



Republic of the Philippines
NATIONAL PRIVACY COMMISSION

**IN RE: FAMILYHAN CREDIT
CORPORATION**

NPC SS 20-001

*For: Violation of the
Data Privacy Act (DPA)
of 2012*

**Initiated as an Independent NPC
Investigation into the Possible
Data Privacy Violations
Committed by Familyhan Credit
Corporation**

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ORDER

On 8 April 2021, the Commission conducted a Clarificatory Hearing pursuant to its Order dated 23 February 2021. Respondent Familyhan Credit Corporation appeared through their President SA, their General Manager RB, and their legal counsel Atty. JRO. Atty. MVC appeared as counsel for all the individual respondents who were the previous members of the Board of Directors, namely, MTR, VBV, JPV, AA, and MDA. VBV was present.

During the Clarificatory Hearing, Familyhan Credit Corporation was ordered to submit the following documents to the Commission:

1. The outsourcing agreement or any similar document between Familyhan Credit Corporation and its database service provider, indicating the terms of agreement between Familyhan Credit Corporation relating to the processing of its client-borrowers' personal data in a database;
2. Documentation on the policies or the approvals made for the Loan Disbursement Officers' access to the database prior to the personal data breach;
3. Documentation on the database's restricted download or copy-paste functions;

4. The system activity logs¹ cited by Familyhan Credit Corporation in relation to its investigation of unauthorized activity on its database as well as other documents in its possession pertinent to such investigation;
5. Documentation on the new policies and security measures implemented after the personal data breach, including but not limited to the policy granting only the General Manager access to the subject database;
6. Documentation on the communications made by Familyhan Credit Corporation to its database service provider regarding its security measures following the personal data breach;
7. A status update on the Estafa case against AYA, KHT and CJ;
8. A copy of the 2020 Audited Financial Statements; and
9. A copy of the work permit of former employees AYA, KHT and CJ.

On the same day, the Commission received, through email, the following documents from VBV:

1. A Deed of Assignment dated 27 August 2019 stating thus:

WHEREAS, the ASSIGNOR is the listed stockholder and owner of ninety hundred (sic) ninety thousand and eight hundred (99.98%) shares of stock ("the Assignor's Shares") of Familyhan Family Corporation (the "Corporation"), a corporation duly organized and existing under Philippine laws.

WHEREAS, the ASSIGNOR is selling the above-mentioned shares of stocks to the ASSIGNEE and the latter has agreed to acquire the same;

NOW, THEREFORE, for and in consideration of the foregoing premises and the sum of TWO MILLION AND FIVE HUNDRED PESOS (sic) Philippine currency (Php 2, 500, 000), receipt of which is hereby acknowledged, the

¹ Comment to the Order of the NPC dated 15 October 2020, Par. 24.

ASSIGNOR hereby cedes, transfers and assigns unto the ASSIGNEE, his/her heirs, successors and assigns the Assignor's Shares of the Corporation xxx²

2. A Certificate Authorizing Registration dated 19 September 2019 by the Bureau of Internal Revenue (BIR) detailing the transfer of two million eight hundred ninety-nine thousand seven hundred (2,899,700.00) shares of stock from VBV and JPV to SMA
3. A Capital Gains Tax Return by the BIR involving the same transaction; and
4. A Document Stamp Tax Return by the BIR involving the same transaction, and proof of payment thereof.

WHEREFORE, all premises considered, the Commission hereby **ORDERS** Respondent Familyhan Credit Corporation to submit the above documents within **FIFTEEN DAYS (15)** from the date of the Clarificatory Hearing.

Failure to comply with this Order shall cause the Commission to adjudicate the issues on the basis of the evidence on record.

The Commission **NOTES** the submission of the BIR-issued documents and Deed of Assignment from Respondent VBV. Furthermore, it **NOTES** the submission of the General Information Sheet for the Year 2020 in Familyhan Credit Corporation's Reply to the Order of the NPC dated 23 February 2021.³

Considering that MTR, VBV, JPV, AA, and MDA have sufficiently established that they were no longer connected to Familyhan Credit Corporation as of the date of the personal data breach which is subject of the Fact-Finding Report, the Commission **GRANTS** the prayer of Familyhan Credit Corporation to drop them from the investigation and to include the new members of the Board of Directors in all correspondences between the National Privacy Commission and Familyhan Credit Corporation, namely, SMA, RA, MRO, MJR, and PPM.

² Deed of Assignment dated 27 August 2019.

³ General Information Sheet for 2020, submitted to the Securities and Exchange Commission on 27 November 2020.

SO ORDERED.

City of Pasay, Philippines;
8 April 2021.

Sgd.
LEANDRO ANGELO Y. AGUIRRE
Deputy Privacy Commissioner

WE CONCUR:

Sgd.
RAYMUND ENRIQUEZ LIBORO
Privacy Commissioner

Sgd
JOHN HENRY D. NAGA
Deputy Privacy Commissioner

COPY FURNISHED:

ATTY. JRO
Counsel
Familyhan Credit Corporation

ATTY. MSV
Counsel
Former Respondents MTR,
VBV, JPV, AA, and MDA

SMA
President
Familyhan Credit Corporation

RA
Vice President
Familyhan Credit Corporation

MRO
Treasurer
Familyhan Credit Corporation

MJR
Corporate Secretary
Familyhan Credit Corporation

PPM
Director
Familyhan Credit Corporation

MTR

VBV

JPV

AA

MDA

COMPLAINTS AND INVESTIGATION DIVISION
ENFORCEMENT DIVISION
GENERAL RECORDS UNIT
National Privacy Commission