



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

PRESS RELEASE
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IC APPROVES SALE OF NATIONAL LIFE INSURANCE

The Insurance Commission (IC) announced the sale of 1,500,000 common shares, as well as the premium deposit fund, agency retirement fund, advances from shareholders and related parties, and deposit for future subscription account of National Life Insurance Company of the Philippines (NLIC).

The Insurance Commission announced that 6762 Holdings Corporation, led by Mr. Ricardo P. Cuerva and Mr. Ricardo T. Veloso, has emerged as the winning bidder for the sale of NLIC shares and the NLIC Debts. On May 6, 2016, a Sale and Purchase Agreement in favor of 6762 Holdings Corporation was signed after several extensions granted to NLIC to give the company more time for the potential investor to conduct due diligence.

At least five (5) companies participated in the bidding process, including a bank and a life insurance company.

The entry of an investor is a prerequisite embodied in the 2013 modified rehabilitation plan approved by the IC where it decided that the rehabilitation provides a better option for all interested parties, especially for the policyholders. This rehabilitation plan was a product of the rehabilitation proposals submitted by IC-appointed conservator Mr. Ermilando D. Napa and NLIC policyholders.

The said stocks and liabilities amounting to P 2.648 Billion fetched a purchase price of P1.054 Billion or a net recovery rate of 35-40% which could otherwise have realized a net liquidation value of 7% under a liquidation scenario.


Under this agreement, a new company shall be incorporated by 6762 Holdings Corporation to be designated as the "Rehabilitated NLIC" which shall be allowed to use the corporate name "National Life Insurance Company of the Philippines" and shall be required to comply with the statutory networth requirements applicable to existing insurance companies.

Insurance Commissioner Emmanuel F. Dooc said, "With the execution of the Sale and Purchase Agreement, we take a major step toward concluding the successful life insurer rehabilitation in the Philippine insurance industry."

"The Insurance Commission and parties representing various interests have worked together in an unprecedented way starting from the formulation and several modifications of rehabilitation plan until its implementation. I am satisfied that this transaction will enable us to complete the rehabilitation in a very positive fashion taking into primary consideration the best interest of the NLIC's policyholders.", Commissioner Dooc added.

The agreement contains provisions which must be complied with before the completion of the transaction including redemption of insurance policies, payment of cash surrender values, and conversion of term policies.

The company will continue to be under the close supervision of the Commission until it gains confidence that the company could already run its operations normally. Following the closing of the transaction, the IC shall conduct an examination of the affairs and financial status of the company to confirm its compliance with the statutory and regulatory financial requirements.


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