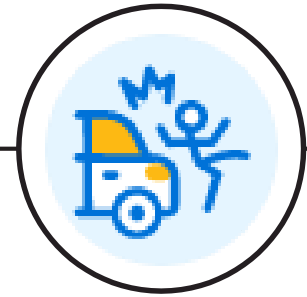


Compulsory Third Party Liability (CTPL) Insurance

Terms and Conditions



BDO Insure

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Insurance provided by:

 **FPG** insurance

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I. LIABILITY TO THE PUBLIC

1. The Company will pay all sums necessary to discharge liability of the Insured, arising from all expenses and damages directly resulting from any bodily injury and/or death to any THIRD PARTY (excluding all moral, exemplary and other incidental damages, expenses and loss of income) in an accident caused by the use of the Scheduled Vehicle, provided that the Insured's liability shall have first been determined, but not exceeding in the aggregate PhP100,000.00 per occurrence or any one occurrence, regardless of the number of individual-claims.
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;
3. Applicable to Private Car only:
 - a. the Insured whilst personally driving a private motor car not belonging to him and not hired to him under a hire purchase agreement.
4. In the 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.
5. 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 shall have the prior right thereto.
6. 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.

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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.

1. DEATH INDEMNITY		P 70,000.00
Burial and funeral expenses		P 30,000.00
2. BODILY INJURIES AND FRACTURES		
Types of Accommodation or Professional Attendance Extended	Services Rendered	Maximum Reimbursable Fees and/or Charges (PhP)
1. Hospital Rooms	Maximum of 45 days per accident Laboratory examination fees, X-rays	500.00/day 2,000.00
2. Surgical Expenses	Major Operation Medium Operation Minor Operation	7,500.00 5,000.00 1,500.00
3. Anaesthesiologist's Fees	Major Operation Medium Operation Minor Operation	2,500.00 2,000.00 500.00
4. Operating room	Major Operation Medium Operation Minor Operation	1,500.00 1,000.00 500.00

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5. Medical Expenses	For Daily visits of Practitioner or Specialist The total amount of medical expenses must not exceed (for a single period of confinement)	400.00/day 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
8. Operating room	Major Operation Medium Operation Minor Operation	1,500.00 1,000.00 500.00
3. PERMANENT DISABLEMENT		
Loss of or Loss of Use of:		
Two Limbs		50,000.00
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
Injuries resulting in being permanently bedridden		50,000.00
Any other injury causing permanent total disablement		50,000.00
Arm at or above elbow		20,000.00
Arm between elbow and wrist		15,000.00
Hand		15,000.00
Four Fingers and Thumb of one Hand		15,000.00
Four Fingers		12,000.00
Leg at or above knee		20,000.00
Leg below knee		15,000.00
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
4. 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 PhP10,000.00 but in no case shall the insurance provider's aggregate payment exceed the overall Limits of Liability under Sections I and II.		

II. NO FAULT INDEMNITY

The Insurance 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 (PhP15,000.00) 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.

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III. 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 is:
 - i. being used otherwise than in accordance with the limitations as to use;
 - ii. being driven by any person other than an Authorized Driver;
 - 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 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 claim.
4. Any sum which the Insured would have been entitled to recover from an adverse party but for an agreement between the Insured and such party.
5. Bodily injury and/or death of 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.

Additional General Exceptions applicable to Commercial Vehicle only:

6. Death, bodily injury or damage caused or arising beyond the limits of any carriageway or thoroughfare, in connection with bringing of the load to the Motor Vehicle for loading thereon or the taking away of the load from the Motor Vehicle after unloading therefrom.
7. Damage to any bridge, weighbridge or viaduct or to any road or anything beneath by vibration or by the weight of the Motor Vehicle or of the load carried by the Motor 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.

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 Insured or 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 Section 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 or for hire or reward.
2. use for racing, pacemaking, reliability trial or speed testing.
3. use for carriage of PASSENGERS
4. use for any purpose in connection with the Motor Trade.

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Applicable to Commercial Vehicle Only:

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.

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.

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IV. CONDITIONS APPLICABLE TO ALL SECTIONS

1. The 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 the Policy shall be delivered in writing to the Insurance 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 Insurance 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 the Policy.
4. In the event of any accident which may give rise to a claim under the Policy, the Insured shall, as soon as possible, give notice thereof to the Insurance Company with full particulars. Every letter, claim, writ, summons and process shall be notified or forwarded to the Insurance Company immediately upon receipt. Notice shall also be given to the Insurance 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 the Policy, the Insured shall give immediate notice to the Police and cooperate with the Insurance 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 Insurance 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 Insurance Company may require. If the Insurance Company shall with the consent of the Insured make any payment in the settlement of any claim, and such payment includes any amount not covered by the Policy, the Insured shall repay the Insurance 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 the Policy, the Company may pay to the Insured and the Third Party claimant jointly the full amount of the Insurance Company's liability and relinquish the conduct of any defense, settlements or proceedings, and the Insurance 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 Insurance Company in connection with such defense, settlements or proceedings, or of the Insurance Company relinquishing such conduct, nor shall the Insurance Company be liable for any costs or expenses whatsoever incurred by the Insured or any claimant or other person after the Insurance Company shall have so relinquished.
7. The Insurance Company may cancel the Policy in accordance with Sections 64, 65 and 380 of the Insurance Code, in which case, the Insurance 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 Insurance 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 Insurance 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 Insurance Commissioner and without any gap filed within five (5) working days from the date of cancellation the required documentation with the Bureau of Land Transportation in accordance with Section 381 of the Insurance Code.

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8. If, at any time any claim arises under this Policy, there is any other insurance covering the same loss, damage or liability, the Insurance Company shall not be liable to pay or contribute more than its datable proportion of any loss, damage, compensation, costs or expenses. Provided always that nothing in this Conditions shall impose on the Company any liability from which, but for this Condition, it would have been relieved under proviso (ii) of Sections I-2(a) of the Policy.
9. Except in case of claims arising under Sections I and II of the Policy, if any difference or dispute shall arise with respect to the amount of the Insurance Company's liability under the 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 so to do 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 the Policy that the award by such arbitrators or umpire of the amount of the Insurance Company's liability hereunder, if disputed, shall be first obtained, if a claim be made and rejected, and an action or 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 II 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 the Policy.
11. In the event that the Insurance 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 Insurance 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.

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 therefrom 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 radioactivity 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 J250 WAIVER CLAUSE

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 of 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.

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