

# The illustrious roots of National Life Insurance Company

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## INSURANCE FORUM

W National Life Insurance Co. (NLIC) has been successfully rehabilitated by the Insurance Commission with the sale of its common shares and its debts to a holding company through a competitive bidding process. It is, so far, the biggest rehabilitation program under the auspices of the Insurance Commission. It has been an arduous journey from the time it was first placed under

conservatorship in 2006. With its operations soon to restart, it may well be appropriate to recall the illustrious beginnings of the company. It was founded by leading men from the government and business sectors.

NLIC was established in 1933 by prominent Filipino business leaders, led by former Secretary of Finance Miguel Yulo Unson, Leopoldo Ramos Aguinaldo, Eulogio Rodriguez Sr., Wenceslao Trinidad, Jose “Pepito” de Leon y Joven, Vicente Villanueva, Cesar Ledesma, Fulgencio Borromeo, Jose Hilario, Isaac Ampil, Arsenio Bartolome, Jose Paez, Paciano Dizon and Jose C. Abreau. It was registered with the Securities and Exchange Commission on August 1, 1933. Its corporate existence was extended on November 5, 1975.

Unson served as its first president. Under him were Trinidad as vice president, Joven also as vice president, Hilario as medical director, Hipoutu Barrenengoa as production manager, Exequiel S. Sevilla as the actuary and Arsenio N. Luz as the first general agent. It held office at the third floor of the Regina Building along Escolta Street, Manila, where it would stay until 1978. Sevilla would later become president of NLIC and pass away in 1985. Luz served as director general of the Philippine Expositions Inc. and as director of the Manila Hotel. He also served as chairman of the Board of Information under President Jose P. Laurel. He is also a charter member of the Boy Scouts of the Philippines. He is the first Filipino president of Manila Rotary.

Unson served as secretary of finance from July 18, 1928, to December 13, 1931, under President Manuel L. Quezon; he later served as the first president of NLIC. Unson, born in Molo, Iloilo, in 1877 and a graduate of the University of Santo Tomas, was a prominent bureaucrat who had been a provincial treasurer, as well as an undersecretary of finance. He later served as chairman of the

Government Survey Board in 1936; then appointed member of the Council of State by Laurel in 1943. He is noted for having been the first to introduce the budgetary system in the Philippines.

Aguinaldo was a prominent businessman, and together with Vicente Madrigal, Toribio Teodoro and Gonzalo Puyat, they were at that time known as the “Big Four” of the Philippine business world. He was president of the Luzon Surety Co., director of the Manila Railroad Co., director of the Manila Hotel, director of the Philippine Carnival Association, president of Club Filipino and president of the Philippine Chamber of Commerce. He owned the Aguinaldo Department Store which, in the 1930s, was the biggest department store in the country. It was along Juan Luna Street in Binondo. He was born on November 15, 1885, in Manila and was the son of Anastacio and Marcela Ramos Aguinaldo. Together with Unson, Trinidad, Joven, Borromeo and Hilario incorporated Mapfre Asian Insurance Corp. on September 1, 1934.

Eulogio Rodriguez Sr. was, of course, elected Senate President on May 20, 1953, and continuously served for 10 years. Trinidad served as the collector of internal revenue during the American period. He was later appointed by Quezon as member of the Government Survey Board on February 14, 1936.

Industrialist Joven is from Bacolor, Pampanga. He is the only son of Pampanga’s first multimillionaire industrialist Jose Leoncio “Pitong” de Leon y Hizon and the Chinese mestiza heiress Regina Joven y Gutierrez. Pitong established the Pampanga Sugar Development Co. (Pasudeco) in 1918 and which started operations in 1921. His fortune established the de Leon-Joven family of Bacolor. Pitong would die from a gunshot wound in 1939, after a heated dispute with sugar planters and millers at the Pasudeco office. Pepito passed away in 1974. An account of the incident was narrated by Alejandro S. Camiling, thus: “In 1939 the sugar planters’ association, led by the Timbol brothers [Gregorio and Carmelino], were negotiating with the management of Pasudeco to increase by 10 percent [from 40 percent to 50 percent] the planters/farmers’ share from sugar produced. When the management of Pasudeco failed to accommodate the planters’ demand, the Timbol brothers assassinated the Chairman of the Board Don Jose de Leon and the Treasurer Don Augusto Gonzalez at the plant’s Administration Building in Santo Niño, San Fernando, Pampanga. Captain Julian Olivas of the Philippine Constabulary, who was trying to mediate between the two parties, was also shot to death. The entire nation was shocked and mourned the death of the company’s two executives and the Philippine Constabulary officer. After a long trial, the Timbol brothers were convicted for the crime they committed.”

Borromeo was an incorporator of Ortigas, Madrigal y Cia, S. en C. (sociedad comanditaria por acciones), which was established on January 20, 1920, with the purpose of acquiring Hacienda de Mandaloyon, which was part of the estate of the Augustinians. The property consisted of 4,033 hectares bordering San Juan, Pasig and Quezon City. The other incorporators were Francisco Ortigas,

Vicente Madrigal, B.C.M. Johnston, Borromeo and Clyde A. Dewitt, who were designated as general partners (socios gerentes colectivos), while then-Senate President Quezon was listed as a limited partner (socio comanditario). The company had intended to divide the large tract into residential and commercial subdivisions. He was later appointed by President Sergio Osmeña as director of the National Development Co. and the Manila Railroad Co.

Hilario was a former deputy collector of internal revenue under Quezon. Ampil is the owner of Pineda & Ampil Manufacturing Co.

Paciano Santos Dizon was first Filipino auditor general of the Commission on Audit and was later appointed by Osmeña as director of the National Development Co. and the Manila Railroad Co. He hails from Porac, Pampanga.

Abreu served as judge and was one of the first members of the Commission on Elections appointed in 1940.

With the start of the second World War, NLIC was initially forced to stop its operations. It resumed a year later in 1942 servicing all policyholders. In 1945 NLIC obtained a loan from Rehabilitation Finance Corp. (later the Development Bank of the Philippines) to meet the financial difficulties caused by the war. In 1947 its President Unson passed away. He was succeeded by Aurelio B. Montinola Sr. until his appointment as secretary of finance by President Elpidio Quirino on January 1951. He was succeeded by Serafin Lazatin of Pampanga until his death on February 12, 1952. Joven then assumed the presidency of NLIC in 1952. Montinola is a prominent businessman and lawyer. He founded Amon Trading in 1945, a company dealing with construction materials. On January 1, 1951, he was sworn in as secretary of finance. During the same period, he was the presiding officer of the Monetary Board, member of the Council of State, chairman of the National Economic Council and of the Fund Release Control Committee, and chairman of the Committee on the Revision of the Trade Agreement with the US. He passed away in November 1985.

By 1955, Sevilla assumed presidency, whereas Joven assumed the chairmanship until his retirement in 1963. Julio V. Macuja assumed as chairman in 1963 and serve until 1987, for a total of 24 years. On the same year, celebrating its 22nd anniversary, its official publication, The Beacon, was launched. In the 1950s NLIC would launch pioneering products, such as the Endowment Amenity, Family Plan, Teachers Group Insurance and the Agents' Provident Plan. In 1966, celebrating its 33rd year, NLIC inaugurated its new building along Ayala Avenue in Makati City, the Sikatuna Building. It is significant that in 1969, NLIC declared its first cash and stock dividends after 36 years. Julio Macuja would later be governor and chairman of the Development Bank of the Philippines from January 10 to March 5, 1970. He is a grandfather of renowned ballerina Lisa Macuja. He previously served as general manager of Pasudeco. He passed away in 1987.

In 1974 its Founder Joven passed away. Sevilla retired as president. Its Treasurer Benjamin de Leon, son of Jose de Leon, succeeded as president. Benjamin first joined NLIC in 1957 as assistant to the president. In 1980 NLIC inaugurated its National Life Building along Ortigas Avenue in Greenhills, San Juan. In 1988 Ernesto O. Escaler was elected chairman of the Board of Directors, where he served until his passing in 1994. Benjamin de Leon was elected as chairman. Escaler is one of the founders of the Philippine Investment Management Consultants Inc. and Bacnotan Consolidated Industries. Escaler was married to Luisa de Leon, daughter of Joven.

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