



# ALLEGATIONS OF SEN. TRILLANES BASELESS

## Senator dragging good name of Pag-IBIG in political controversy

Pag-IBIG Fund does not award projects or deal with contractors, the agency's President said today as agency officials appealed to Senator Antonio Trillanes not to sully the name of the agency with his baseless allegations aimed at Vice President Jejomar C. Binay who is Chairman of the Pag-IBIG Board of Trustees.

"We work hard to earn the trust of our 14.6 million members. Please do not sully the good name of Pag-IBIG Fund with baseless allegations of an anomaly," Pag-IBIG Fund President and Chief Executive Officer Atty. Darlene Marie Berberabe said.

Berberabe vehemently denied statements made by Senator Trillanes that Pag-IBIG Fund is involved in an anomaly that allegedly favors contractors whom he claimed were identified with the Vice President.

"In the strongest terms, I deny that Pag-IBIG Fund favors any stakeholder. On the contrary, we pride ourselves with having leveled the playing field when the new management and the new Board assumed office in 2010," Atty. Berberabe stated.

"To say that we favor contractors in awarding housing projects is simply false because we do not award projects, nor do we deal with contractors. It is unfortunate that an allegation which discredits the integrity of Pag-IBIG Fund is made, but the basis is not provided. When you do your work professionally, and regard principles of fairness and integrity with the highest standard, it is most disheartening to be dragged into an alleged anomaly that has no basis," Berberabe said.

The Pag-IBIG President regrets that Pag-IBIG Fund is being pulled into the political controversy.

"We have endeavored to institute reforms since 2010 to ensure that there will not be another Globe Asiatique. Even if such reforms were not popular, we made them happen because we were focused on doing what is right for the Fund that is owned by our members."

In 2010, Pag-IBIG Fund filed a syndicated estafa case against GA President Delfin Lee and cohorts, which led to the prosecution of several GA officers and a Pag-IBIG employee.

According to Atty. Berberabe, after the GA issue, Pag-IBIG introduced reforms that some developers initially found very stringent. These reforms involved the lifting of the authority previously granted to developers to approve home loans, and the strict implementation now of the procedure where the Fund personally validates the identity and capacity to pay of each of its housing loan borrowers, which initially slowed down the takeout process. She said that after they explained the changes in the

Pag-IBIG processes, the developers understood that the reforms were intended for the best interest of all Pag-IBIG Fund stakeholders, particularly its members.

"Since we implemented these reforms, we have significantly improved the integrity of our portfolio. We improved our underwriting thereby resulting in better performing loans ratio. We also outsourced the collection of our non-performing loans. As a result, we converted almost 50% of our non-performing loans back to performing loans, a huge feat in the housing industry," Atty. Berberabe emphasized.

"Pag-IBIG's performance and accomplishments in the last four years speak for themselves. In the third quarter of 2014, Pag-IBIG's net income already reached P13.09 billion, comparable to the net income of the country's biggest banks for the same period," Atty. Berberabe stated.

"Pag-IBIG would not have been able to achieve and maintain its robust financial standing and credit P10.1 billion worth of dividends to its members in 2013, the highest in the Fund's history, if the allegations of shady deals are true," she added.

The COA, which is the principal agency that checks the integrity of the Fund's processes and financials, has issued an "Unqualified Opinion" in both 2012 and 2013 for Pag-IBIG Fund. An Unqualified Opinion is the best finding that an auditor can issue. This is a testament to the fact that Pag-IBIG is not only focused on performing and exceeding targets in its housing and savings mandates, but also in good corporate housekeeping and thus good governance.

Atty. Berberabe also emphasized that Pag-IBIG enjoys the trust of developer groups and maintains a good working relationship with them.

During the NCR Developers' Forum held last October 2014, Paul Tanchi, Chairman of the Board of the Subdivision and Housing Developers Association, Inc. (SHDA) described the leadership of Pag-IBIG as embodied by competence and character.

In the same event, Engr. Jefferson S. Bongat, Chairman of the Board of the Organization of Socialized Housing Developers of the Philippines (OS-HDP) also praised Pag-IBIG, comparing its professionalism and efficiency to that of a well run, top private company or bank.

"If we are favoring just a few, we will not earn the trust of our housing partners and Pag-IBIG members," Atty. Berberabe said even as she welcomed any investigation, which she is confident will clear Pag-IBIG Fund in the end.