

**MINUTES OF THE MEETING OF THE AUDIT COMMITTEE  
OF BETHEL GENERAL INSURANCE AND SURETY CORPORATION  
VIA VIDEOCONFERENCING AT 10:30 A.M. ON OCTOBER 13, 2022**

**PRESENT:**

Ms. Vida T. Chiong	-	Chairman
Ms. Dominga G. Garcia	-	Member
Mr. Isagani Sabado	-	Resource Person
Ms. Maricor Parado	-	Resource Person
Atty. Rozaire G. Ombao-Bagares-		Minute taker

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**CALL TO ORDER**

The Meeting was called to order by the Chairman of the Audit Committee at 10:30 A.M. on October 13, 2022 via videoconferencing. The Corporate Secretary 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 Audit Committee.

**APPOINTMENT OF THE EXTERNAL AUDITOR**

Ms. Chiong welcomed the presence of Mr. Isagani Sabado, nominated as the External Auditor of the company for 2022. She raised her concerns on how to ensure that the Audited Financial Statement will be submitted to the Insurance Commission on time. Mr. Sabado replied that as long as all the data are complete and submitted to them as scheduled, the Financial Statements would be finished earlier. Mr. Sabado mentioned that he will start doing the Interim Audit by end of October or early November of this year.

The Finance Group must be well coordinated with the External Auditor to comply with all the documents needed by the latter to avoid penalty.

Ms. Chiong requested Mr. Sabado to send an engagement or proposal letter for 2022 and asked who are the members of the assigned audit team for the Bethel Gen.

Mr. Sabado replied that he will send an engagement letter and he will personally lead the audit team for Bethel Gen, and they will conduct the audit within the office premises of Bethel Gen. In this regard, Ms. Chiong requested Ms. Parado to provide adequate office space for the audit team.

At this point, Ms. Garcia mentioned that there should no longer be penalties to be incurred since there is an additional staff in the Finance Department and with complete coordination with the MIS team.

Ms. Parado made a commitment that with the additional staff, and with the complete submission of the report to be provided by other departments, the financial statements will be finished by end of the first quarter of 2023. She mentioned that she will coordinate with other departments to come up with a definite date to submit all the reports to her.

Mr. Sabado at this point assured the Audit Committee that the Audited Financial Statements will be presented to the Board for approval and notation before submission to the Insurance Commission.

#### **FINANCIAL STATEMENTS as of DECEMBER 31, 2021**

Ms. Garcia asked Ms. Parado to update the Audit Committee on the verification by the Insurance Commission of the 2021 Financial Statements of Bethel Gen. Ms. Parado replied that the examination of IC is still on-going through phone call verification and that they have submitted the Inventory of Real Properties and Investments.

Ms. Garcia also inquired about the approval of the appraisal increase of the properties located in Brgy. Sampaloc in Tanay. In a related matter, Atty. Ombao replied that after the Board Meeting on September 14, 2022, she sent an email and telegram message to Mr. delos Reyes, Jr. regarding the possibility of an increase of settlement offer from P10M (BF Life v. BF Gen).

The present valuation of the property is at P104Million based on the 2014 appraisal. Ms. Parado mentioned that it is still in the books but considered non-admitted. All the titles to properties of BF Gen are now annotated in the name of Bethel Gen.

#### **OTHER MATTERS**

Atty. Ombao also informed the Committee that she will send a schedule of seminars for 2023, to the Board of Directors, once received from SEC and ICD. She also announced that the tentative schedule Board Meeting is on the 3<sup>rd</sup> week of November at Baguio Country Club.

#### **ADJOURNMENT**

There being no other matters to be taken up, the meeting was adjourned at 11:45 a.m.

Certified Correct:

**ATTY. ROZAIRE G. OMBAO-BAGARES**  
Corporate Secretary