



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



PRESS RELEASE

13 March 2018

**INSURANCE COMMISSION ORDERS FIVE
INSURANCE COMPANIES TO STOP BUSINESS**

The Insurance Commission has shut down the operations of five (5) non-life insurance firms and placed them under conservatorship for failure to meet the statutory capital requirement.

The firms that were put under conservatorship were First Integrated Bonding & Insurance Co., Inc., Investors Assurance Corporation, Metropolitan Insurance Company, Inc., Plaridel Surety & Insurance Company, and Premier Insurance & Surety Corporation.

Insurance Commissioner Dennis B. Funa emphasized that the regulatory action to close down these companies is because of the inability of the insurance firms to comply with the statutory minimum net worth requirement.

These companies were ordered to cease from issuing new and renewing any kind or character of insurance business and were placed under conservatorship after the Commission's verification that they failed to comply with mandated increase in net worth requirement of P550 million.

"These companies are not operating on net losses. Based on the respective 2016 annual statements of these companies, all have positive net worth but short of the minimum amount required under the Insurance Code," said Commissioner Funa.

As a result, Commissioner Funa appointed a conservator for each of these companies who are mandated to take charge of the management of the company and its assets and liabilities.

"The process of placing a company under conservatorship is primarily aimed at restoring the viability of the company and allows the Commission, through the appointed conservator, to become more directly involved in the management of the company. To achieve this objective, a conservator is empowered by law to exercise all powers necessary to preserve the assets of the company," said Commissioner Funa.

Commissioner Funa said, "Under the regime of conservatorship, the operations of the company will be business as usual under the management of the IC-appointed conservatorship, including the processing of claims and payment of valid claims,