoming business. Total production for direct business as of December 31, 2022 amounted to [REDACTED], an increase of [REDACTED] compared to the previous year. As for RI's incoming business, total production amounted to [REDACTED] an increase of [REDACTED]. The overall total for the premium combined production as of December 31, 2022, is [REDACTED] compared to [REDACTED] last year, or an increase of [REDACTED].

Ms. Chiong asked how it compares to the target. Mr. Liwanag replied that Bethel Gen was able to meet the target. [REDACTED]

Ms. Chiong suggested having the data on production compared also against the target set by the company.

Ms. Garcia noticed that the biggest contributors to the increase in production are fire and engineering lines. She inquired if that came from the brokers or agents. Mr. Liwanag replied that it is mostly coming from the broker's accounts, [REDACTED]

Ms. Chiong inquired if the provincial branches send their proposals to the Head Office for approval, prior to issuance of policies. Mr. Liwanag replied that Bethel Gen has a set of underwriting guidelines that were distributed to provincial branches, particularly to the underwriting staff, for their guidance and compliance. They also have their limits of authority; in excess of their approving authority, it must be referred to the Head Office.

Ms. Chiong inquired as to how the other companies in the group market their bonds. Atty. Ombao replied that for Bethel Gen, a great bulk of bonds business is also with the agents, but slowly moving towards meeting the bond requirements of the brokers.

Ms. Garcia inquired if the bonds business of Bethel is more on DPWH bonds. Atty. Ombao replied that it is composed of contractor's bonds for government agencies, and judicial bonds. In terms of premium production, judicial bonds production is more on [REDACTED]

At this point, Ms. Chiong requested updates on the cases filed against Bethel Gen. Atty. Ombao reported that there is no new case file against Bethel Gen as of December 31, 2022.

Ms. Garcia asked about the loss ratio. Mr. Liwanag replied that he has no breakdown of the loss ratio per line, but he reported that the overall loss ratio is 19.78%.

In the ensuing discussion, Mr. Liwanag reported that the bulk of business in the product mix of the entire portfolio came from motor car, and fire and engineering, which comprises 37% each, and the rest are from marine and miscellaneous lines.

[REDACTED]. Atty. Ombao mentioned that as of May 18, 2023, it was confirmed by the Insurance Commission that Bethel Gen has no pending motor car and fire claim filed with the Insurance Commission.

Mr. Liwanag also reported the underwriting distribution of the retention business, including the RI--quota share (QS), FS, facultative, and XOL, which as of December 31, 2022, amounted to [REDACTED], an increase of [REDACTED] as compared to last year's [REDACTED]. Since the business of Bethel Gen focuses more on retail, we are able to retain more of the account.

#### **UPDATES ON THE REGISTRATION WITH THE NATIONAL PRIVACY COMMISSION**

Atty. Ombao updated the committee regarding the PIRA letter received from the National Privacy Commission, informing all non-life insurance companies regarding new requirements. The Company will update its registration with the NPC.

**ADJOURNMENT**

There being no other matters to be taken up, the meeting was adjourned at 11:00 a.m.

Certified Correct:

**(Sgd.) ATTY. ROZAIRE G. OMBAO-BAGARES**  
Corporate Secretary