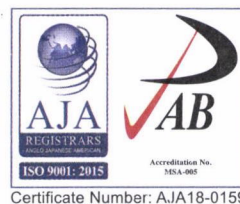




Republic of the Philippines
Department of Finance
INSURANCE COMMISSION
1071 United Nations Avenue
Manila



Legal Opinion No:	2020 - 15
Date:	16 November 2020

MR. KAMRUL H. TARAFDER
President and CEO
ASA PHILIPPINES FOUNDATION, INC.
15th Floor Prestige Tower,
F. Ortigas Jr. Road, Ortigas Center
Pasig City 1605, Philippines

**SUBJECT: LEGAL OPINION ON ASA PHILIPPINES
FOUNDATION, INC.'S DOUBLE ASSISTANCE AND
MAAASAHAN PROGRAMS**

Dear Mr. Tarafder:

This pertains to the above subject wherein ASA Philippines Foundation, Inc. (ASA) requested this Commission in a letter dated 08 October 2020 to confirm its position that the Double Assistance (Free DBA) and MaaASAhan Programs are not within the regulatory supervision and regulation of this Commission which consequently does not require appropriate licensing and other requirements in accordance with Republic Act No. 10607, Joint IC-CDA-SEC Memorandum Circular Nos. 01-2010 and 02-2010 dated 29 January 2010 and 25 June 2010, Executive Order No. 192, Series of 2015 and Republic Act No. 9829.

It was further stated in said letter from ASA that, *inter alia*, the aforementioned programs are ASA's initiatives to ease the financial difficulties of its borrower-clients in times of their pressing needs and that it is part of ASA's Corporate Social Responsibility. These are gestures of ASA's goodwill to the people it is trying to help through its various microfinance products and that the funds for these programs are from ASA's 15%-16% annual net income or 5%-7% annual gross income from its microfinance business.

A consolidated perusal of ASA's letter and the attached ASA's 2020 Guidebook indicates that the Free DBA is a free burial assistance program granted to ASA's borrowers/clients and their designated nominees in case either of them dies.

In Free DBA, ASA's borrower/client may receive a certain amount of money which ranges from Php 10,000.00 to Php 25,000.00, depending on the category of the borrowers'/clients' membership, upon the death of the designated nominee. On the other hand, a designated nominee may receive a certain amount of money which ranges from Php 5,000.00 to Php 15,000.00, depending on the category of ASA's borrower/client, upon the death of ASA's borrower/client. These monetary assistances are further subject to the qualifications and requirements stated therein.