

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
INSURANCE COMMISSION
Insurance Commission Building
United Nations Avenue, Manila

**IN THE MATTER OF THE
PROPOSAL FOR THE
DISTRIBUTION OF THE TRUST
FUND ASSETS OF DANVIL
PLANS, INC. IN CONNECTION
WITH THE LIQUIDATION OF
SAID COMPANY PURSUANT TO
SECTION 52 OF REPUBLIC ACT
NO. 9829, OTHERWISE KNOWN
AS THE PRE-NEED CODE.**

CRL Ref. No. 2016-006

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CLARIFICATORY DIRECTIVE

26 July 2016

This *Clarificatory Directive* is issued pursuant to Section 6 (k) in relation to Sections 50 and 52 (c) of Republic Act No. 9829, otherwise known as the Pre-Need Code of the Philippines, and in the interest of facilitating the liquidation of Danvil Plans, Inc. ("Danvil") in accordance with the provisions of this Commission's *Directive* dated 24 February 2016.

On 16 December 2015, this Commission approved payment of (1) full maturity benefits to three thousand forty eight (3,048) planholders with mature educational plans as of 10 October 2013 ("Stay Order Date") in the total amount of Three Hundred Five Million Six Hundred Thirty One Thousand Pesos (Php 305,631,000.00) in checks; and (2) full maturity benefits to sixty nine (69) planholders with mature pension plans as of the Stay Order Date in the total amount of Six Million Eight Hundred Sixty Thousand One Hundred Pesos (Php 6,860,100.00) in checks. Payment to these planholders commenced on 26 January 2015.

On 24 February 2016, this Commission issued a *Directive* that partly reads, viz:

"Accordingly, the Liquidator is directed to prepare a Liquidation Plan for all planholders as follows:

- 1. For planholders with fully paid (but not yet matured) plans, the premiums they paid will be returned to them in full;*

2. For planholders actively paying their plans, the premiums they paid will likewise be returned to them in full;

3. For planholders whose plans were pre-terminated prior to 31 December 2013 and whose pre-termination value has been held by this Commission due to suspension of payment of all benefits, they shall be paid fifty percent (50%) of the premiums paid since they exercised the option to pre-terminate." [Emphasis supplied.]

Payment to Danvil planholders falling under the three (3) categories mentioned above commenced on 2 May 2016.

During the course of the implementation of the liquidation plan, several planholders raised the issue as regards the maturity date of Danvil plans that determines their corresponding entitlements.

This Commission's approval of the first tranche of payment to Danvil planholders on 16 December 2015 made reference to a Stay Order Date, which was on 10 October 2013. For that reason, mature plans pertain to those that matured on or before 10 October 2013.

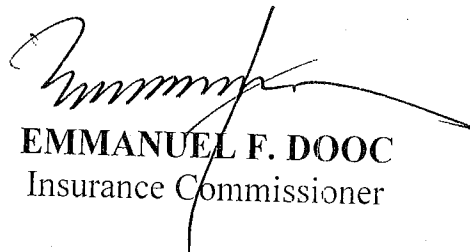
Necessarily, for the purposes of this Commission's *Directive* dated 24 February 2016, all fully paid plans that matured *after 10 October 2013* fall within the purview of "*fully paid (but not yet matured) plans*". Consequently, concerned Danvil planholders with said plans are entitled to the full return of premiums paid.

The Insurance Commission shall continue to release instructions from time to time in order to clarify or resolve other major issues submitted for consideration.

Let a copy of this *Clarificatory Directive* be posted to this Commission's website (www.insurance.gov.ph). All stakeholders are enjoined to visit the same occasionally for other announcements.

SO ORDERED.

Manila, Philippines; 26 July 2016.


EMMANUEL F. DOOC
Insurance Commissioner

Copy furnished:

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