

COMPREHENSIVE MOTOR INSURANCE BASIC TERMS AND CONDITIONS

Endorsements/Warranties/Clauses:

AIRBAG CLAUSE

The Company will pay and/or replace the airbags including the cost of re-installation following its deployment or discharge consequent upon a sudden and accidental impact to the Insured Vehicle provided that due to such impact the said sustained damages which are compensable under Section III of the Policy.

The Company, however, will not pay for claims in respect of damage to the airbags nor for the cost of its re-installation as a result of the following:

- a. faulty (i) design, (ii) manufacture, or (iii) installation regardless of whether the Scheduled Vehicle is damaged at the same time;
- b. discharge or deployment of airbags while the Scheduled Vehicle is undergoing repairs.

AMBULANCE EXPENSE LIMIT CLAUSE

It is hereby declared and agreed that the Company will reimburse the cost of ambulance service in the event of bodily injury, as a result of an accident, to the assured, passenger or any authorized driver while on board the Scheduled Vehicle.

The Company's maximum limit of liability is Php5,000.00 per occurrence or the actual cost of ambulance service, whichever is less.

BUILT-IN/STANDARD ACCESSORIES

It is hereby declared and agreed that notwithstanding anything contained herein to the contrary the insurance under Section III (Loss or damage) of this Policy shall include loss or damage to built-in/standard accessories only. Add-on accessories are not covered unless declared and valued in the Policy.

CONTINGENCY CLAUSE

In the event of a claim and the unit hereby insured proves to be tax-free, the following procedures shall apply notwithstanding anything contained herein to the contrary:

- a. In event of total loss: Insured shall keep the salvage arising from the loss. Claims settlement shall be based on the sum insured less the salvage value of the damaged unit.
- b. In the event of partial loss: repairs shall be undertaken using locally manufactured parts, if available. Otherwise, the importation of replacement parts shall be undertaken by the Assured. The Company shall reimburse the Assured for the incident cost to the parts, excluding any import duties or taxes. Insurance and handling costs shall be excluded if the limit of liability for loss/damage exclude them. Air freight less sea freight shall be the Assured's account.

DRUNKEN DRIVER CLAUSE

Except in the case of claims arising under Sections I and II of this Policy, it is hereby declared and agreed that the Company shall not be liable in respect of any accident or liability caused or incurred by a DRUNKEN AUTHORIZED DRIVER or any AUTHORIZED DRIVER who is under the influence of liquor at the time of the accident.

This is further subject to the terms and conditions of the Policy.

EXPRESS ROADSIDE ASSISTANCE

HOTLINE NO.: (02) 8687-8585

This policy is entitled to the Roadside Assistance benefits offered by BPI/MS through its service provider throughout the current policy term. The Roadside Assistance is a value-added feature that provides 24-hour emergency services:

1. Emergency Towing Assistance (limited up to the sum of P3,500 and limited to 3 towing events per year on mechanical breakdown and unlimited for accident related) – In the event the vehicle of the Assured experiences a mechanical breakdown or is involved in an accident and he/she becomes immobilized while on the road, the roadside assistance provider will assist and pay for the vehicle to be towed to the nearest garage if immediate repair is not possible.
2. Minor On-Site Repairs/Emergency Breakdown Assistance (limited up to the sum of P3,500 and limited to 3 events per year on mechanical breakdown and unlimited for accident related) – In the event that the Insured Vehicle breaks down and immediate minor repair can be done, the roadside assistance provider will assist the Insured by arranging for a car mechanic to the Insured's site and pay for the mechanic charges incurred. Minor onsite repair includes changing of tires, boosting of battery, jump starting of vehicle, oil or fuel delivery if deemed possible. However, the costs of tires, batteries, oil and fuel shall be the responsibility of the Insured.
3. Alternative Travel Assistance (limited up to P2,000.00 per event, maximum of 3 events per policy year if the Assured is outside Metro Manila). – If the vehicle of the Assured cannot be repaired within 6 hours from time of breakdown, the roadside assistance provider will assist the Assured in organizing and pay for an alternative transport for the Assured to return to his/her home.
4. Repatriation of the Vehicle (limited up to P2,000.00 per event, subject to 3 events per policy year due to mechanical breakdown; unlimited on accident related) – If the vehicle of the Assured cannot be repaired when it breaks down, the service provider will assist the Assured in arranging and pay for the repatriation of the vehicle to the place of residence of the Assured in the Philippines.
5. Arrangement of Hotel Accommodation Assistance (limited up to Php 2,000.00 per event, maximum of 3 events per policy year if the Assured is outside Metro Manila) – If the vehicle of the Assured breaks down or is immobilized and the vehicle cannot be repaired within 24 hours, the roadside assistance provider will assist the User by arranging for hotel accommodation at the nearest location.
6. Vehicle Removal (limited up to P8,000.00 per event, maximum of 3 events per policy year for mechanical breakdown related; unlimited on accident related) – If the vehicle of the Assured is completely immobilized and has fallen into a ravine, the service provider will arrange for a towing company to have the vehicle removed.
7. Arrangement for Rental Transport – If the vehicle of the Assured will be involved in an accident and is immobilized for repair at the workshop, the service provider will arrange for the rental of a vehicle of the same capacity whenever possible.
8. Directory Assistance (Police / PNP) – Upon request, the service provider will advise the Assured the contact details of the nearest police station.
9. Car-napping Assistance – Upon request, the service provider will assist the Assured in reporting to the nearest police station in regard of the car-napping incident.

10. Ambulance Assistance – If the Assured is injured in a car accident, the service provider will assist the Assured, on a best effort basis, in organizing an ambulance for hospital admission.
11. Locksmith Assistance – In the event that the Assured is locked out of his / her vehicle, the service provider will give referral information to a locksmith and will assist in arranging for an on-site service, if necessary and upon request of the Assured.
12. Vehicle Registration – During registration period, the service provider can give assistance to the Assured in registering the declared vehicle to the Land Transportation Office (LTO).
13. MMDA – Upon request of the Assured, the service provider may give traffic advisories within Metro Manila.
14. Emergency Message Relay Service – In the event that the vehicle of the Assured breaks down or is involved in an accident, the roadside assistance provider shall transmit urgent messages related to the vehicle breakdown or accident to BPI/MS and/or the family members of the Assured.
15. Claims Procedure Assistance – In the event the Assured needs to file a claim with BPI/MS, the service provider will give Assured the information on how and when to file a claim.
16. Referral to Claims Department – In the event that the Assured wants to contact BPI/MS Claims Department, the service provider will give the Assured the contact details such as the name of the person in charge and the telephone number.
17. Arrangement of Hospital Admission – If the medical condition of the Assured requires hospitalization, the service provider will assist the Assured in the hospital admission within the Philippines.
18. Accident Notification Assistance – The service provider will assist the User to record information as required by the Subscriber in order to file a claim and will notify the Subscriber and the surveyor of the claim on the actual day. The report format shall be mutually determined by the service provider and the Subscriber.
19. Road Directions Assistance – the provider shall, upon request of the User, provide information on the landmarks and the nearest routes to requested locations within Metro Manila.
20. Parts and Service Locator – Upon request of the User during a call, the service provider shall refer accredited merchants and automotive shops within Metro Manila.

HUBCAPS ARE NOT COVERED AGAINST THEFT

INCLUSION OF FTHVEE/CONVULSION OF NATURE ENDORSEMENT

In consideration of the payment of an additional premium it is hereby understood and agreed that the word "Flood, Typhoon, Hurricane, Volcanic Eruption, Earthquake or other Convulsion of Nature" in the General Exceptions of this Policy are deemed to be deleted.

NON-CASA CLAUSE (FOR VEHICLES MORE THAN 60 MONTHS OLD)

In case of damage to the Scheduled Vehicle, including loss or damage to its accessories if insured hereon, claims settlement shall be based on the reasonable cost of repair or installation of the same at "non-casa" motor shop rates.

TERRORISM EXCLUSION ENDORSEMENT

Notwithstanding any provision to the contrary within this Insurance or any endorsement thereto it is agreed that this Insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this endorsement, an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in

connection with any organization(s) or government(s), committed for political, religious, ideological, or similar purpose including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism. If the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this Insurance the burden of proving the contrary shall be upon the Assured. In the event any portion of this endorsement is found to be invalid or unenforceable the remainder shall remain in full force and effect.

UNAVAILABLE PARTS CONDITION

It is hereby declared and agreed that in the event of partial loss or damage to the unit insured, repairs will be done using locally available parts. Otherwise, the assured shall undertake the importation of replacement parts as evaluated by the Company. The difference between the costs of Airfreight and Sea freight shall be for the Assured's account.

UNNAMED PERSONAL ACCIDENT BENEFIT

It is hereby declared and agreed that this Policy extends to cover accidents resulting in loss of life, disablement or medical expenses sustained while the Insured is riding in, boarding in or alighting out of the covered vehicle either as passenger or driver subject to the limits below.

Benefit per seat :)
Authorized seating capacity :) PLEASE REFER TO THE POLICY
Total amount of insurance :)

Table of benefits – I:

- Benefit A - 100% of Principal Insured
- Benefit B - 100% of Principal Insured
- Benefit C - 10% of Principal Insured
- Benefit D - -nil-

Notwithstanding with what is stated in the printed conditions of the policy, IT IS HEREBY DECLARED AND AGREED THAT, in consideration of the payment of an additional premium, this Policy covers accidents resulting in loss of life, disablement or medical expenses sustained while the Insured is riding in, boarding in or alighting out of the covered vehicle either as passenger or driver:

DEFINITIONS:

COVERED VEHICLE shall mean the motor vehicle described in the policy.

PASSENGER shall mean any person using the vehicle as actual occupant of any of the Covered Vehicle's seats.

DRIVER shall mean any person who is duly licensed to operate the covered vehicle, and one who is actually driving and is authorized to drive by the owner of the covered vehicle at the time of the accident.

INSURED wherever used in this policy shall mean each passenger or driver of the covered vehicle at the time of the accident.

Loss of toes - all of one foot	15%
Loss of big toe	5%
Loss of any toe other than big toe, each	1%
Loss of sight of one eye	30%
Loss of hearing - both ears	50%
One ear	7%

Total permanent loss of the use of a member shall be treated as loss of such member.

The loss of the first joint of the thumb or any finger or of any toe shall be considered as equal to the loss of one-half of the thumb or finger or toe and the benefit shall be one-half of the benefit above specified for the loss of the thumb or finger or toe.

The loss of more than one phalange of the thumb or any finger or of any toe shall be treated as loss of the entire thumb or finger or toe.

MORTGAGEE CLAUSE (as applicable)

1. Loss or damage, if any, under this Policy, shall be payable to BANK/LENDER. as Mortgagee, or as its interest may appear; and this policy, only as to the interest of the Mortgagee herein shall not be invalidated by any foreclosure or other proceedings, judicial or otherwise, or notice of sale relating to the title or ownership of the property; provided however, that in case the mortgagor or owner neglects to pay the premium due under this policy, the mortgagee shall on demand, pay the same.
2. In the event of purchase by the Mortgagee. insured property upon foreclosure of mortgage, automatically becomes the named assured under this policy.

NON-CANCELLATION CLAUSE (as applicable)

It is hereby declared and agreed that loss or damage, if any, shall be payable to (MORTGAGEE) as their interests may appear, and it is hereby expressly understood and agreed that this policy or any renewal thereof cannot be cancelled without prior written notification to and conformity by (MORTGAGEE).

DATE RECOGNITION CLAUSE

Your policy does not insure the following:

Failure or inability of any equipment or any computer program to recognize or correctly to interpret or process any date as the true or correct date, or to continue to function correctly beyond the date.

SANCTION LIMITATION AND EXCLUSION CLAUSE - LMA 3100

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union or United Kingdom or United States of America.

POLITICAL RISKS EXCLUSION CLAUSE

This insurance does not cover loss or damage occasioned directly or indirectly by or through or in

consequence of any of the following occurrences namely:

- (i) permanent or temporary dispossession resulting from confiscation nationalisation commandeering or requisition by any lawfully constituted authority
- (ii) permanent or temporary dispossession of any property resulting from the unlawful occupation or possession of such property by any person 'provided that the Company is not relieved of any liability to the Insured in respect of physical damage to the Property Insured occurring before dispossession or during temporary dispossession which is otherwise covered by this Policy
- (iii) the destruction of property by order of any public authority

In any action suit or other proceeding where the Company alleges that by reason of the provisions above any loss destruction or damage is not covered by this insurance the burden of proving that such loss destruction or damage is covered shall be upon the Insured.

INSTITUTE RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIOCHEMICAL AND ELECTROMAGNETIC WEAPONS EXCLUSION CLAUSE.

This clause shall be paramount and shall override anything in this insurance inconsistent therewith.

In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by, contributed to, or arising from:

- a) Ionizing radiations from contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- b) The radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- c) Any weapon or device employing atomic or nuclear fission and/or fusion or other like radiation or radioactive force or matter
- d) The radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes
- e) Any chemical, biological, bio-chemical, or electromagnetic weapon.

CYBER ATTACK EXCLUSION CLAUSE

1.1 Subject only to clause 1.2 below, in no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.

1.2 Where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or

civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, clause 1.1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

Standard Policy Conditions

AUTHORIZED DRIVER:

Any of the following:

- (a) The Insured
- (b) Any person driving on the insured's order or with his permission.

Provided that the person driving is permitted, in accordance with the licensing law or other regulations, to drive the Scheduled Vehicle, or has been permitted and is not disqualified by order of a Court of Law or by reason of any enactment or regulation in that behalf, provided that for Sections I and II only of this Policy an authorized driver shall include a duly licensed driver but whose license at the time of the accident had expired.

LIMITATIONS AS TO USE:

Use only for social, domestic and pleasure purposes, and for the Insured's business or profession. This policy does not cover

- (1) Use for the hauling and/or carrying of logs, lumber, sand, gravel, bottled beverages, gasoline products and/ or other Inflammable articles or materials.
- (2) Use for racing, pace making, reliability trial or speed testing.

N.B. Provided that limitations (1) and (2) above may be deleted and the risks named therein covered by this Policy upon agreement by, and payment of 20% additional premium to the Company.

- (3) Use for the carriage of PASSENGERS or for hire or reward.
- (4) Use for any purpose in connection with the Motor Trade.

SECTIONS I and II of this policy cover THIRD PARTY liability arising from bodily injury and/or death in amounts set forth under the Schedule of Indemnities.

WHEREAS THE INSURED, by his corresponding proposal and declaration, and which shall be the basis of this Contract and deemed incorporated herein, has applied to the company for the Insurance hereinafter contained, subject to the payment of the Premium as consideration for such insurance.

NOW THIS POLICY WITNESSETH:

That, in respect of events occurring during the period of Insurance, and subject to the terms, exceptions and conditions contained herein or endorsed hereon (hereinafter collectively referred to as the Terms of this Policy):

SECTION I – LIABILITY TO THE PUBLIC

1. The Company will, subject to the Limits of Liability pay all sums necessary to discharge liability of the insured in respect of bodily injury and/or death to any THIRD PARTY in an accident caused by or arising out of the use of the Scheduled Vehicle, provided that the Insured's liability shall have first been determined, but not exceeding in the aggregate of Php 100,000.00 per occurrence or any one occurrence regardless of the number of individual claim.
2. In terms of and subject to the limitations of this Policy, the Company will indemnify:
 - (a) Any Authorized Driver who is driving the Scheduled Vehicle, provided that he:
 - (i) observes, fulfills, and be subject to the Terms of this Policy insofar as they can apply;
 - (ii) is not entitled to indemnity under any other policy subject, however, to Condition No.8 of the Conditions Applicable To All Sections;
 - (b) The Insured whilst personally driving a private motor car not belonging to him and not hired to him under a hire purchase agreement.
3. In event of the death of any person entitled to indemnity under this Policy the Company will, in respect of the liability incurred to such person indemnify his personal representatives in terms of, and subject to the terms and conditions hereof.
4. In the event of accident involving indemnity under this Policy to more than one person, the Limits of Liability shall not exceed the aggregate amount so specified by Law to all persons to be indemnified. Should indemnification both to liability of the Insured and that of another party (as provided under Authorized Driver) be provable, the Insured's shall have prior right thereto.
5. Unless the Insured objects, the Company shall:
 - (a) arrange for representation at any inquest or investigation in respect of any death which may be the subject of indemnity under this Section;
 - (b) undertake the defense in the Insurance Commission under Section 385 of the insurance code, or in any court of law, for alleged offenses causing, or relating to, any event which may be the subject to indemnity under this Section.

SCHEDULE OF INDEMNITIES FOR BODILY INJURY AND/OR DEATH

The following Schedule of indemnities shall be observed in the settlement of claims for death, bodily injuries and professional fees and hospital charges for services rendered to, traffic accident victims under the Compulsory Motor Vehicle Liability Insurance Coverage.

A. DEATH INDEMNITY		P 70,000.00	C. PERMANENT DISABLEMENT	AMOUNT
Burial and Funeral Expenses		P 30,000.00	Loss of or Loss of Use of:	
B. BODILY INJURIES AND FRACTURES			Two Limbs	P 50,000.00
<u>Types of Accommodation or Professional Attendance Extended</u>	<u>Services Rendered</u>	<u>Maximum Reimbursable Fees and/or Charges</u>	Both Hands, or all fingers & both thumbs	50,000.00
			Both Feet	50,000.00
			One Hand and one foot	50,000.00
			Sight of both eyes	50,000.00
1. Hospital Rooms	Maximum of 45 days per accident	P 500.00/day	Injuries resulting in being permanently bedridden	50,000.00
	Laboratory Examination fees, X-rays	2,000.00	Any other injury causing permanent total disablement	50,000.00
2. Surgical Expenses	Major Operation	7,500.00	Arm at or above elbow	20,000.00
	Medium Operation	5,000.00		
	Minor Operation	1,500.00		

3. Anesthesiologist's Fee	Major Operation	2,500.00	Arm between elbow and wrist	15,000.00
	Medium Operation	2,000.00	Hand	15,000.00
	Minor Operation	500.00	Four Fingers and Thumb of one hand	15,000.00
4. Operating Room	Major Operation	1,500.00	Four Fingers	12,000.00
	Medium Operation	1,000.00	Leg at or above knee	20,000.00
	Minor Operation	500.00	Leg below knee	15,000.00
5. Medical Expenses	For daily visits of Practitioner or Specialists	400.00/day	One foot	15,000.00
			All Toes of one foot	10,000.00
			Thumb	8,000.00
			Index Finger	6,000.00
			Sight of One Eye	20,000.00
			Hearing – Both Ears	30,000.00
			Hearing – One Ear	15,000.00
	The total amount of medical expenses must not exceed (For a single period of confinement)	5,000.00		
6. Drugs and Medicine	Actual Value of drugs and medicine used but not to exceed	20,000.00		
7. Ambulance Charge	Actual amount charged for ambulance transport but not to exceed	1,500.00		

D. OTHER INCIDENTAL EXPENSES

The Company will pay all pertinent and reasonable expenses incurred in connection with the accident not provided under this Schedule of Indemnities (A), (B), and (C), subject to a maximum amount of P10, 000.00 but in no case shall the company's aggregate payment exceed the overall Limits of Liability under Sections I and II.

SECTION II – NO FAULT INDEMNITY

The Company will pay any claim for bodily injury and/or death to any THIRD PARTY without the necessity of proving fault or negligence of any kind, provided that,

- (a) the total indemnity in respect of any one THIRD PARTY shall not exceed Fifteen Thousand Pesos, subject to the foregoing Schedule of Indemnities in case of death or physical injury, without prejudice to the claimant from pursuing his claim further, in which case he shall not be required or compelled by the Company to execute any Quit Claim or document releasing it from liability under the policy of insurance.
- (b) the following proofs of loss, when submitted under oath, shall be sufficient evidence to substantiate the claim:
 - (i) Police report of accident or any evidence sufficient to establish the accident, and
 - (ii) Medical report and evidence of medical or hospital expenses and/or;
 - (iii) Death Certificate and evidence sufficient to establish the proper payee.

SECTION III – LOSS OR DAMAGE

1. The company will, subject to the Limits of Liability, indemnify the insured against loss of or damage to the Scheduled Vehicle and its accessories and spare parts whilst thereon:
 - (a) by accidental collision or overturning, or collision of overturning consequent upon mechanical breakdown or consequent upon wear and tear;
 - (b) by fire, external explosion, self-ignition or lightning or burglary, housebreaking or carnapping or any unlawful taking of the car accessories or any part whilst thereon, but excluding those committed by an employee of the insured or any person/s to whom the scheduled vehicle has been entrusted.
 - (c) by malicious act;
 - (d) whilst in transit (including the processes of loading and unloading) incidental to such transit by road, rail, inland waterway, lift or elevator.

2. At its own option, the Company may pay in cash the amount of the loss or damage, or may repair, reinstate or replace the Scheduled Vehicle or any part thereof or its accessories or spare parts. The Liability of the Company shall not exceed the value of the parts lost or damaged and the reasonable cost of fitting such parts or the value of the Scheduled Vehicle at the time of the loss or damage, whichever is the less. The Insured's estimate of value stated in the Schedule shall be the maximum amount payable by the Company in respect of any claim for loss or damage.
3. In the event of a claim being payable under Section III of this Policy for the cost of replacement parts, the amount of settlement shall be the cost of brand new part(s) to replace the damaged part(s) of the insured vehicle less the share of the Insured on the cost of the replacement parts computed based on the following depreciation schedule:

<u>Age of Vehicle</u>	<u>Rate of Depreciation</u> <u>(Share of the Insured)</u>	<u>Age of Vehicle</u>	<u>Rate of Depreciation</u> <u>(Share of the Insured)</u>
Up to 3 years	Nil	Over 7 years	40%
Over 3 years up to 4 years	20%	Batteries, Tires, Ball joints,	45%
Over 4 years up to 5 years	25%	Tie Rods and Shock	
Over 5 years up to 6 years	30%	Absorbers (for Vehicles over	
Over 6 years up to 7 years	35%	three (3) years old)	

It is further declared and agreed that in case of the total loss of the vehicle insured this Clause shall not apply but the settlement shall be based on the provisions of Section III, Paragraph No. 2 of the Policy.

4. If the Scheduled Vehicle is disabled by reason of loss or damaged insured under this Policy, the Company will, subject to the Limits of Liability for towing, bear the reasonable cost of protection and removal to the nearest repairer.
5. The Insured may authorize the repair of the Scheduled Vehicle necessitated by damage for which the Company may be liable under this policy provided that:
 - (a) the estimated cost of such repair does not exceed the Authorized Repair Limit and;
 - (b) a detailed estimate of the cost is forwarded to the Company without delay.
6. In the event of loss or damage to the Scheduled Vehicle or its accessories or spare parts necessitating the supply of a part not obtainable from stocks held in the Philippines, or in the event of the Company exercising the option under Paragraph 2 to pay in cash the amount of the loss or damage, the liability of the Company in respect of any such part shall be limited to:
 - (a) (i) in price quoted in the latest catalogue or price list issued by the Manufacturer or his Agents for the Philippines or
 - (ii) if no such catalogue or price list exists, the price last obtaining at the Manufacturer's Works plus the reasonable cost of transport other than by air, to the Philippines, and the amount of the relative import duty, and;
 - (b) the reasonable cost of fitting such part.
7. This policy shall be operative whilst the Scheduled Vehicle is being used for the purpose of towing any one disabled mechanically propelled vehicle that:
 - (a) such towed vehicle is not towed for reward;
 - (b) the Company shall not be liable in respect of damage to such towed vehicle or property being conveyed thereby.

EXCEPTIONS TO SECTION III

The Company shall not be liable to pay for:

1. Loss or Damage in respect of any claim or series of claims arising out of one event, the first amount of each and every loss for each and every vehicle insured by this Policy, such amount being equal to half of one percent (0.50%)

of the Insured's estimate of Fair Market Value as shown in the Policy Schedule with a minimum deductible amount of PHP 2,000.00;

2. Consequential loss, depreciation, wear and tear, mechanical or electrical breakdowns, failure or breakages;
3. Damage to tires, unless the Scheduled Vehicle is damaged at the same time;
4. Any malicious damage caused by the Insured, any member of this family or by a person in the Insured's service.

SECTION IV – EXCESS LIABILITY INSURANCE

1. The Company will, subject to the Limits of Liability, reimburse the Insured for all sums actually paid by the Insured to discharge liability in accordance with all the provisions of Sections I except the Limits of Liability for Section I but only in excess of:
 - (a) The Limits of Liability for Sections I and II of this Policy, when such limits have been exhausted or,
 - (b) The liability limits required for the Scheduled Vehicle under Section 377 of the Insurance Code, as amended in the event no coverage exists as described in paragraph (a) above.Coverage under this paragraph is not subject to the Schedule of Indemnities under Section I.
2. The Company will, subject to the Limits of Liability, pay all sums necessary to discharge liability of the Insured, in respect of damage to Third Party property in an accident caused by and arising out of the use of the Scheduled Vehicle, or in connection with the loading or unloading of the Scheduled Vehicle, provided that the Insured's liability shall have first been determined either by final court judgment after actual trial, or by written agreement of the Insured, the Claimant, and the Company. Provided, further that the Company shall not be liable in respect of damage to property belonging to the Insured, or held in trust by, or in custody or control of the Insured or any member of the Insured's household, or being conveyed by the Scheduled Vehicle. For the purpose of this paragraph, Scheduled Vehicle shall include any Private Car whilst being personally driven by the Insured not belonging to him and not hired to him under a hire purchase agreement.

GENERAL EXCEPTIONS

The Company shall not be liable under any Section of this Policy in respect of:

1. Any accident, or liability caused, or incurred
 - (a) outside the Republic of the Philippines;
 - (b) whilst any MOTOR VEHICLE in respect of which indemnity is provided by this Policy:
 - (i) being used otherwise than in accordance with the limitations as to use;
 - (ii) being driven by any person other than an Authorized Driver; or
 - (iii) on board a sea vessel on inter-island transit.
2. Any liability which attached by virtue of an agreement but which would not have attached in the absence of such agreement except liability arising out of an on the spot agreement or amicable settlement of minor accident to avoid impairing the flow of traffic.
3. Except in respect of claims arising under Sections I and II of this Policy, any accident, loss, damage or liability directly or indirectly, proximately or remotely occasioned by, contributed to by or traceable to, or arising out of, or in connection with flood, typhoon, hurricane, volcanic eruption, earthquake or other convulsion of nature, invasion, the act of foreign enemies, hostilities or warlike operations (whether war be declared or not), strike, riot, civil commotion, mutiny, rebellion, insurrection, military or usurped power, or by any direct or indirect consequences of any of the said occurrences and in the event of any claim hereunder, the Insured shall prove that the accident, loss or damage or liability arose independently of, and was in no way connected with, or occasioned by, or contributed to, any of the said occurrences, or any consequence thereof, and in default of such proof, the Company shall not be liable to make any payment in respect of such a claim.

4. Any sum which the Insured would have been entitled to recover from any party but for an agreement between the Insured and such party.
5. Bodily injury and/or death to any person in the employ of the Insured arising out of and in the course of such employment, or bodily injury and/or death to any member of the Insured's household who is riding in the Scheduled Vehicle.

DEFINITIONS

1. MOTOR VEHICLE is any vehicle as defined in Section Three, paragraph (a) of Republic Act - Numbered Four Thousand One Hundred Thirty-Six, otherwise known as the "Land Transportation and Traffic Code."
2. THIRD PARTY is any person other than a PASSENGER as defined in the law and shall also exclude a member of the household, or a member of the family within the second degree of consanguinity or affinity, of a motor vehicle owner or his employee in respect of death, bodily injury or damage to property arising out of and in the course of employment.

CONDITIONS APPLICABLE TO ALL SECTION

1. This Policy and the Schedule shall be read together, as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or of the Schedule shall bear such specific meaning wherever it may appear.
2. Every notice or communication to be given or made under this Policy shall be delivered in writing to the Company.
3. The Insured shall take all reasonable steps to safeguard the Scheduled Vehicle from loss or damage and to maintain the Scheduled Vehicle in efficient condition, and the Company shall have at all times free and full access to examine the Scheduled Vehicle or any part thereof or any driver or employee of the Insured. In the event of any accident or breakdown, the Scheduled Vehicle shall not be left unattended without proper precaution being taken to prevent further loss or damage and, if the Scheduled Vehicle be driven before the necessary repairs are effected, any extension of the damage or any further damage to the Scheduled Vehicle shall be excluded from the scope of the indemnity granted by this Policy.
4. In the event of any accident which may give rise to a claim under this Policy, Insured shall, as soon as possible, give notice thereof to the Company with full particulars. Every letter, claim, writ, summons and process shall be notified or forwarded to the Company immediately on receipt. Notice shall also be given to the Company immediately as soon as the Insured shall have knowledge of any impending prosecution, inquest or fatal inquiry in connection with any such occurrence. In case of carnapping or other criminal act which may give rise to a claim under this Policy, the Insured shall give immediate notice to the Police and cooperate with the Company in securing the conviction of the offender.
5. Without prejudice to No.2 of the General Exceptions, no admission, offer, promise or payment shall be made by or on behalf of the Insured without the written consent of the Company which shall be entitled, to take over the conduct in his name the defense or settlement of any claim, or to prosecute in his name for its own benefit any claim for indemnity or damages or otherwise, but shall not exercise any discretion prejudicial to the interest of the Insured in the conduct of any proceedings in the settlement of any claim, and the insured shall give all such information and assistance as the Company may require. If the Company shall with the consent of the Insured make any payment in settlement of any claim, and such payment includes any amount not covered by this Policy, the Insured shall repay the Company the amount not so covered.
6. At any time after the happening of any event giving rise to a claim or series of claims under this Policy, the Company may pay to the Insured and the Third Party claimant jointly the full amount of the Company's liability and relinquish the conduct of any defense, settlement or proceedings, and the Company shall not be responsible for any damage

alleged to have been caused to the Insured in consequence of any alleged action or omission of the Company in connection with such defense, settlement or proceedings or of the Company relinquishing such conduct, nor shall the Company be liable for any costs or expenses whatsoever incurred by the Insured or any claimant or other person after the Company shall have so relinquished.

7. The Company may cancel this Policy in accordance with Sections 64, 65 and 380 of the Insurance Code, in which case, the Company shall thereupon return to the Insured premiums paid less the pro rata portion thereof for the period when the Policy has been in force. The Insured may, at any time, cancel the Policy by surrendering it to the Company and (provided no claim has arisen during the then current period of Insurance) the insured shall be entitled to a return of the premium at the Company's Short Period Rates for the period when the policy has been in force. However, in respect of Sections I and II, the cancellation made by the Insured shall not be effective unless he has secured a similar policy of insurance or surety bond to replace the policy to be cancelled or make a cash deposit in sufficient amount with the Commissioner and without any gap file within five (5) working days from the date of cancellation required documentation with the Bureau of Land Transportation in accordance with Section 381 of the Insurance Code.
8. If, at the time any claim arises under this Policy, there is any other insurance covering the same loss, damage or liability, the Company shall not be liable to pay or contribute more than its ratable proportion of any loss, damage, compensation, costs or expenses. Provided always that nothing in this Condition shall impose on the Company any liability from which, but for this Condition, it would have been relieved under proviso (ii) of section 1-2 of this Policy.
9. Except in case of claims arising under Sections I and II of this Policy, if any difference or dispute shall arise with respect to the amount of the Company's liability under this Policy, the same shall be referred to the decision of a single arbitrator, to be agreed upon by both parties or, failing such agreement of a single arbitrator, to the decision of two arbitrators, one to be appointed in writing by each of the parties within one calendar month after having been required in writing to do so by either of the parties and, in case of disagreement between the arbitrators, to the decision of an umpire who shall have been appointed in writing by the arbitrators, before entering on the reference, and the costs of and expenses incidental to the reference shall be dealt with in the award. And it is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this Policy that the award by such arbitrators or umpire of the amount of the Company's liability hereunder, if disputed, shall be first obtained. If a claim be made and rejected, and an action of suit be not commenced within twelve months after such rejection, or in case of an arbitration taking place as provided herein, within twelve months after the arbitrator, or arbitrators or umpire shall have made their award, then the claim shall, for all purposes, be deemed to have been abandoned and shall not hereafter be recoverable hereunder. Provided, however, that in case of any dispute in the enforcement of the provisions of Section I and Section 11 of this Policy, the adjudication of such dispute shall be within the original and exclusive jurisdiction of the Insurance Commissioner, subject to the limitations provided in Section 416 of the Insurance Code, as amended.
10. The due observance and fulfillment of the Terms of this Policy, insofar as they relate to anything to be done or not to be done by the Insured, and the truth of the statements and answer in the proposal, shall be conditions precedent to any liability of the Company to make any payment under this Policy.
11. In the event that the Company should pay or be held liable to pay any claim or claims under the "No Fault" provision of the Insurance Code, the Insured shall reimburse the Company all such sums, whenever the Insured or his authorized driver or representative has committed a breach of any of the warranties, clauses or conditions of the Policy, or whenever the circumstances fall under any of the EXCEPTIONS listed in the Policy, for which the Company would not have been liable were it not for the application of the "No Fault" provision of the Insurance Code.

OTHER INSURANCE CLAUSE

This policy does not indemnify any loss or damage which at the time of the occurrence of such loss is insured or would, but for the existence of this Policy be insured by any other policy or policies of insurance except in respect of any excess beyond the amount which would have been payable under such other policy or policies had this Policy not been effected.

SUBROGATION CLAUSE

If the Insurer become liable for any payment under this Policy in respect of loss or damage, they shall become subrogated, to the extent of such payment, to all the rights and remedies of the Insured against any party in respect of such loss or damage and shall be entitled at their own expense to sue in the name of the Insured to recover for the Insurer's benefit the amount of any payment made under this insurance, in addition to the Insurer's own costs and expenses. The Insured shall give to the Insurer all such assistance in its power as the Insurer may require to secure said rights and remedies (including attending hearings and trials, securing and giving evidence, obtaining the attendance of witnesses, assisting in effecting settlements and in conducting litigation, arbitration or other proceedings) and, at the Insurer's request, shall enter into such agreements and execute or sign such documents as may be necessary to enable the Insurer to bring suit in the name of the Insured.

NUCLEAR EXCLUSIONS CLAUSE

1. This Policy does not cover
 - (a) Loss or destruction of, or damage to any property whatsoever or any loss or expense whatsoever resulting or arising there from, or any consequential loss;
 - (b) Any legal liability of whatsoever nature, directly or indirectly caused by, or contributed to by, or arising from, ionizing radiations or contamination by radio activity from any nuclear fuel, or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this exclusion only combustion shall include any self-sustaining process of nuclear fission.
2. The indemnity provided by this Policy shall not apply to nor include any loss, destruction, damage or legal liability directly or indirectly caused by or contributed to, by, or arising from, nuclear weapons material.

CIVIL CODE ARTICLE 1250 WAIVER CLAUSE

IT IS HEREBY FURTHER DECLARED AND AGREED that the provision of Article 1250 of the Civil Code of the Philippines (Republic Act No. 386) which reads:

"In case an extraordinary inflation or deflation of the currency stipulated should supervene, the value of the currency at the time or the establishment of the obligation shall be the basis of payment..." shall not apply in determining the extent of liability under the provisions of this Policy.

SHORT PERIOD RATE SCALE

It is hereby agreed, in the event this Policy is surrendered by the Insured for cancellation, the Company shall retain a premium in accordance with the following scale for the time the Policy has been in force:



BPI/MS Insurance Corporation
A joint venture of the Bank of the Philippine Islands & Mitsui Sumitomo Insurance
11th, 14th, 16th & 18th FLRS 6811 BPI-PHILAM LIFE MAKATI, AYALA AVENUE, SALCEDO
VILLAGE, BEL-AIR, MAKATI CITY 1209
Tel. No. 8840-9000 • Fax No. 8840-9399 • TIN 000-474-030-000 VAT
www.bpims.com

No. of Month/s	1	2	3	4	5	6	7	8	9	10	11
Percentage	20	30	40	50	60	70	75	80	85	90	95

DATA PRIVACY CLAUSE

The insured allows the representatives, officers assignees, subsidiaries or affiliates of the Insurer to process its personal information which may be confidential or sensitive in nature to proceed with the conduct of business. All documents and records furnished by the insured shall be afforded with protection as dictated by the industry standards. The Insured holds the Insurer, its representatives, officers, assignees, subsidiaries or affiliates free and harmless from any liability for disclosures done within reasonable conduct of business or upon lawful order of the court or regulatory agencies.