



Bank deposit mo, protektado!

NEWS/PRESS RELEASE

PR-105-21

Date of Release: December 7, 2021

FOR IMMEDIATE RELEASE

DOJ indicts Rural Bank of Taysan directors, officers for estafa

The Department of Justice (DOJ) Task Force on Financial Fraud (TFFF) has indicted some of the former directors and officers of the closed Rural Bank of Taysan (Batangas), Inc. for estafa through falsification under Article 315 Paragraph 1 (b) of the Revised Penal Code, and for conducting business in an unsafe and unsound manner, a criminal violation under Republic Act No. 3591, as amended, or the PDIC Charter.

In October 2015, the Philippine Deposit Insurance Corporation (PDIC), as the statutory Receiver of the closed Rural Bank of Taysan, filed a complaint with the DOJ against some of the Bank's former directors and officers. The complaint alleged that these former directors and officers conspired and had taken advantage of their positions to make unauthorized withdrawals from the accounts of the Bank's depositors aggregating ₱3.8 million from 2012 to 2014.

The unauthorized withdrawals were discovered by the PDIC, upon its takeover of the bank, because of a cash shortage. According to the bank's former cashier, the shortage was because of unauthorized cash advances made by some of the former directors. To cover up the unauthorized advances, the directors and officers conspired to falsify bank documents. Among the documents considered by the DOJ-TFFF were withdrawal slips showing forged signatures of depositors and replicated copies of certificates of deposits with stamp "paid". Depositors from whose accounts the unauthorized withdrawals were made or whose deposits were terminated denied knowledge and consent to the withdrawal or termination of their accounts.

Under the PDIC Charter, conducting business in an unsafe and unsound manner is punishable by imprisonment of six to 12 years, or a fine of ₱50,000 to ₱10 million, or both, at the discretion of the court.

The PDIC remains relentless in its pursuit of justice against erring bank owners, officers, and unscrupulous parties who take advantage of the deposit insurance system for their gain. The Corporation's vigorous legal actions are

crucial for protecting the interests of depositors, safeguarding the Deposit Insurance Fund; and deterring bank officials and individuals from abusing the deposit insurance system.

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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 ₱500,000 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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