



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



## **PRESS RELEASE**

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### **IC PROBES PRIME CARE KAAGAPAY LIFE PLAN OVER SUSPICIOUS AND POSSIBLY FRAUDULENT BANK CERTIFICATIONS**

Insurance Commissioner Dennis B. Funa issued a show cause order against Prime Care Kaagapay Life Plan, Inc. (Prime Care Kaagapay)— a pre-need company— over questions on its compliance with the required capitalization requirement under Republic Act No. 9829 otherwise known as The Pre-Need Code of the Philippines.

This is in line with the ongoing investigation by the Insurance Commission into Prime Care Kaagapay’s compliance with the minimum paid-up capital of P100 million in relation to its application for the renewal of its license to act as a pre-need company.

According to Commissioner Funa, “Upon investigation, it was discovered that Prime Care Kaagapay has submitted bank certifications to the Commission bearing the same serial number pertaining to the same account but with different amount of available balances.”

The submission of bank certifications is extremely crucial in serving as proof that a company possesses the required capitalization under the Pre-Need Code.

According to Commissioner Funa, the company submitted a bank certification when it applied for an original license to act as a pre-need company. However, this turned out to be spurious, as certified by the bank manager of the company’s depository bank.

“Upon verification with the depository bank of Prime Care Kaagapay, it was revealed that the bank certification, which was supposed to prove that it has the required P100 million minimum capitalization under the Pre-Need Code, was spurious,” said Commissioner Funa.

He added, “The depository bank made a certification effectively proving that the bank certification submitted by the company to the Insurance Commission is spurious.”

Based on the certification issued by the depository bank, the authentic bank certification actually reflects an outstanding balance below the minimum required paid-up capital for new pre-need companies.

“Upon further verification, it was likewise discovered that the said bank account has already been closed,” Commissioner Funa added.

The Insurance Commission already made the necessary communication to the depository bank informing it that the bank certification it issued was tampered.

According to Commissioner Funa, the Insurance Commission is looking into all possible cases, both administrative and criminal, against the responsible officers of Prime Care Kaagapay in relation to its misrepresentation on its application for issuance of license and submission of documents which appear to be fake.

Prime Care Kaagapay, headed by its Chairperson Moryula Geru M. Oliveros, and President and CEO Pio P. Gubatana, applied for a license to sell memorial plans in 2018.

Commissioner Funa likewise issued a Conservatorship Order against the company which would result in the take-over of the assets and management of the company.

With the issuance of the Conservatorship Order, the Insurance Commission will take over the assets of the company to ensure that the same will remain focused in the provision of services and the continued protection of the interests of planholders of the company. This is in the nature of preventive measure to ensure that the company’s assets will be solely used for legitimate business purposes.

In addition, Commissioner Funa said, “While we cannot disclose the details of the ongoing investigation until its completion, we assure the public that we are carefully looking into all possible violations of the responsible officers and hold them liable.”



**ATTY. JOANNE FRANCES D.C. CASTRO**

*Media Relations Officer*

[jfdc.castro@insurance.gov.ph](mailto:jfdc.castro@insurance.gov.ph)