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NEWS RELEASE

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FOR IMMEDIATE RELEASE

Employees' refusal to cooperate delays payout operations for the closed Occidental Mindoro Rural Bank

The continued refusal of accountable employees of the closed Occidental Mindoro Rural Bank, Inc. to cooperate and turn over their accountabilities is causing delay and further inconvenience to the closed bank's depositors.

The Philippine Deposit Insurance Corporation (PDIC), Receiver of the closed Occidental Mindoro RB, had repeatedly appealed to the accountable employees to fully cooperate with PDIC and perform their obligations under the law and account for and provide information relative thereto so as not to delay the payment of deposit insurance to the depositors especially during the pandemic when depositors require access to their money for their essentials.

The PDIC reported that it is still unable to pay deposit insurance to insured depositors. Despite stern advice that refusal to turn over the records and assets of the bank is an offense punishable by law under the PDIC Charter, accountable employees had refused to cooperate with PDIC when the PDIC Takeover Team resumed takeover operations after the Holy Week. Despite repeated reminders, accountable employees have declined to report at the bank premises to account for all their accountabilities including records under their custody.

The ongoing situation has severely impacted on the speed within which the PDIC is able to start payment of deposit insurance for the hard-earned savings of depositors. Based on standard procedures, the state deposit insurer examines the deposit and other bank records turned over to it by the closed bank's accountable officers and employees before it starts payment of deposit insurance.

In addition, the PDIC is also concerned about the other clients of Occidental Mindoro RB who have urgent transactions with the bank such as borrowers who have fully paid their loans and will require their loan collaterals and those who want updated statements accounts.

Occidental Mindoro RB is a single-unit rural bank located in Lubang, Occidental Mindoro that was ordered closed by the Bangko Sentral ng Pilipinas on March 25, 2021. As statutory Receiver, PDIC is mandated to take over all the assets, records and affairs of the closed bank to prepare for the payment of deposit insurance to insured depositors, and to liquidate the remaining assets of the closed bank.

The PDIC assures the depositors and clients of the closed Occidental Mindoro RB that despite the non-cooperation of the bank employees, all measures possible are being taken to expedite the conduct of inventory of the assets, records and affairs of the bank, including deposit records and updating of the financial records, to eventually start the payment process for depositors. The assistance of barangay officials has also been sought to witness the conduct of inventory and other takeover activities in the closed bank premises. Coordination with the Office of the Mayor, Chief of Police, the Barangay Council of Lubang and provincial media has been undertaken to help ensure clients are aware of the ongoing operations and challenges.

Depositors and borrowers are encouraged to call the PDIC Public Assistance Department during office hours through the hotline (02) 8841-4141 or the PDIC Toll Free Hotline at 1-800-1-888-PDIC (7342) for their queries, or to send these by e-mail to occmirb-pad@pdic.gov.ph or via private message to the official PDIC Facebook page at www.facebook.com/OfficialPDIC. Advisories and updates about the closed bank will be made available through the PDIC website, www.pdic.gov.ph.

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The Philippine Deposit Insurance Corporation (PDIC) was established on June 22, 1963 by Republic Act 3591 to provide depositor protection and help maintain stability in the financial system by providing deposit insurance. Effective June 1, 2009, the maximum deposit insurance coverage is PhP500,000 per depositor. All deposit accounts by a depositor in a closed bank maintained in the same right and capacity shall be added together. A joint account shall be insured separately from any individually-owned deposit account.

PDIC news/press releases and other information are available at the website, www.pdic.gov.ph.

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