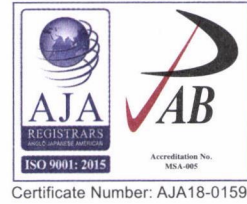




Republic of the Philippines  
Department of Finance  
**INSURANCE COMMISSION**  
1071 United Nations Avenue  
Manila



Legal Opinion (LO) No.:	2020 - 01
Date:	29 January 2020

**MS. RUTHIE MARIE C. BABAEL**

Head of Customer Contact Management, Life Operations  
Pru Life Insurance Corporation of U.K.  
9/F Uptown Place Tower 1,  
1 East 11<sup>th</sup> Drive,  
Uptown Bonifacio, Taguig City

**SUBJECT: Request for Legal Opinion on Claim  
for Death Benefit Proceeds**

Dear **Ms. Babael**:

This refers to your letter dated 23 September 2019 requesting for the Insurance Commission's legal opinion as to the rightful recipient of the death benefit proceeds of Mr. Wei Chou Hsieh (hereinafter "Mr. Hsieh"), the policyowner and life insured under the two policies issued by Pru Life Insurance Corporation of U.K. (hereinafter "Pru Life U.K.").

The pertinent facts are as follows:

"By way of background, the policyowner and life insured under the two policies is Mr. Wei Chou Hsieh. The beneficiary under PN 00002203 was his wife, Roxsanna Hsieh, while the beneficiaries under PN 00027132 were Roxsanna Hsieh (primary irrevocable) and three of his children, Jeffrey Louis Hsieh, John Louis Hsieh and Amanda Louise Hsieh (all secondary revocable). [...] The policyowner/life insured and all named beneficiaries died on 7 February 2015. The police report indicated that their cause of death was asphyxia by suffocation. [...] However, the time of death of the policyowner/life insured and the beneficiaries were not conclusive, and Pru Life UK has not been able to determine whether any of the beneficiaries died after the policyowner/life insured.

Under the terms of the policy booklets for the two policies, death benefit proceeds are payable to primary beneficiaries still surviving at the time of death of the life insured. If no primary beneficiary survives the life insured, the death benefit is payable to secondary beneficiaries still surviving at the time of death of the life insured. If no beneficiary survives the life insured, the death benefit is payable to the policyowner, if alive, otherwise, to the estate of the life insured. xxx”

Per your letter, Ms. Siu Lim Go Tan (hereinafter “Ms. Tan”), the mother-in-law of the policyowner/life insured, has filed a claim for death benefit proceeds under the two aforementioned policies issued by Pru Life U.K.. However, Ms. Tan is not a named beneficiary in both of the policies.

Upon careful evaluation of the matters raised, hereunder are the Commission’s findings.

Considering that the police report was not conclusive as to the time of death of the policyowner/life insured and the beneficiaries, and that it cannot be determined whether any of the beneficiaries survived the policyowner/life insured for purposes of applying the terms of the policy booklets for the two policies, Section 184 of the Amended Insurance Code may be referred to insofar as the determination of who may recover upon the aforementioned policies is concerned. Section 184 provides as follows:

**“Section 184. A policy of insurance upon life or health may pass by transfer, will or succession to any person, whether he has an insurable interest or not, and such person may recover upon it whatever the insured might have recovered.”**

For purposes of determining the order of succession in the present case, Article 43 of the New Civil Code is instructive, to wit:

“Art. 43. If there is a doubt, as between two or more persons who are called to succeed each other, as to which of them died first, whoever alleges the death of one prior to the other, shall prove the same; in the absence of proof, it is presumed that they died at the same time and there shall be no transmission of rights from one to the other.”

In light of the foregoing, in order for the policies in question to pass to Ms. Tan by succession, Ms. Tan must first prove in an appropriate proceeding before the proper court that Ms. Roxsanna Hsieh (in the case of PN 00002203), and Ms. Roxsanna Hsieh and/or the three children named as secondary beneficiaries (in the case of PN 00027132) survived Mr. Hsieh. In the absence of proof, the



presumption is that Mr. Hsieh, Ms. Roxsanna Hsieh, and the three children named as secondary beneficiaries died at the same time. As such, there shall be no transmission of rights from the policyowner/life insured to any of the named beneficiaries in the present case. The foregoing considered, the proceeds of the two life insurance policies shall remain with the estate of the policyowner/life insured and shall be distributed to the surviving heirs of Mr. Hsieh in accordance with the laws on intestate succession set out in the New Civil Code. Meanwhile, absent proof that the named beneficiaries survived Mr. Hsieh, Ms. Tan cannot claim the proceeds of the policies in question considering that a mother-in-law is not among the intestate heirs enumerated in Articles 978 to 1014 of the New Civil Code.

Please note that the Insurance Commission is not vested with the authority to make a final determination as to survivorship for purposes of determining the order of succession in the present case. As such, the above ruling of the Commission shall be subject to the filing of an appropriate proceeding before the proper court and shall be without prejudice to the application of pertinent laws, rules and regulations being implemented by other government regulatory agencies.

Further, the opinion rendered by this Commission is based solely on the particular facts disclosed in the query and relevant solely to the particular issues raised therein and shall not be used, in any manner, in the nature of a standing rule binding upon the Commission in other cases whether for similar or dissimilar circumstances.

Please be guided accordingly.

Very truly yours,

**DENNIS B. FUNA**  
Insurance Commissioner

