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PAL TRAVEL INSURANCE PROGRAM (DOMESTIC)

In consideration of the statements in the Policy application or other acceptable means of enrollment, which shall be the basis of this contract and whose original copy or proof is filed with the PNB General Insurers Co., Inc. (hereinafter called the “the Company”) and made a part of this Policy, the payment of premium in advance and subject to all the exclusions, provisions and other terms of this Policy, the Company hereby insures the persons named (hereinafter called the “Insured”) as declared by the Policyholder against loss indicated as covered in the Policy Schedule occurring during the Period of Insurance.

IN WITNESS WHEREOF, the Company has caused this Policy to be executed and commenced on the Effective Date stated in the Policy Schedule, provided that no Insurance shall be in force unless the Policy Schedule and the Confirmation of Cover are signed by an authorized representative of the Company.

DEFINITIONS

1. **“Accident” or “Accidental”** means a sudden, unforeseen or fortuitous event.
2. **“Accidental Death”** means death occurring as a result of a bodily injury.
3. **“Air Carrier”** means any aircraft provided and operated by the Partner Airline (including its code share and interline partners) which is duly licensed for the regular transportation of ticketed passengers, and which has established routes.
4. **“Authorized Company”** means the medical assistance company appointed from time to time by the Company as stated in the Policy Schedule.
5. **“Benefit”** means the respective benefit amount, as stated in the Policy Schedule payable by the Company under the terms and conditions of this Policy in respect of each event or loss covered by this Policy.
6. **“Bodily Injury”** means accidental bodily injury occurring while this Policy is in force, resulting, directly and independently of all other causes from an Accident caused by external or violent means.
7. **“Confirmation of Cover”** means the individual certificate of insurance issued to the Insured. It describes in general the insurance protection to which the Insured is entitled but shall form part of the contract between the Company and the Policyholder. In the event of discrepancy between the provisions of such confirmation and this Policy, the provisions of this Policy shall prevail.
8. **“Confined” or “Confinement”** means confinement in a Hospital as a resident-in-patient who is charged with room and board (other than for day surgery) upon the advice of and under the regular care and attendance of a Physician and for this purpose.
9. **“Dependent Children”** means the Insured’s unmarried dependent child or children (including stepchildren or legally adopted children), who are aged between two-weeks old and up to and including seventeen (17) years old or, up to and including twenty-one (21) years of age whilst they are full-time students at an accredited institution of higher learning and are primarily dependent upon the Insured for maintenance and support.

10. **“Domestic Trip”** means a trip within the territorial limits of the Republic of the Philippines, which is undertaken by the Insured.
11. **“Effective Date”** means the date on which insurance under this Policy commences as stated in the Policy Schedule for the Policyholder and in the Confirmation of Cover for the Insured.
12. **“Eligibility”** means to be eligible for cover under this Policy, the Insured/s must be at least two (2) weeks old but not more than seventy-five (75) years old on the Effective Date of insurance as stated in the Policy Schedule.
13. **“Expiry Date”** means the date on which insurance under this Policy expires or ends as stated in the Policy Schedule for the Policyholder or in the Confirmation of Cover for the Insured.
14. **“Policyholder”** means Philippine Airlines.
15. **“Hijack”** means any seizure or exercise of control by force or violence or threat of force or violence, and with wrongful intent, of an aircraft.
16. **“Hospital”** means a legally constituted establishment operated pursuant to the laws of the country in which it is based, which holds a license as a hospital and meets the following requirements:
 - (i) operates primarily for the reception, care and medicare and treatment of sick, ailing or injured persons as in-patients;
 - (ii) provides full-time nursing service by and under the supervision of a staff of Nurses;
 - (iii) has a staff of one or more Physicians available at all times;
 - (iv) maintains organized facilities for the medical diagnosis and treatment of such persons, and provides (where appropriate) facilities for major surgery within the confines of the establishment or in facilities controlled by the established; and
 - (v) is not primarily a clinic, nursing, rest or convalescent home or similar establishment and is other than a place for alcoholics or drug addicts.

Hospital shall not include the following:

- (i) a mental institution; an institution confined primarily to the treatment of psychiatric disease including sub-normality; the psychiatric department of a hospital;
- (ii) a place for the aged; a rest home; a place for drug addicts or alcoholics; or
- (iii) a health hydro or nature cure clinic; a special unit of a hospital used primarily as a place for drug addicts or alcoholics, or nursing, convalescent, rehabilitation, extended-care facility or rest home.

17. **“Immediate Family Member”** means the Spouse, parent, parent-in-law, step-parent, child, brother, sister, brother-in-law, sister-in-law, daughter-in-law, son-in-law, half brother, half sister, niece, nephew, uncle, aunt, stepchild, grandparent or grandchild.
18. **“Insured”** means the person(s) named on the Confirmation of Cover with respect to whom premium has been paid or agreed to be paid.
19. **“Limb”** includes a hand or foot.
20. **“Loss”** means, with respect to hands and feet, actual severance through or above wrist or ankle joints; with respect to eyes, entire and irrecoverable loss of sight; with respect to thumb and index finger, actual severance through or above metacarpophalangeal joints, and in each case caused by a Bodily Injury. This term shall not include loss of use of a part of the body.
21. **“Loss of Hearing”** means wherever used in this Policy shall mean permanent irrecoverable loss of hearing where:
If a dB = Hearing loss at 500 Hertz

If b dB = Hearing loss at 1000 Hertz

If c dB = Hearing loss at 2000 Hertz

If d dB = Hearing loss at 4000 Hertz

 $1/6$ of $(a + 2b + 2c + d)$ is above 80 dB
22. **“Loss of Sight”** means permanent and total loss of all sight of an eye which is beyond remedy by surgical or other treatment.
23. **“Loss of Speech”** means the disability in articulating any three of the four sounds which contributes to speech such as the Labial sounds, the Alveololabial sounds, the Palatal sounds and the Velar sounds or the total loss of vocal cord or damage of speech center in the brain resulting in Aphasia.
24. **“Loss of Use”** means, with respect to a part of the body, the complete inability of the part of that body to function as a result of a Bodily Injury sustained on that part.
25. **“Medical Necessary Expenses”** means charges for treatment, supplies or medical services medically necessary to treat the Insured’s condition, which does not exceed the usual level of charges for similar treatment, supplies or medical services in the locality where the expense is incurred.
26. **“Nurse”** means a nurse duly licensed and practicing within the scope of their license pursuant to the laws in the geographical area of practice and shall not include the Insured or his Spouse or any of his Immediate Family Members unless approved by the Company.

27. **“Partner Airline”** means the named Policyholder under this Policy.
28. **“Period of Insurance”** means the period between the Effective Date and Expiry Date which the coverage is effective as stated in the Policy Schedule for the Policyholder or in the Confirmation of Cover for the Insured.
29. **“Permanent Loss”** means:
- (i) physical severance or total loss of the use of a Limb having lasted twelve (12) consecutive months and at the expiry of that period is beyond hope of improvement;
 - (ii) irrecoverable loss of all sight in an eye;
 - (iii) entire and irrecoverable loss of hearing;
 - (iv) entire and irrecoverable loss of the ability to speak;
- which in each case caused by an Bodily Injury.
30. **“Permanent Total Disability”** means disablement, which having lasted for at least twelve (12) consecutive months and will in all probability, entirely prevent the Insured from engaging in gainful employment of any and every kind for the remainder of his life.
31. **“Physician”** means a legally licensed physician or surgeon duly registered and practicing within the scope of their license pursuant to the laws of the country in which such practice is maintained and shall not include the Insured any of his Immediate Family Members unless approved by the Company.
32. **“Policy”** means this document and the Policy Schedule describing the insurance contract between Policyholder and the Company. It shall also include, after this Policy has taken effect, any amendment, rider, clause, warranty, endorsement or any other document attached to this Policy and which has been endorsed by an authorized executive officer of the Company.
33. **“Policy Schedule”** means the summary of benefits attached to this Policy issued to the Policyholder.
34. **“Pre-existing Condition”** means:
- (i) Any physical defect, condition, illness or disease for which treatment, medication or advice (including investigation) has been received or prescribed by a Physician prior to the Effective Date of the Insured’s coverage, or
 - (ii) A medical condition or an illness related to a medical condition which the Insured or any person who the Insured’s trip depends on (this would include a relative or a close business associate) knew about before the Insured bought this insurance.

35. **“Scheduled Departure Date”** means the date on which the Insured is scheduled to depart as set out in his travel ticket.
36. **“Sickness”** means a sickness or disease which requires treatment by a medical practitioner and which is not a Bodily Injury.
37. **“Spouse”** means the legally married spouse of the Insured.
38. **“Strike”** means organized industrial action or any temporary stoppage of work by the concerted action of the Air Carrier’s employees as a result of an industrial or labor dispute.
39. **“Trip”** means a Domestic Trip and must commence on the Effective Date shown on the Insured’s Confirmation of Cover

CHOICE OF PLANS

The scope of coverage and benefits under this Policy will vary as follows:

GEOGRAPHICAL COVER

- (i) If “Domestic” cover has been chosen, only Trips within the territorial limits of the Republic of the Philippines will be covered under this Policy

BENEFITS

- (ii) the monetary amounts and limits of Benefits will vary according to whether a “one way” or “round trip” has been chosen. The Benefits under this Policy shall apply twenty-four (24) hours a day while the Insured is on a Trip unless otherwise endorsed or amended.

COMMENCE OF COVERAGE

For Trip Cancellation, the benefit takes effect upon acceptance and approval of enrollment and receipt of premium payment and shall terminate upon commencement of the Trip. For all other benefits, insurance is effective two (2) hours before the Air Carrier’s scheduled flight departure time.

LIMITS OF COVERAGE

1. Any cover under this Policy in respect of an Insured shall terminate on the earliest of the following events:
 - (i) two (2) hours after the Air Carrier’s flight arrival time on the return flight of a round trip itinerary, or for one-way itineraries, upon Insured’s arrival at the Air Carrier’s flight destination;

- (ii) Upon the expiry of any Period of Insurance during which the Insured ceases to satisfy any of the eligibility requirements set out herein;
- (iii) Upon the death of the Insured (except for death-related benefits);
- (iv) on the date stated in the Policy Schedule or any subsequent endorsements issued by the Company to amend the travel dates as requested by the Policyholder or Insured.

DESCRIPTION OF BENEFITS

SECTION I: PERSONAL ACCIDENT

A. Personal Accident Benefit

If, during the Period of Insurance, while the Insured is on a Trip, the Insured sustains Bodily Injury which results in Accidental Death or Permanent Total Disability within one hundred eighty (180) days from the date of the Accident, the Company will pay up to the relevant Benefit amount as stated in the Policy Schedule in accordance to the limits provided in the table below, subject to the terms and conditions of this Policy:

Loss Covered	Percentage of the Benefit Amount Payable
Accidental Death	100%
Permanent Total Disability	100%
Permanent Loss of speech and hearing	100%
Loss of Sight in both eyes	100%
Loss of or Loss of Use of two Limbs	100%
Loss of or Loss of Use of one Limb	100%
Loss of Sight in one eye	100%
Permanent Loss of lens of one eye	60%
Permanent Loss of Speech	50%
Permanent Loss of Hearing in :	
(i) both ears	75%
(ii) one ear	15%

The occurrence of any specific Loss for which indemnity is payable under this Section to an Insured shall at once terminate all cover under this Policy for the Insured, but such termination shall be without prejudice to any other claim originating from the Accident causing such Loss.

No indemnity will be paid under any circumstances for more than one of the losses, the greatest, for which provision is made in this Section.

No payment will be made for any loss caused by or resulting from Sickness.

In the event of Accidental Death due to Bodily Injury the following percentage will be paid on the following conditions:

- (i) Insured who are at least eighteen (18) years old but not more than seventy-five (75) years old on the date of the Accident, will receive 100% of all benefits;
- (ii) Insured who are between 2 years old and up to and including seventeen (17) years old on the date of the Accident will receive one hundred percent (100%) of all the benefit amounts as stated in the Policy Schedule.
- (iii) Insured who are age two (2) weeks and up to and including 2 years old on the date of the Accident will receive one hundred percent (100%) of all the benefit amounts as stated in the Policy Schedule, except for the Personal Accident Benefit where such Insured will receive ten percent (10%) of the Personal Accident Benefit

B. Accidental Burial Benefit

If, during the Period of Insurance, while on a Trip, the Insured suffers death due to an Accident, the Company will pay for the actual cost of burial expenses up to the maximum Benefit amount as stated in the Policy Schedule subject to the terms and conditions of this Policy.

SECTION II: MEDICAL NECESSARY EXPENSES & EMERGENCY ASSISTANCE BENEFITS

A. Medical Necessary Expenses Benefit

If, during the Period of Insurance, while the Insured is on a Trip, the Insured incurs Medical Necessary Expenses as a direct result of Bodily Injury or Sickness, or dental expenses as a direct result of Bodily Injury, the Company will reimburse the Insured or the Authorized Company, or its authorized representative (where applicable) in respect of such expenses up to the relevant maximum Benefit amount as stated in the Policy Schedule, subject to a deductible amount of Php500.00 per claim per event.

The Company shall also pay to the Insured or to the Authorized Company, or its authorized representative (where applicable), the expenses for medical attention and treatment which the Insured incurred upon return from the Trip as a result of Bodily Injury or Sickness suffered during the Trip. Initial treatment for such Bodily Injury or Sickness must be received during the Trip and all Medical Necessary Expenses must be incurred within thirty (30) days from the date the Insured returns to his residence. Admission to a

Hospital must be within twelve (12) hours after return from a Trip and must be a continuation of medical attention sought while on a Trip. The maximum sum insured for Medical Necessary Expenses incurred upon return to the place of residence is equivalent to ten percent (10%) of the maximum Benefit amount for this section. In no event shall the total amount payable under this Section exceed one hundred percent (100%) of the Benefit amount stated in the Policy Schedule.

ADDITIONAL CONDITIONS

- (a) In case of hospitalization or medical emergency, the Insured, a person traveling with him, or the treating medical authority must contact the Company or the Authorized Company immediately or at most reasonable time to verify coverage and arrange the appropriate medical care.

- (b) The Company has the option of returning the Insured to the place of residence, if the cost of medical and/or additional expenses is likely to exceed the cost of returning the Insured to their place of residence, subject always to medical advice. The Company also has the option of evacuating the Insured to another location. However, if the Company returns the Insured to the place of residence, the standard policy conditions pertaining to medical expenses will apply.

B. Emergency Medical Evacuation

If, during the Period of Insurance and while on a Trip, the Insured:

- (i) suffers Bodily Injury or Sickness as diagnosed by a Physician designated by the Authorized Company, or its authorized representative; and

- (ii) the necessary medical treatment is not available, either at the nearest Hospital where the Insured was transported to or in the immediate vicinity thereof, after suffering the Bodily Injury or Sickness,

The Insured, a person traveling with him, or the treating medical authority must contact the Company or the Authorized Company, or its authorized representative, immediately to verify coverage and arrange the appropriate medical care in the case of hospitalization or medical emergency.

The Authorized Company, or its authorized representative may, based on the advice of a Physician that the Insured is medically fit to be evacuated, determine in its sole discretion, that Insured, should be evacuated to another location for the necessary medical treatment.

The Authorized Company or its authorized representative shall arrange for the evacuation within a reasonable time frame and utilize the best suited means based on the medical severity of the Insured condition, including but not limited to, air ambulance, surface ambulance, regular air transportation, railroad or any other appropriate means.

All decisions as to the means of transportation and the final destination will be made by the Authorized Company, or its authorized representative, and will be based solely upon medical necessity. The Insured may in appropriate circumstances be returned to their place of residence.

The Company shall pay directly to the Authorized Company, the Covered Expenses, up to the relevant Benefit amount stated in the Policy Schedule, subject to the terms and conditions of this Policy.

If due to reasons beyond the Insured's control, the Insured is unable to notify the Authorized Company to make the necessary evacuation arrangements, the Company shall, if satisfied that the evacuation was due to the necessary medical treatment not being available, either at the nearest Hospital where the Insured was transported to or in the immediate vicinity thereof, reimburse the Insured for expenses incurred in relation to the evacuation, up to the amount which the Authorized Company would have incurred for services provided under the same circumstances, subject to the terms and conditions of this Policy.

ADDITIONAL DEFINITIONS

Covered Expenses means expenses for services provided and/or arranged by the Authorized Company for the transportation, medical services and medical supplies necessarily incurred as a result of the Insured's evacuation.

ADDITIONAL EXCLUSIONS

The Company will not pay under **Section II-B** for any of the following:

1. Any expenses incurred for services provided by another party for which the Insured is not liable to pay, such as emergency same day loans, or any expenses already included in the cost of a scheduled Trip.
2. Any expenses for a service not approved and arranged by the Authorized Company or its authorized representative, except as mentioned in paragraph six (6) of this **Section II-B**.
3. Any treatment performed or ordered by a person who is not a Physician.
4. Any expenses incurred in relation to treatment that can be reasonably delayed until the Insured returns to their place of residence.

C. Repatriation of Mortal Remains

If, during the Period of Insurance, while the Insured is on a Trip, the Insured suffers death within thirty (30) days from the date of the Bodily Injury or commencement of Sickness, the Authorized Company, or its authorized representative, shall make the necessary arrangements for the return of the Insured's mortal remains to his place of residence. The Company shall pay directly to the Authorized Company, or its authorized representative, the covered expenses for such repatriation up to the Benefit amount as stated in the Policy Schedule.

In addition to the transportation of the remains, the Company shall reimburse to the Insured's estate expenses actually incurred for services and supplies provided by a mortician or undertaker, including but not limited to the cost of a casket, and the embalming and cremation if so elected, subject to the Benefit amount as stated in the Policy Schedule.

D. Emergency Communication Expenses

If, during the Period of Insurance, while the Insured is on a Trip, the Insured suffers Bodily Injury or Sickness and the Insured or the traveling companion of the Insured incurs reasonable Charges for personal mobile phone or standard telephone land line used for the sole purpose of informing Immediate Family Members of the emergency, or engaging the services of the Authorized Company, or its authorized representative, during a medical emergency, and for which a medical claim has been submitted under **Section II-A**, the Company will indemnify the Insured in respect of Emergency Communication Charges up to the Benefit amount as stated in the Policy Schedule, subject to the terms and conditions of this Policy.

ADDITIONAL CONDITION

Charges incurred from the standard/public telephone land line or mobile phone must be supported by an itemized statement of charges or official receipts when using International Calling Card.

E. Hospital Confinement Daily Cash Benefit

If, during the Period of Insurance, while the Insured is on a Trip, the Insured is necessarily Confined in a Hospital as a result of Bodily Injury or Sickness which results in a valid claim under **Section II-A - Medical Necessary Expenses Benefit**, the Company will pay the Insured the relevant Benefit amount as stated in the Policy Schedule subject to the terms and conditions of this Policy.

The Hospital Confinement Daily Cash Benefit shall be paid for Confinement from the first day of Confinement and up to a maximum of the relevant Benefit amount for a period of not exceeding ten (10) days as stated in the Policy Schedule, and for this purpose, every day of Confinement as a result of the same event (Bodily Injury or Sickness) shall be counted towards the total number of days of Confinement, notwithstanding that such days do not run consecutively. Provided further that this benefit shall be payable only if the following conditions are met:

- (i) Confinement must occur within thirty (30) days of the Accident causing the relevant Bodily Injury or Sickness; and
- (ii) Confinement must be considered medically necessary by a Physician in his professional capacity. Claims against benefits under this section should be coordinated with the Company within thirty (30) days from hospital discharge.

ADDITIONAL CONDITION

The Insured, a person traveling with him, or the treating medical authority must contact the Company or the Authorized Company,

or its authorized representative, immediately or at the most reasonable time to verify coverage and arrange the appropriate medical care.

F. Compassionate Visit Benefit

If, during the Period of Insurance, while the Insured is on a Trip, the Insured is Confined in a Hospital for more than five (5) consecutive days due to Bodily Injury or Sickness and his medical condition forbids evacuation and no adult member of the Insured's Immediate Family is with him, the Company or its Authorized Company will arrange for travel (economy return air travel) and reasonable hotel accommodation or one (1) Immediate Family Member or friend to visit and stay with the Insured until the Insured is medically fit to be discharged, up to the relevant Benefit amount as stated in the Policy Schedule subject to the terms and conditions of this Policy.

G. Return of Minor Children Benefit

If, during the Period of Insurance, while the Insured is on a Trip, the Insured is Confined in a Hospital and there is no other adult to accompany the Insured's Dependent Children home, the Company will indemnify the Insured for reasonable hotel accommodation and travel (economy air travel) expenses necessarily incurred for one (1) relative or a friend to accompany the Insured's Dependent Children back to their place of residence, up to the relevant Benefit amount as stated in the Policy Schedule subject to the terms and conditions of this Policy.

ADDITIONAL EXCLUSIONS APPLICABLE TO:

The Company will not make payment under **Sections I-A, I-B, II-A, II-B, II-C, II-D, II-E, II-F and II-G** of this Policy for any of the following:

1. While the Insured is riding or traveling on a motorcycle (applicable to **Section I-A**)
2. Any claims involving participation by the Insured or the Insured's traveling companion in hunting, racing (other than on foot), polo playing, hang gliding, bungee jumping, sports in a professional capacity, mountaineering or rock climbing using ropes or guides, scuba diving unless the Insured holds an open water diving certificate or is diving with a qualified diving instructor, abseiling, ballooning, parachuting, paragliding or gliding.;
3. Miscarriage, pregnancy or any of its complications, abortion (applicable to **Sections II-A, II-B, II-C, II-D, II-E, II-F and II-G**);
4. Suicide or attempted suicide or intentional self-inflicted injury;
5. The Insured not taking all reasonable efforts to safeguard his property or to avoid any injury or minimize any claim under this Policy;

6. While the Insured is taking part in a brawl or taking part in inciting a brawl;
7. From the absorption by the Insured of any drugs, medications or treatments not prescribed by a Physician;
8. Any medical treatment received during the Trip which was made for the purpose of receiving medical treatment or if the Trip was undertaken while the Insured was unfit to travel;
9. Experimental or investigative procedures;
10. Action of the Insured while under the influence of alcohol, addictive drugs, narcotic drugs to the extent of being unable to control one's mind. The term "under the influence of alcohol" means that the Insured's blood/alcohol level was equal to or superior to that fixed by the law/s regulating the use of automobiles, based on the results of a blood test.
11. Any Pre-existing Conditions;
12. AIDS or any injury or sickness commencing in the presence of a zero-positive test for HIV, and HIV-related disease;
13. Mental and nervous disorders, including but not limited to insanity;
14. Venereal disease;
15. Cosmetic surgery, apart from reconstructive surgery required by a covered Accident;
16. Any treatment or surgical operation for congenital deformities and circumcision;
17. Treatment arising from any geriatric, psycho-geriatric or psychiatric condition, stress, anxiety and depression, psychoanalytic treatment, stays in rest homes, physiotherapy and detoxification, care provided by a chiropractor or osteopath;
18. Vaccinations and their complications (applicable to **Sections II-A, II-B, II-C, II-D, II-E, II-F and II-G**);
19. Ophthalmological care, eyeglasses, contact lenses, hearing aids, dental care (unless such treatment is necessarily incurred to sound and natural teeth) and dentures, unless they are the direct consequence of a covered Accident;
20. Treatment for obesity, weight reduction or weight improvement; or

21. Any expenses incurred for transportation, accommodation or services provided by another party for which the Insured is not liable to pay, or any expenses already included in the cost of a scheduled Trip.
22. Any expenses for a service not approved and arranged by the Authorized Company, or its authorized representative, except that the Company reserves the right to waive this exclusion in the event the Insured or his traveling companions cannot for reasons beyond their control notify the Authorized Company, or its authorized representative, during an emergency situation. In any event, the Company reserves the right to reimburse the Insured only for those expenses incurred for services which the Authorized Company, or its authorized representative, would have provided under the same circumstances and up to the limits indicated in the Policy Schedule.
23. Any further expenses incurred by the Insured if the Company wishes to evacuate the Insured to another location or return the Insured to his place of residence but the Insured refuses (where in the opinion of the attending Physician and the Authorized Company the Insured is fit to travel).

SECTION III: TRAVEL INCONVENIENCE

A. Trip Cancellation Benefit

If, the Insured is forced to cancel any part of their Trip as the direct and necessary result of any Specified Cause, the Company will indemnify the Insured in respect of Cancellation Expenses occurring up to thirty (30) days prior to the Scheduled Departure Date, up to the Benefit amount as stated in the Policy Schedule subject to the terms and conditions of this Policy. This coverage is effective only if this Policy is purchased before the Insured becomes aware of any circumstances which could lead to the disruption of the Insured's Trip.

The Company shall not be liable for the first Php500.00 for each and every valid claim under this benefit.

ADDITIONAL DEFINITIONS

"Specified Cause" means

- (i) death, Bodily Injury or Sickness or compulsory quarantine of the Insured, Immediate Family Member, business partner or co-director who is a resident of the Philippines;
- (ii) unexpected outbreak of Strike, riot, or civil commotion at the scheduled destination;
- (iii) receipt of witness summons or jury service;
- (iv) the Insured's residence becoming uninhabitable following earthquake, fire, typhoon, storm, flood , or similar natural disasters occurring within 7 days of the Scheduled Departure Date and the Insured's presence is required on the premises on the Scheduled Departure Date.

“Cancellation Expenses” mean loss of deposits, or charges for advance payments for travel or accommodation or other charges which have not been or will not be used, but which become forfeit or payable under contract.

B. Trip Curtailment Benefit

If, during the Period of Insurance, while the Insured is on a Trip, the Insured is forced to curtail or alter the itinerary of any part of a planned Trip during the course of that Trip, as the direct and necessary result of any Specified Cause, the Company will indemnify the Insured in respect of Curtailment Expenses incurred up to the relevant Benefit amount stated in the Policy Schedule subject to the terms and conditions of this Policy. This coverage is effective only if this Policy is purchased before the Insured becomes aware of any circumstances which could lead to the disruption of the Insured’s Trip.

The Company shall not be liable for the first Php500.00 for each and every valid claim under this benefit.

ADDITIONAL DEFINITIONS

“Specified Cause” means

- (i) death, Bodily Injury or Sickness or compulsory quarantine, or Hijack of the Insured, Immediate Family Member, business partner or co-director who is a resident of the Philippines;
- (ii) unexpected outbreak of Strike, riot, or civil commotion at the scheduled destination;
- (iii) receipt of witness summons or jury service;
- (iv) the Insured’s residence becoming uninhabitable following earthquake, fire, typhoon, storm, flood, or similar natural disasters occurring within 7 days of the Scheduled Departure Date and the Insured’s presence is required on the premises on the Scheduled Departure Date.

“Curtailment Expenses” means

- (i) loss of deposits, or charges for advance payments for travel or accommodation or other charges which have not been and will not be used, but become forfeit or payable under contract
- (ii) additional travel (economy class fare) and reasonable accommodation expenses resulting from a Specified Cause.

ADDITIONAL EXCLUSIONS:

The Company will not pay under **Section III-A** and **Section III-B** for any of the following:

1. Any change of plans by the Insured, an Immediate Family Member or any person to travel, except those mentioned in Specified Cause in **Section III-A & III-B**;
2. Financial circumstances or any contractual or business obligation of the Insured or an Immediate Family Member;
3. Financial default or failure to provide promised services by the person, agency or tour operator or organization from whom the Insured made his travel arrangements;
4. Any loss that is covered by any other existing insurance, government program or which will be paid or refunded by a hotel, travel agent or any other provider of travel and/or accommodation.

C. Flight Delay Benefit

If, during the Period of Insurance, while the Insured is on a Trip, the departure of the Air Carrier's flight in which the Insured had arranged to travel is delayed for at least twelve (12) consecutive hours at any single location from the time specified in the travel itinerary supplied to the Insured due to:

- (i) inclement weather
- (ii) Strike or other job action by the employees of the Air Carrier's on which the Insured is scheduled to travel;
- (iii) equipment failure of the aircraft on which the Insured is scheduled to travel;

The Company will reimburse the Insured per twelve (12)-hour delay up to the Benefit amount stated in the Policy Schedule subject to the terms and conditions of this Policy for:

- (i) any prepaid, unused, non-refundable land or water accommodations;
- (ii) any reasonable expenses incurred in respect of meals and lodging which were necessarily incurred as a result of the delay and which were not provided by the Air Carrier or any other party free of charge; or
- (iii) the cost of transfer to and from the airport.

D. Aircraft Hijack Benefit

If, during the Period of Insurance, while the Insured is on a Trip, the Insured is detained on the Air Carrier's aircraft due to it being hijacked, the Company will pay the Insured the relevant Benefit amount as stated in the Policy Schedule, for each twelve (12) hours period that the Hijack continues, up to the maximum Benefit amount specified in the Policy Schedule subject to the terms and conditions of this Policy.

E. Loss or Damage of Baggage and Personal Effects Benefit

If, during the Period of Insurance, while the Insured is on a Trip, the Insured sustains loss of or damage of Personal Property and Baggage while in the custody of hotel staff or the Air Carrier or as a result of theft or attempted theft thereof, the Company will indemnify the Insured in respect of such loss up to the relevant Benefit amount stated in the Policy Schedule subject to the terms and conditions of this Policy.

ADDITIONAL CONDITIONS

- (a) the Company will not pay more than five thousand (Php5,000) peso for any one article or a pair or a set of articles as stated in the policy schedule, subject to a deductible amount of Php500.00 for each and every valid claim under this benefit.
- (b) the Company may make payment subject to due allowance of wear and tear and depreciation or at its option replace or repair such articles.
- (c) The loss, damage or theft must be reported to the Air Carrier, police or relevant authority having jurisdiction where the theft occurred within twenty-four (24) hours from the incident. Any claims for indemnity under this section must be accompanied by a copy of a police report or a report issued by the relevant authority evidencing such loss.
- (d) For the avoidance of doubt, in the event the Insured become entitled to a refund or reimbursement of all or part of such expenses from any other source, or if there is in place any other insurance against the events covered under this section, the Company will only be liable for the excess of the amount recoverable from such other source or insurance.

ADDITIONAL DEFINITIONS

"Personal Property and Baggage" means personal goods belonging to the Insured which are taken on the Trip or acquired by the Insured and carried on or hand-carried or check-in as accompanied baggage with the carrier during the Trip.

PROPERTY NOT COVERED

The Company will not pay for damage to or loss of any of the following:

1. animals;
2. motor vehicles, aircraft, and other conveyances or equipment or parts pertaining to such conveyances;
3. artificial limbs, false teeth, any type of eyeglasses, contact lenses or corneal lenses;
4. tickets, except for administrative fees required to reissue tickets
5. coupons, negotiable instruments, title deeds, manuscripts, money, stamps, stocks and bonds, postal or money orders, securities of any kind;
6. property shipped as freight, or shipped prior to the Scheduled Departure Date;
7. credit cards;
8. contraband;
9. business goods or samples/prototypes or equipment of any kind or any products/components meant for trade;
10. hired or leased equipment;
11. fruits, foodstuff and any perishable items;
12. golf equipments except while checked as baggage with a registered common carrier.

The Insured cannot claim under both Loss or Damage of Baggage and Personal Effects Benefit and Baggage Delay Benefit for any one (1) Trip.

F. Loss of Travel Documents Benefit

If, during the Period of Insurance, while the Insured is on a Trip, the Insured sustains loss of Travel Documents Overseas the Company will indemnify the Insured in respect of reasonable additional hotel, travel, communications and other expenses necessarily incurred in the country or countries visited in obtaining the replacement of the lost Travel Documents up to the relevant Benefit amount as stated in the Policy Schedule subject to the terms and conditions of this Policy.

ADDITIONAL DEFINITIONS

“Travel Documents” means documents or identification required for the Insured’s Trip including but not limited to passport, visas or travel tickets issued by the Air Carrier.

ADDITIONAL EXCLUSIONS

The Company will not pay under **Section III-F** for any of the following:

1. Devaluation of currency or shortage due to errors or omissions during any transactions involving money;
2. loss due to confiscation or detention by customs or any other authority;
3. loss not reported to either the police or relevant authority having jurisdiction where the loss occurred within twenty-four (24) hours of the discovery of such loss;
4. loss of postal money orders or travelers’ cheques not immediately reported to the local branch or agent of the issuing authority.

G. Baggage Delay Benefit

If, during the Period of Insurance, while the Insured is on a Trip, the Insured’s checked-in luggage is delayed and is not delivered to Insured within twelve (12) hours of the Insured’s arrival at the scheduled destination, the Company will pay the Insured for the reasonable expenses incurred for the purchase of necessary clothing and toiletries up to the relevant Benefit amount as stated in the Policy Schedule for every full twelve (12) consecutive hours of delay, up to the maximum Benefit amount as stated in the Policy Schedule, subject to the terms and conditions of this Policy.

The Insured cannot claim under both Loss or Damage of Baggage and Personal Effects and Baggage Delay Benefit for any one Trip.

ADDITIONAL EXCLUSIONS

The Company will not pay under **Section III-G** for any of the following:

1. Delay not reported to an authorized person of the Air Carrier as soon as the Insured knows that the baggage is late or lost;
2. For any clothing or toiletries that the Insured purchased more than four (4) days after the actual time of arrival at the airport of destination;
3. When the baggage delay occurs on the journey back to the Insured’s normal domicile; or
4. For purchases made after delivery of Insured’s baggage by the Air Carrier.

SECTION IV: OTHER TRAVEL BENEFITS

A. Personal Liability and Legal Expenses Benefit

If, during the Period of Insurance, while the Insured is on a Trip, the Insured commits an act of negligence which results in the Insured becoming legally liable to pay compensation for:

(i) Death or Accidental Bodily Injury to any third party; or

(ii) Accidental Property Damage or loss to any third party

The Company will indemnify the Insured in respect of any one (1) event, up to the Benefit amount as stated in the Policy Schedule subject to the terms and conditions of this Policy. The Insured must not make any offer or promise payment, admit his fault to any other party or become involved in any litigation without the Company's written approval.

Included in the benefit are all cost and expenses incurred with the written consent of the Company in connection with the defense of claims against the Insured which may be the subject of any indemnity under this coverage.

ADDITIONAL DEFINITIONS

"Property Damage" refers to any physical damage to, destruction of, or loss of use of, tangible property.

ADDITIONAL EXCLUSIONS

The Company will not pay under **Section IV-A** for any of the following:

1. Any Property Damage to the property of or Bodily Injury to any person who is the employee or deemed by law to be the Insured's employee;
2. Property Damage to property belonging to or held in trust by the Insured, or while in the Insured's custody or control;
3. Any liability assumed under contract;
4. Liability arising out of any willful, malicious or unlawful act or omission on the Insured's part;
5. Liability arising out of past or present business, trade or professional activities, including the rendering of or failure to render business, trade or professional services;
6. Any criminal proceedings taken against the Insured whether the Insured is actually convicted or not;
7. The possession or use of any controlled substance/drugs unless prescribed by a Physician;
8. Sexual molestation, corporal punishment, physical or mental abuse;

9. Pollution which includes the alleged or potential introduction of substance which makes the environment impure or harmful. The Company shall have no duty to defend any suit in connection with such pollution; and judgments which are not in the first instance delivered by or obtained from a court of competent jurisdiction within the Republic of the Philippines.

EXCLUSIONS APPLICABLE TO ALL SECTIONS

The Company will not (under any Section) pay for claims arising from any of the following:

1. Declared or undeclared war or any act of war, invasion, foreign enemy, civil war, rebellion, revolution, insurrection, military or usurped power;
2. Any nuclear reaction or contamination, ionizing rays or radioactivity;
3. Any willful or intentional acts by the Insured whether sane or insane, mental and nervous disorders, self-inflicted injury, suicide or attempted suicide, suicide pacts or agreements or any attempts thereat, provoked homicide or assault;
4. The Insured acting as a law enforcement officer, emergency medical or fire service personnel, civil defense personnel or military personnel of any country or international authority, whether full- time service or as a volunteer;
5. Any condition, which is or results from or is a complication of infection with Human Deficiency Syndrome ('HIV'), any variance including Acquired Immune Deficiency Syndrome ('AIDS'), and AIDS Related Complications ('ARC'), or any opportunistic infections and/or malignant neoplasm (tumor) found in the presence of HIV, AIDS or ARC;
6. Any condition which is, results from or a complication of pregnancy, childbirth, miscarriage (except Accidental miscarriage) or abortion, intoxication by alcohol or drugs not prescribed by a Physician (other than over-the-counter drugs);
7. Illegal acts (or omissions) by the Insured or the Insured's executors, administrators, legal heirs or personal representatives, loss resulting directly or indirectly from action taken by the Government Authorities including confiscation, seizure, destruction and restriction;
8. air travel other than as a ticketed passenger on a fully licensed passenger carrying aircraft;
9. travel booked or undertaken against the advice of any Physician or for the purpose of seeking medical attention;
10. Any Pre-existing Conditions;
11. Any government prohibition, regulation or intervention;

12. Any loss or expenses which if reimbursed or paid by the Company would result in the Company being in breach of trade or economic sanctions or other such similar laws or regulations;
13. The Insured engaging in naval, military or air force service or operation or testing of any kind of conveyance or being engaged in Manual Work or whilst engaging in offshore activities like diving, oil-rigging, mining or aerial photography or handling of explosive;
14. Any condition which results from or is a complication of venereal disease;
15. Where the Insured becomes entitled to a refund of or reimbursement of all or part of such expenses from any other source, or if there is in place any other insurance against the events covered under this Policy, the Company will only be liable for the excess of the amount recoverable from such other source or insurance.
16. Any loss or expenses which arises in connection with or is contributed by the Insured undertaking any Trip against the travel advice of the Ministry of Foreign Affairs of the Philippines or the Ministry of Health of the Philippines, in relation to actual or threatened riot, strike or civil commotion, war or warlike situation, outbreak of disease or unsafe health conditions, or impending natural disasters, to the country or territory of the Insured's travel destination, unless the Trip had already commenced prior to the issuance of the travel advice.

GENERAL CONDITIONS UNDER THE POLICY

Currency

All amounts shown in this Policy are in Philippine Pesos (Php), unless specified in the Policy Schedule. If expenses are incurred in a foreign currency, then the rate of currency exchange used to calculate the amount payable in Philippine Pesos (Php) will be the rate at the time the expense was incurred or the loss occurred.

Due Diligence

The Insured will exercise due diligence in doing all things to avoid or reduce any loss under this Policy.

Notice of Claim or Loss

Notice shall be given to our Claims Department at 2/F PNB Financial Center, Pres. Diosdado Macapagal Boulevard Pasay City, Philippines or via email to paltravelclaims@pnbgentravel.com.

If the Insured, or the Insured's legal representative wants to make a claim, the Insured or their legal representative must:

1. Complete a claim form (claim forms are available from the Company), and attach to the claim form:
 - (i) Receipts for any expenses incurred that are being claimed;
 - (ii) Any reports that have been obtained from the police, a carrier or other authorities about an accident, loss or damage;
 - (iii) Any other documentary evidence required by the Company under this Policy.
2. Provide the Company with the completed claim form and accompany documents within thirty (30) days of the incident taking place which gives rise to a claim, or as soon as reasonably practical and not later than one (1) year from the date of loss;
3. Provide any documents or evidence required by the Company to verify the claim at the Insured's expense. Any medical examination required by the Company (including postmortem examinations where it is not prohibited by law) to verify the claim will be at the Company's expense.

In the case of death, hospitalization or medical emergency, the Insured, a person traveling with him, or the treating medical authority must contact the Company or the Authorized Company, or its authorized representative, immediately to verify coverage and arrange the appropriate medical care or arrangements.

Failure to notify the Company within the time limit prescribed shall not invalidate the claim if it can be shown, to the Company's satisfaction, that it was not reasonably possible to give such proof within the prescribed time limit for an otherwise legitimate claim.

To Whom Claims Paid

Benefits payable under this Policy shall be made to the Insured; or in the event of his death, to the beneficiary designated by the Insured provided such beneficiary is not legally disqualified and survives the Insured; or in the absence of beneficiary designation, to the person or persons then surviving in the following order of preference: (a) legal spouse; (b) children; (c) parents; (d) brothers and sisters; otherwise, to the estate of the Insured, except under **Section II-B, II-C and II-D** – Emergency Medical Evacuation, Repatriation of Mortal Remains and Emergency Communication Expenses. Any payment made by the Company in good faith pursuant to this provision shall fully discharge the Company to the extent of the payment.

Subrogation

In the event of any payment made by the Company under one or more sections of this Policy, the Company will be subrogated to all the Insured's rights of recovery against any person or organization.

The Insured shall provide the Company with reasonable assistance including but not limited to, executing and delivering any instruments and/or documents. The Insured shall take no actions which may prejudice the Company's subrogation rights.

Other Insurances

The Insured can only be covered under one (1) travel insurance policy underwritten by the Company for the same Trip. In the event of a claim, the Insured must advise the Company as to any other insurance the Insured may have covering the same risks in this Policy. If, at the time of occurrence of any loss, except otherwise provided for in this Policy, there are other valid and collectible insurance policy/ies in place, the Company will only be liable for the excess beyond the amount of such other Insurance, and any applicable deductible.

Fraud or Misrepresentation

This Policy shall be voidable in the event of any intentional misrepresentation, non-disclosure or concealment of any circumstances by the Policyholder or the Insured which is material to or connected with:

- (a) fraud
- (b) the Insured's risk experience and claim history;
- (c) the Insured's insurance record, including previous refusals to grant insurance coverage.

Fraudulent Claims

If any claim under this Policy is fraudulent or if any fraudulent means or devices are used by any person to obtain a benefit under this Policy, the Company shall have no liability in respect of such claim and the Company shall be entitled to terminate this Policy with immediate effect.

Clerical Error

A clerical error by the Company shall not invalidate insurance otherwise validly in force, nor continue insurance otherwise not validly in force.

Notice of Trust or Assignment and Third Party Rights

The Company shall not be bound or be affected by any notice of any trust, charge, lien, assignment or other dealing with or in relation to this Policy.

A person who is not a party to this Policy shall have no right to enforce any of its terms.

Complying With Policy Conditions

Failure to comply with any of the provisions contained in this Policy shall may delay and eventually invalidate claims related to the provision not complied.

Entire Contract

This Policy, the Policy Schedule and any amendments or endorsements shall constitute the entire contract of insurance. No change to the terms and conditions of this Policy shall be valid unless approved in writing by and authorized executive officer of the Company and such approval shall be endorsed hereon or attached hereto. No broker or agent has the authority to amend or to waive any of the terms and conditions of this Policy except in accordance with the pertinent provisions of Section 50 of the Insurance Code.

Unless applied for by the Policyholder, any rider, clause, warranty or endorsement issued after the Effective Date of this Policy shall be countersigned by the Policyholder, which countersignature shall be taken as the Policyholder's agreement to the contents of such rider, clause, warranty or endorsement.

Governing Law

This Policy shall be governed by and interpreted in accordance with the laws of the Republic of the Philippines.

Arbitration

All differences as to the amount of any loss or damage covered by this Policy shall be settled by final, binding arbitration under the arbitration rules of the Philippine Dispute Resolution Center, Inc. (PDRCI) in force at the time of arbitration. The dispute shall be referred to an arbitrator to be appointed by the parties in difference, or if they cannot agree upon a single arbitrator, a panel of three (3) arbitrators ("the Panel") shall conduct the arbitration. Each party shall have the right to appoint one (1) member of the Panel, with the third member to be mutually agreed by the two (2) Panel members appointed by the parties or appointed in accordance with the Rules of the PDRCI. The venue of arbitration shall be in any competent courts in the Philippines, and the arbitration proceedings shall be conducted in the English language. Any lawsuit to enforce the arbitration award shall be filed with the competent courts of the Philippines.

Legal Action

Unless the claim has been denied, no action or suit shall be brought either to the Insurance Commission or any court of competent jurisdiction to recover on this Policy prior to the expiration of sixty (60) days

after written proof of loss has been furnished in accordance with the requirements of this Policy. In any event, no legal action shall be brought after the expiration of twelve (12) months from notice of the denial of the claim.

Civil Code 1250 Waiver Clause

It is hereby declared and agreed that the provision of Article 1250 of the Civil Code of the Philippines (Republic Act No. 386) which reads:

“In case of 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.

Availability of the Policy

This Policy shall be kept in the main office of the Policyholder and shall be in the custody of its authorized officer. This Policy shall be available to the Insured for inspection during the regular office hours of the Policyholder.

Data Protection

The Company will use the information supplied during the formation and performance of this Policy for policy administration, customer services, paying claims and fraud prevention. The Company may disclose this information to its service providers for these purposes. We will keep this information for a reasonable period. Where sensitive personal data has been disclosed, including any medical or criminal record information, the Company will also use this information for the above purposes. The Company may also transfer certain information to countries that do not provide the same level of data protection for the above purposes so a contract will be in place to ensure the information transferred is protected. Insured's whose information has been supplied to the Company have a right to ask for a copy of that information and to have any inaccuracies corrected. The Company may record telephone calls to make sure it follows instructions correctly and for staff training purposes.

When personal or sensitive data is supplied to the Company about third parties other than the Insured, both during the formation and performance of this policy, the Company assumes that those third parties consent to the supply of this information to the Company, to the Company processing this data, including sensitive personal data, and to the transfer of their information abroad. The Company will also assume that the supplier of the information is authorized to receive, on their behalf, any data protection notices.

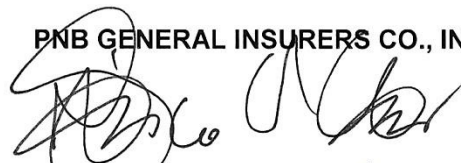
ADDITIONAL GENERAL CONDITIONS APPLICABLE TO THE POLICYHOLDER ONLY**Renewal Conditions**

This Policy may be renewed for further consecutive periods subject to approval by the Company subject to the Company's right to decline renewal of this Policy on any anniversary date of the Policy upon giving three (3) months prior written notice, mailed or delivered to the Policyholder at the address shown in the Group Policy, of the Company's intention not to renew the Policy, or to condition its renewal upon changes of premium rates, coverage and terms. The Company's acceptance of premium shall constitute its consent to renew. Unless renewed as herein provided, this Policy shall terminate at the expiration date for which premium has not been paid.

Cancellation of Group Policy

Either party may cancel the Group Policy by giving thirty (30) days written notice to the other party. In the event of such cancellation, the terms of the Group Policy shall only be applicable until the expiry of the Insured's then current Period of Insurance.

IN WITNESS WHEREOF, the Company has caused this Policy to be executed and commenced on the Effective Date stated in the Policy Schedule, provided that no insurance shall be in force unless the Policy Schedule is signed by an authorized representative of the Company.

PNB GENERAL INSURERS CO., INC.**FRANCISO P. RAMOS**
Authorized Signatory

PAL TRAVEL INSURANCE PROGRAM (INTERNATIONAL)

In consideration of the statements in the Policy application or other acceptable means of enrolment, which shall be the basis of this contract and whose original copy or proof is filed with the PNB General Insurers Co., Inc. (hereinafter called the “the Company”) and made a part of this Policy, the payment of premium in advance and subject to all the exclusions, provisions and other terms of this Policy, the Company hereby insures the persons named (hereinafter called the “Insured”) as declared by the Policyholder against loss indicated as covered in the Policy Schedule occurring during the Period of Insurance.

IN WITNESS WHEREOF, the Company has caused this Policy to be executed and commenced on the Effective Date stated in the Policy Schedule, provided that no Insurance shall be in force unless the Policy Schedule and the Confirmation of Cover are signed by an authorized representative of the Company.

DEFINITIONS

1. **“Accident or Accidental”** means sudden, unforeseen or fortuitous event.
2. **“Accidental Death”** means death occurring as a result of a bodily injury.
3. **“Air Carrier”** means any aircraft provided and operated by the Partner Airline (including its code share and interline partners) which is duly licensed for the regular transportation of ticketed passengers, and which has established routes.
4. **“Asia”** means China, Hong kong, Indonesia, Macau, Malaysia, Singapore, Taiwan, Thailand, Vietnam, and the other countries with flight time of five (5) hours and below.
5. **“Authorized Company”** means the medical assistance company appointed from time to time by the Company as stated in the Policy Schedule.
6. **“Benefit”** means the respective benefit amount, as stated in the Policy Schedule payable by the Company under the terms and conditions of this Policy in respect of each event or loss covered by this Policy.
7. **“Bodily Injury”** means accidental bodily injury occurring while this Policy is in force, resulting solely, directly and independently of all other causes from an Accident caused by the external, violent, or visible means.
8. **“Company”** refers to PNB General Insurers Co., Inc.
9. **“Confirmation of Cover”** means the individual certificate of insurance issued to the Insured. It describes in general the insurance protection to which the Insured is entitled but shall form part of the contract between the Company and the Policyholder. In the event of discrepancy between the provisions of such confirmation and this Policy, the provisions of this Policy shall prevail.
10. **“Confined or Confinement”** means confinement in a Hospital for as a resident-in-patient who is charged with room and board (other than for day surgery) upon the advice of and under the regular care and attendance of a Physician and for this purpose.
11. **“Dependent Children”** means the Insured’s unmarried dependent child or children (including stepchildren or legally adopted children), who are aged between two-weeks old and up to and including seventeen (17) years old or, up to and including twenty-one (21) years of age whilst they are full-time students at an accredited institution of higher learning and are primarily dependent upon the Insured for maintenance and support.

12. **“Effective Date”** means the date on which insurance under this Policy commences as stated in the Policy Schedule for the Policyholder and in the Confirmation of Cover for the Insured.
13. **“Eligibility”** means to be eligible for cover under this Policy, the Insured/s must be at least two (2) weeks old but not more than seventy-five years (75) old on the Effective Date of insurance as stated in the Policy Schedule
14. **“Expiry date”** means the date on which insurance under this Policy expires and end as stated in the Policy Schedule for the Policyholder or in the Confirmation of Cover for the Insured.
15. **“Policyholder”** means Philippine Airlines
16. **“Hijack”** means any seizure or exercise of control by force or violence or threat of force or violence, and with wrongful intent, of an aircraft.
17. **“Hospital”** means a legally constituted establishment operated pursuant to the laws of the country in which it is based, which holds a license as a hospital and meets the following requirements:
- (i) Operates primarily for the reception, care and medicare and treatment of sick, ailing or injured persons as in-patients;
 - (ii) Provides full-time nursing services by and under the supervision of a staff of Nurses;
 - (iii) Has a staff of one or more Physicians available at all times;
 - (iv) Maintains organized facilities for the medical diagnosis and treatment of such persons, and provides (where appropriate) facilities for major surgery within the confines of the establishment or in facilities controlled by the established; and
 - (v) Is not primarily a clinic, nursing, rest or convalescent home or similar establishment and is other than a place for alcoholics or drug addicts.
- Hospital shall not include the following:
- (i) A mental institution; an institution confined primarily to the treatment of psychiatric disease including sub-normality; the psychiatric department of a hospital;
 - (ii) A place for the aged; a rest home; a place for drug addicts or alcoholics; or
 - (iii) A health hydro or nature cure clinic; a special unit of a hospital used primarily as a place for drug addicts or alcoholics, or nursing, convalescent, rehabilitation, extended-care facility or rest home.
18. **“Immediate Family Member”** means the Spouse, parent, parent-in-law, step-parent, child, brother, sister, brother-in-law, sister-in-law, daughter-in-law, son-in-law, half brother, half sister, niece, nephew, uncle, aunt, stepchild, grandparent or grandchild.
19. **“Insured”** means the person(s) named on Confirmation of Cover with respect to whom premium has been paid or agreed to be paid.
20. **“International Trip”** means a Trip undertaken by the Insured which starts in the Republic of the Philippines for the purpose of travelling Overseas.
21. **“Limb”** includes a hand or foot.
22. **“Loss”** means, with respect to hands and feet, actual severance through or above wrist or ankle joints; with respect to eyes, entire and irrecoverable loss of sight; with respect to thumb and index finger, actual severance through or above metacarpophalangeal joints, and in each case caused by a Bodily Injury. This term shall not include loss of use of a part of the body.

23. **“Loss of Hearing”** means wherever used in this Policy shall mean permanent irrecoverable loss of hearing where:
If a dB= Hearing loss at 500 Hertz
If b dB= Hearing loss at 1000 Hertz
If c dB= Hearing loss at 2000 Hertz
If d dB= Hearing loss at 4000 Hertz
 $1/6 (a+2b+2c+d)$ is above 80dB
24. **“Loss of Sight”** means permanent and total loss of all sight of an eye which is beyond remedy by surgical or other treatment.
25. **“Loss of Speech”** means the disability in articulating any three of the four sounds which contributes to speech such as Labial sounds, the Alveololabial sounds, the Palatal sounds and the Velar sounds or the total loss of vocal cord or damage of speech center in the brain resulting in Aphasia.
26. **“Loss of Use”** means, with respect to a part of the body, the complete inability of the part of that body to function as a result of a Bodily injury sustained on that part.
27. **“Medical Necessary Expenses”** means charges for treatment, supplies, or medical services medically necessary to treat insured’s condition, which does not exceed the usual level of charges for similar treatment, supplies or medical services in the locality where the expense is incurred.
28. **“Nurse”** means a nurse duly licensed and practicing within the scope of their license pursuant to the laws in the geographical area of practice and shall not include the Insured or his Spouse or any of his Immediate Family Members unless approved by the Company.
29. **“Overseas”** means outside the territorial limits of the Republic of the Philippines
30. **“Partner Airline”** means the named Policyholder under this Policy.
31. **“Period of Insurance”** means the period between the Effective Date and Expiry Date which the coverage is effective as stated in the Policy Schedule for the Policyholder or in the Confirmation of Cover for the Insured.
32. **“Permanent Loss”** means:
- (i) Physical severance or total loss of the use of a limb having lasted twelve (12) consecutive months and at the expiry of that period is beyond hope of improvement;
 - (ii) Irrecoverable loss of all sight in an eye;
 - (iii) Entire and irrecoverable loss of hearing;
 - (iv) Entire and irrecoverable loss of the ability to speak.
- which in each case caused by a Bodily Injury
33. **“Permanent Total Disability”** means disablement, which having lasted for (12) twelve consecutive months and will in all probability, entirely prevent the Insured from engaging in gainful employment of any and every kind for the remainder of his life.
34. **“Physician”** means a legally licensed physician or surgeon duly registered and practicing within the scope of their license pursuant to the laws of the country in which such practice is maintained and shall not include the insured any of his Immediate Family Members unless approved by the Company

35. **“Policy”** means this document and the Policy Schedule describing the insurance contract between Policyholder and the Company. It shall also include, after this Policy has taken effect, any amendment, rider, clause, warranty, endorsement or any other document attached to this Policy and which has been endorsed by an authorized executive officer of the Company.
36. **“Policy Schedule”** means the summary of benefits attached to this Policy issued to the Policyholder.
37. **“Pre-Existing Condition”** means:
- (i) Any physical defect, condition, illness or disease for which treatment, medication, or advice (including investigation) has been received or prescribed by a Physician prior to the Effective Date of the Insured’s coverage, or
 - (ii) A medical condition or an illness related to a medical condition which is Insured or any person who the insured’s Trip depends on (this would include a relative or a close business associate) knew about before the Insured bought this insurance.
38. **“Scheduled Departure Date”** means the date on which the Insured is scheduled to depart as set out in his travel ticket.
39. **“Sickness”** means a sickness or disease which requires treatment by a Medical Practitioner and which is not a Bodily Injury.
40. **“Spouse”** means the legally married spouse of the Insured.
41. **“Strike”** means organized industrial action or any temporary stoppage of work by the concerted action of the Air Carrier’s employees as a result of an industrial or labor dispute.
42. **“Trip”** means an International Trip and must commence from the Philippines on the Effective Date shown on the Insured’s Confirmation of Cover.
43. **“Worldwide”** means Asia and the Rest of the World

CHOICE OF PLANS

The scope of coverage and benefits under this Policy will vary as follows:

GEOGRAPHICAL COVER

- (i) If “Asia” cover has been chosen only Trips to and Trips to and from Asia countries will be covered under this Policy
- (ii) If “Worldwide” cover has been chosen, Trips to and Trips to and from all countries outside the Philippines will be covered under this Policy.

BENEFITS

- (iii) The monetary amounts and limits of Benefits will vary according to whether an “Asia” or “Worldwide” plan or “one way” or “round trip” has been chosen. The Benefits under this Policy shall apply twenty-four (24) hours a day anywhere in the world while the Insured is on a Trip unless otherwise endorsed or amended.

COMMENCE OF COVERAGE

For Trip Cancellation, the benefit takes effect upon acceptance and approval of enrollment and receipt of premium payment and shall terminate upon commencement of the Trip. For all other benefits, insurance is effective two (2) hours before the Air Carrier’s scheduled flight departure time.

LIMITS OF COVERAGE

Any cover under this Policy in respect of an Insured shall terminate on the earliest of the following events:

- (i) Two (2) hours after the Air Carrier’s flight arrival time on the return flight for a round-trip itinerary or for one-way itineraries, upon Insured’s arrival at the Air Carrier’s flight destination
- (ii) Upon the expiry of any Period of Insurance during which the Insured ceases to satisfy any of the eligibility requirements set out herein;
- (iii) Upon the death of the Insured except for death related benefits;
- (iv) On the date stated in the Policy Schedule or any subsequent endorsements issued by the Company to amend the travel dates as requested by the Policyholder or Insured.

DESCRIPTION OF BENEFITS

SECTION I: PERSONAL ACCIDENT

a. Personal Accident Benefit

If, during the Period of Insurance, while the Insured is on a Trip, the Insured sustains Bodily Injury which results in Accidental Death or Permanent Total Disability within one hundred eighty (180) days from the date of the Accident, the Company will pay up to the relevant Benefit amount as stated in the Policy Schedule in accordance to the limits provided in the table below, subject to the terms and conditions of this Policy:

Loss Covered	Percentage of the Benefit Amount Payable
Accidental Death	100%
Permanent Total Disability	100%
Permanent Loss of speech and hearing	100%
Loss of Sight in both eyes	100%
Loss of or Loss of Use of two Limbs	100%
Loss of or Loss of Use of one Limb	100%
Loss of Sight in one eye	100%
Permanent Loss of lens of one eye	60%
Permanent Loss of Speech	50%
Permanent Loss of hearing in	
(i) Both ears	75%
(ii) One ear	15%

The occurrence of any specific Loss for which indemnity is payable under this Section to an Insured shall at once terminate all cover under this Policy for the Insured, but such termination shall be without prejudice to any other claim originating from the Accident causing such Loss.

No indemnity will be paid under any circumstances for more than one of the losses, the greatest, for which provision is made in this Section.

No payment will be made for any loss caused by or resulting from Sickness.

In the event of Accidental Death due to Bodily Injury the following percentage will be paid on the following conditions:

- (i) Insured who are at least eighteen (18) years old but not more than seventy-five (75) years old on the date of the Accident, will receive 100% of all benefits.
- (ii) Insured who are between 2 years old and up to and including seventeen (17) years old on the date of the Accident will receive one hundred percent (100%) of all benefit amounts as stated in the Policy Schedule,
- (iii) Insured who are age two (2) weeks and up to and including 2 years old on the date of the Accident will receive on hundred percent (100%) of all the benefit amounts as stated in the Policy Schedule, except for the Personal Accident benefit where such Insured will receive ten percent (10%) of the personal accident benefit.

B. Accidental Burial Benefit

If, during the Period of Insurance, while on a Trip, the Insured suffers death due to an Accident, the Company will pay for all actual cost of burial expenses incurred, up to the maximum Benefit amount as stated in the Policy Schedule subject to the terms and conditions of this Policy.

SECTION II: MEDICAL NECESSARY EXPENSES AND EMERGENCY ASSISTANCE BENEFITS

a. Medical Necessary Expenses

If, during the Period of Insurance, while the Insured is on a Trip, the Insured incurs Medical Necessary Expenses as a direct result of Bodily Injury or Sickness, or dental expenses as a direct result of Bodily Injury, the Company will reimburse the Insured or the Authorized Company, or its authorized representative (where applicable) in respect of such expenses up to the relevant maximum Benefit amount as stated in the Policy Schedule, subject to a deductible amount of USD10.00 per claim per event.

The Company shall also pay to the Insured or the Authorized Company, or its authorized representative (where applicable), the expenses for medical attention and treatment which the Insured incurred upon return from the Trip as a result of Bodily Injury or Sickness suffered during the Trip. Initial treatment for such Bodily Injury or Sickness must be received during the Trip and all Medical Necessary Expenses must be incurred within thirty (30) days from the date the Insured returns to his residence. Admission to a Hospital must be within twelve (12) hours after return from a Trip Overseas and must be a continuation of medical attention sought while on a Trip. The maximum sum insured for Medical Necessary Expenses incurred upon return to the place of residence is equivalent to ten percent (10%) of the maximum Benefit amount for this Section. In no event shall the total amount payable under this Section exceed one hundred percent (100%) of the Benefit amount stated in the Policy Schedule.

ADDITIONAL CONDITIONS

- (a) In case of hospitalization or medical emergency, the Insured, a person traveling with him, or the treating medical authority must contact the Company or the Authorized Company immediately or at the most reasonable time to verify coverage and arrange the appropriate medical care.
- (b) The Company has the option of returning the Insured to the Philippines, if the cost of Overseas medical and/or additional expenses is likely to exceed the cost of returning the Insured to the Philippines, subject always to medical advance. The company also has the option of evacuating the Insured to another country. However, if the Company returns the insured to the Philippines, the standard Policy conditions pertaining to Overseas medical expenses will apply.

B. Emergency Medical Evacuation

If, during the Period of Insurance and while on a Trip, the insured:

- (i) Suffers Bodily Injury or Sickness as diagnosed by a Physician designated by the Authorized Company, or its authorized representative; and
- (ii) The necessary medical treatment is not available, either at the nearest Hospital where the Insured was transported to or in the immediate vicinity thereof, after suffering the Bodily Injury or Sickness

the Insured, a person travelling with him, or the treating medical authority must contact the Company or the Authorized Company, or its authorized representative, immediately to verify coverage and arrange the appropriate medical care in the case of hospitalization or medical emergency.

The Authorized Company, or its authorized representative may, based on the advice of a Physician that the Insured is medically fit to be evacuated, determine in its sole discretion, that insured should be evacuated to another location for the necessary medical treatment.

The Authorized Company or its authorized representative shall arrange for the evacuation within a reasonable timeframe and utilize the best suited means based on the medical severity of the Insured condition, including but not limited to, air ambulance, surface ambulance, regular air transportation, railroad or any other appropriate means.

All decisions as to the means of transportation and the final destination will be made by the Authorized Company or its authorized representative and will be based solely upon medical necessity. The insured may in appropriate circumstances be returned to the Philippines.

The Company shall pay directly to the Authorized Company, the Coverage Expenses, up to the relevant Benefit amount stated in the Policy Schedule, subject to the terms and conditions of this Policy.

If due to reasons beyond the Insured's control, the Insured is unable to notify the Authorized Company to make the necessary evacuation arrangements, the Company shall, if satisfied that the evacuation was due to the necessary medical treatment not being available either at the nearest Hospital where the Insured was transported to or in the immediate vicinity thereof, reimburse the insured for expenses incurred in relation to the evacuation, up to the amount which the Authorized Company would have incurred for services provided under the same circumstances, subject to the terms and conditions of this Policy.

ADDITIONAL DEFINITIONS

Covered expenses means expenses for services provide and/or arranged by the Authorized Company for the transportation, medical services and medical supplies necessarily incurred as a result of the Insured's evacuation.

ADDITIONAL EXCLUSIONS

The company will not pay under **Section II-B** for any of the following:

1. Any expenses incurred for services provided by another party for which the Insured is not liable to pay, or any expenses already included in the cost of a scheduled Trip

2. Any expenses for a service not approved and arranged by the Authorized Company or its authorized representative except as mentioned in paragraph six (6) of this **Section II-B**
3. Any treatment performed or ordered by a person who is not a Physician
4. Any expenses incurred in relation to treatment that can be reasonably delayed until the Insured returns to the Philippines.

C. Repatriation of Mortal Remains

If, during the Period of Insurance, while the Insured is on a Trip the Insured suffers death within thirty (30) days from the date of the Bodily Injury or commencement of Sickness, the Authorized Company, or its authorized representative, shall make the necessary arrangements for the return of the Insured's mortal remains to his place of residence. The Company shall pay directly to the Authorized Company, or its authorized representative, the covered expenses for such repatriation up to the benefit amount as stated in the Policy Schedule.

In addition to the transportation of the remains, the Company shall reimburse to the Insured's estate expenses actually incurred for services and supplies provided by a mortician or undertaker including but not limited to the cost of a casket, and the embalming and cremation if so elected, subject to the benefit amount as stated in the Policy Schedule.

D. Emergency Communication Expenses

If, during the Period of Insurance, while the Insured is on a Trip, the Insured suffers Bodily Injury or Sickness and the Insured or the travelling companion of the Insured incurs reasonable Charges for personal mobile phone or standard telephone landline used for the purpose of informing Immediate Family Members of the emergency or engaging the services of the Authorized Company, or its authorized representative, during a medical emergency, and for which a medical claim has been submitted under **Section II-A**, the Company will indemnify the Insured in respect of Emergency Communication Charges up to the Benefit amount as stated in the Policy Schedule, subject to the terms and conditions of this Policy.

ADDITIONAL CONDITION

Charges incurred from the standard/public telephone land line or mobile phone must be supported by an itemized statement of charges or official receipts when using International Calling Card.

E. Hospital Confinement Daily Cash Benefit

If during the Period of Insurance, while the Insured is on a Trip, the Insured is necessarily Confined in a Hospital Overseas as a result of Bodily Injury or Sickness which results in a valid claim under **Section II-A** Overseas Medical Necessary Expenses Benefit, the Company will pay the Insured the relevant benefit amount as stated in the Policy Schedule subject to the terms and conditions of this Policy.

The Hospital Confinement Daily Cash Benefit shall be paid for each complete day (24 hours) of Confinement from the first day of Confinement and up to a maximum of the relevant Benefit amount for a period of not exceeding ten (10) days as stated in the Policy Schedule, and for this purpose, every day of Confinement as a result of the same event (Bodily Injury or Sickness) shall be counted towards the total number of days of Confinement, notwithstanding that such days do not run consecutively. Provided further that this benefit shall be payable only if the following conditions are met:

- (i) Confinement must occur within thirty (30) days of the Accident causing the relevant Bodily Injury or Sickness; and
- (ii) Confinement must be considered medically necessary by a Physician in his professional capacity.

ADDITIONAL CONDITION

The Insured, a person travelling with him, or the treating medical authority must contact the Company or the Authorized Company, or its authorized representative, immediately or at the most reasonable time to verify coverage and arrange the appropriate medical care.

F. Compassionate Visit Benefit

If, during the Period of Insurance, while the Insured is on a Trip, the Insured is Confined in a Hospital Overseas for more than five (5) consecutive days due to Bodily Injury or Sickness and his medical condition forbids evacuation and no adult member of the Insured's Immediate Family is with him, the Company or Authorized Company will arrange for the travel (economy return air travel) and reasonable hotel accommodation for one (1) Immediate Family Member or friend to visit and stay with the Insured until the Insured is medically fit to be discharged, up to the relevant Benefit amount as stated in the Policy Schedule subject to the terms and conditions of this Policy.

G. Return of Minor Children Benefit

If, during the Period of Insurance, while the Insured is on a Trip, the Insured is Confined in a Hospital Overseas and there is no other adult to accompany the Insured's Dependent Children home, the Company will indemnify the Insured for reasonable hotel accommodation and travel (economy air travel) expenses necessarily incurred for one (1) relative or a friend to accompany the Insured's Dependent Children back to Philippines, up to the relevant Benefit amount as stated in the Policy Schedule subject to the terms and conditions of this Policy.

ADDITIONAL EXCLUSIONS APPLICABLE TO:

The company will not make payment under **Sections I-A, I-B, II-A, II-B, II-C, II-D, II-E, II-F and II-G** of this Policy for any of the following:

1. While the Insured is riding or travelling on a motorcycle (applicable to **Section II-A**);
2. Any claims involving participation by the Insured or the Insured's travelling companion in hunting, racing, (other than on foot), polo playing, hang gliding, bungee jumping, sports in a professional capacity, mountaineering or rock climbing using ropes or guides, scuba diving unless the insured holds an open water diving certificate or is diving with a qualified diving instructor, abseiling, ballooning, parachuting, paragliding or gliding.;
3. Miscarriage, pregnancy or any of its complications, abortion (applicable to **Sections II-A, II-B, II-C, II-D, II-E, II-F and II-G**);
4. Suicide or attempted suicide or intentional self-inflicted injury;
5. The insured not taking all reasonable efforts to safeguard his property or to avoid any injury or minimize any claim under this Policy.
6. While the Insured is taking part in a brawl or taking part in inciting a brawl;
7. From the absorption by the Insured of any drugs, medications or treatments not prescribed by a Physician;

8. Any medical treatment received during the trip which was made for the purpose of receiving medical treatment or if the Trip was undertaken while the Insured was unfit to travel;
9. Experimental or investigative procedures;
10. Action of the Insured while under the influence of alcohol, addictive drugs, narcotic drugs to the extent of being unable to control one's mind. The term "under the influence of alcohol" means that the Insured's blood/alcohol level was equal to or superior to that fixed by the law/s regulating the use of automobiles, based on the results of a blood test;
11. Any Pre-Existing Conditions;
12. AIDS or any injury or sickness commencing in the presence of a zero-positive test for HIV, and HIV-related disease;
13. Mental and nervous disorders, including but not limited to insanity;
14. Venereal disease;
15. Cosmetic surgery, apart from reconstructive surgery required by a covered Accident;
16. Any treatment or surgical operation for congenital deformities and circumcision;
17. Treatment arising from any geriatric, psycho-geriatric or psychiatric condition, stress, anxiety, and depression, psychoanalytic treatment, stays in rest homes, physiotherapy and detoxification, care provided by a chiropractor or osteopath;
18. Vaccinations and their complications (applicable to **Sections II-A, II-B, II-C, II-D, II-E, II-F and II-G**);
19. Ophthalmological care, eyeglasses, contact lenses, hearing aids, dental care (unless such treatment is necessarily incurred to sound and natural teeth) and denture, unless they are the direct consequence of a covered Accident;
20. Treatment for obesity, weight reduction or weight improvement; or
21. Any expenses incurred for transportation, accommodation, or services provided by another party for which the Insured is not liable to pay, or any expenses already included in the cost of a scheduled Trip.
22. Any expenses for a service not approved and arranged by the Authorized Company, or its authorized representative, except that the Company reserves the right to waive this exclusion in the event the Insured or his travelling companions cannot for reasons beyond their control notify the Authorized Company, or its Authorized Representative, during an emergency situation. In any event, the Company reserves the right to reimburse the insured only for those expenses incurred for services which the Authorized Company, or its authorized representative, would have provided under the same circumstances and up to the limits indicated in the Policy Schedule;
23. Any further expenses incurred by the Insured if the Company wishes to evacuate the Insured to another location or return the Insured to his place of residence but the Insured refuses (where in the opinion of the attending Physician and the Authorized Company the Insured is fit to travel).

SECTION III: TRAVEL INCONVENIENCE

A. Trip Cancellation Benefit

If, the Insured is forced to cancel any part of their Trip as the direct and necessary result of any Specified Cause, the Company will indemnify the Insured in respect of Cancellation Expenses occurring up to thirty (30) days prior to the Schedules Departure Date, up to the Benefit amount as stated in the Policy Schedule subject to the terms and conditions of this Policy. This coverage is

effective only if this Policy is purchased before the Insured becomes aware of any circumstances which could lead to the disruption of the Insured's Trip.

The Company shall not be liable for the first USD 10.00 for each and every valid claim under this benefit.

ADDITIONAL DEFINITIONS

"Specified Cause" means

- (i) death, bodily injury or sickness or compulsory quarantine of the Insured, Immediate Family Member, business partner, or co-director who is resident of the Philippines
- (ii) unexpected outbreak of strike, riot, or civil commotion at the scheduled destination;
- (iii) receipt of witness summons or jury service;
- (iv) the Insured's residence becoming uninhabitable following earthquake, fire, typhoon, storm, flood, or similar natural disasters occurring within 7 days of the Scheduled Departure Date and the Insured's presence is required on the premises on the Scheduled Departure Date.

"Cancellation Expenses" mean loss of deposits, or charges for advance payments for travel or accommodation or other charges which have not been or will not be used, but become forfeit or payable under contract.

B. Trip Curtailment Benefit

If during the period of insurance, while the Insured is on a Trip, the Insured is forced to curtail or alter the itinerary of any part of a planned trip during the course of that Trip, as the direct and necessary result of any Specified Cause, the Company will indemnify the Insured in respect of Curtailment Expenses incurred up to the relevant Benefit amount stated in the Policy Schedule subject to the terms and conditions of this Policy. This coverage is effective only if this Policy is purchased before the Insured becomes aware of any circumstances which could lead to the disruption of the Insured's Trip.

The Company shall not be liable for the first USD 10.00 for each and every valid claim under this benefit.

ADDITIONAL DEFINITIONS

"Specified Cause" means

- (i) death, Bodily Injury or Sickness or compulsory quarantine, or Hijack of the Insured, Immediate Family Member, business partner or co-director who is a resident of the Philippines;
- (ii) unexpected outbreak of Strike, riot, or civil commotion at the scheduled destination;
- (iii) receipt of witness summons or jury service;
- (iv) the Insured's residence becoming uninhabitable following earthquake, fire, typhoon, storm, flood, or similar natural disasters occurring within 7 days of the Scheduled Departure Date and the Insured's presence is required on the premises on the Scheduled Departure Date.

"Curtailment Expenses" means

- (i) loss of deposits, or charges for advance payments for travel or accommodation or other charges which have not been and will not be used, but become forfeit or payable under contract.
- (ii) additional travel (economy class fare) and reasonable accommodation expenses resulting from a Specified Cause.

ADDITIONAL EXCLUSIONS:

The Company will not pay under Section III-A and Section III-B for any of the following:

1. Any change plans by the Insured, an Immediate Family Member, or any person to travel, except those mentioned in Specified Cause in **Section III-A** and **Section III-B**;
2. Financial circumstances or any contractual or business obligation of the Insured or an Immediate Family Member;
3. Financial default or failure to provide promised services by the person, agency or tour operator or organization from whom the Insured made his travel arrangements;
4. Any loss that is covered by any other existing insurance, government program or which will be paid or refunded by a hotel, travel agent, or any other provider of travel and/or accommodation.

C. Flight Delay Benefit

If during the Period of Insurance, while the Insured is on a Trip, the departure of the Air Carrier's flight in which the Insured had arranged to travel is delayed for at least twelve (12) consecutive hours at any single location Overseas from the time specified in the travel itinerary supplied to the Insured due to:

- (i) inclement weather
- (ii) Strike or other job action by the employees of the Air Carrier's on which the Insured is scheduled to travel;
- (iii) equipment failure of the aircraft on which the Insured is scheduled to travel.

The Company will reimburse the Insured per twelve (12)-hour day up to the Benefit amount stated in the Policy Schedule subject to the terms and conditions of this Policy for:

- (i) any prepaid, unused, non-refundable land or water accommodations ;
- (ii) any reasonable expenses incurred in respect of meals and lodging which were necessarily incurred as a result of the delay and which were not provided by the Air Carrier or any other party free of charge; or
- (iii) the cost of transfer to and from the airport.

D. Aircraft Hijack Benefit

If, during the Period of Insurance, while the Insured is on Trip, the Insured is detained on the Air Carrier's aircraft due to it being hijacked, the Company will pay the Insured the relevant Benefit amount as stated in the Policy Schedule for each twelve (12) hours period that the hijack continues, up to the maximum Benefit amount specified in the Policy Schedule subject to the terms and conditions of this Policy.

E. Missed Connecting Flight Benefit

If, during the Period of Insurance, while the Insured is on a Trip, the Insured confirmed onward connecting scheduled flight Overseas is missed at the transfer point due to unforeseeable circumstances outside the Insured's control the Company will pay the Insured the relevant Benefit amount as stated on the Policy Schedule for every full twelve (12) consecutive hours of misconnection (the misconnection being calculated from the Insured's actual arrival time to the Insured's actual departure time).

E.1. Flight Diversion Benefit

If, during the Period of Insurance, while the Insured is on a Journey, the aircraft in which the Insured is travelling on is diverted due to unforeseeable circumstances outside the Insured's control for at least

twelve (12) consecutive hours at any single location from the time specified in the itinerary supplied to the Insured, the Company will pay the Insured the relevant Benefit amount as stated in the Policy Schedule for every twelve (12) consecutive hours of diversion (the diversion being calculated from the actual arrival time of the aircraft from the scheduled arrival time specified in the itinerary) up to the maximum Benefit amount as stated in the Policy Schedule.

F. Loss or Damage of Baggage and Personal Effects Benefit

If, during the Period of Insurance, while the Insured is on a Trip, the Insured sustains loss of or damage of Personal Property and Baggage while in the custody of hotel staff or in the Air Carrier or as a result of theft or attempted theft thereof, the Company will indemnify the Insured in respect of such loss up to the relevant Benefit amount stated in the Policy Schedule subject to the terms and conditions of this Policy.

ADDITIONAL CONDITIONS

- (a) The Company will not pay more than (US\$200) USD for any one article or a pair or a set of articles up to the maximum benefit as stated in the Policy Schedule, subject to a deductible amount of USD 10.00 for each and every valid claim under this benefit.
- (b) The Company may make payment subject to due allowance of wear and tear and depreciation or at its option replace or repair such articles.
- (c) The loss, damage or theft must be reported to either the Air Carrier, police or relevant authority having jurisdiction occurred within twenty-four (24) hours from the incident. Any claims for indemnity under this section must be accompanied by a copy of either a report to Air Carrier, a police report issued by the relevant authority evidencing such loss.
- (d) For the avoidance of doubt, in the event the Insured become entitled to a refund or reimbursement of all or part of such expenses from any other source, or if there is in place any other insurance against the events covered under this section, the Company will only be liable for the excess of the amount recoverable from such other source or insurance.

ADDITIONAL DEFINITIONS

"Personal Property and Baggage" means personal goods belonging to the insured which are taken on the Trip or acquired by the Insured and carried on or hand-carried or check-in as accompanied baggage with the carrier during the Trip.

F.1. Loss of Firearm

If, during the Period of Insurance while the Insured is on a Trip, the Insured sustain loss of the Firearm while in the custody of the Air Carrier or as a result of theft or attempted theft thereof, the Company will indemnify the Insured in respect of such loss up to the relevant Benefit amount stated in the Policy Schedule subject to the terms and conditions of this Policy.

ADDITIONAL DEFINITIONS

“Firearm” means a firearm owned by the Insured where the Insured has the license to possess and carry firearms issued by the Chief of the National Police. With respect to the Insured being a police or military personnel, they are authorized to possess and carry firearms covered by mission orders, which are issued by their respective commanders or superiors as enumerated under the Implementing Rules and Regulations to PD 1866.

F.2. Loss of Sports Equipment

If, during the Period of Insurance, while the Insured is on a Trip, the Insured sustain loss of or damage of sports equipment while in the custody of hotel staff or the Air Carrier or as a result of theft or attempt theft thereof, the Company will indemnify the Insured in respect of such loss up to the relevant benefit amount stated in the Policy Schedule subject to the terms and conditions of this Policy.

ADDITIONAL CONDITIONS

- (a) The Company will not pay more than two hundred (US\$200) USD for any one article or a pair or a set of articles.
- (b) All sports equipment must be owned by the Insured and not hired by, loaned or entrusted to the Insured;
- (c) The loss or damage of each article must be accompanied by proof of purchase such as but not limited to receipts, bank statements or credit card statements.
- (d) The Company may make payment subject to due allowance of wear and tear and depreciation or at its option replace or repair such articles.
- (e) The loss, damage or theft must be reported to the Air Carrier, police or relevant authority having jurisdiction where the loss or damage occurred within twenty-four (24) hours from the incident. Any claims for indemnity under this section must be accompanied by a copy of a report to Air Carrier or police report or a report issued by the relevant authority evidencing such loss.

ADDITIONAL EXCLUSIONS

The Company will not pay under **Section III-F.1** and **Section III-F.2** for any of the following:

1. Loss or damage of baggage caused by wear and tear, gradual deterioration, moths, vermin, inherent vice or damage sustained due to any process or while actually being worked upon or resulting there from;

2. Loss or damage of property caused by mechanical or electrical breakdown or derangement or damage sustained due to any process initiated by the Insured to repair, clean or alter the property;
3. Loss or damage of property resulting directly or indirectly from insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authorities in hindering, combating or defending against such an occurrence, seizure or destruction under quarantine or customs regulations, confiscation by order of any government or public authority or risk of contraband or illegal transportation or trade;
4. Loss or damage of property from confiscation or retention by customs or other officials;
5. Loss or damage of watches and Portable Computers not carried as hand-carried baggage or kept under the Insured's supervision
6. Loss of data recorded on tapes, cards, discs or otherwise, including the cost of reproducing the data
7. Damage or breakages of fragile or brittle articles;
8. Loss, damage or theft not reported to either the Air Carrier, police or relevant authority having jurisdiction where the loss or damage occurred within twenty-four (24) hours of the discovery of such loss or damage and in the case of loss of Firearm, theft is not reported to the police or relevant authority having jurisdiction immediately upon discovery after arrival at the destination airport.

PROPERTY NOT COVERED

The Company will not pay for damage to or loss of any of the following:

1. Animals;
2. Motor vehicles, aircraft, and other conveyances or equipment or parts pertaining to such conveyances;
3. Artificial limbs, false teeth, any type of eyeglasses, contact lenses or corneal lenses;
4. Tickets, except for administrative fees required to reissue tickets;
5. Coupons, negotiable instruments, title deeds, manuscripts, money, stamps, stocks and bonds, postal or money orders, securities of any kind;
6. Property shipped as freight, or shipped prior to the Scheduled Departure Date;
7. Credit cards;
8. Contraband;
9. Business goods or samples/prototypes or equipment of any kind or any products/components meant for trade;
10. Hired or leased equipment;
11. Fruits, foodstuff and any perishable items;
12. Golf equipments except while checked as baggage with a registered common carrier.

The Insured cannot claim under both Loss or Damage of Baggage and Personal Effects Benefit and Baggage Delay Benefit for any one (1) Trip.

G. Loss of Personal Money Benefit

If, during the Period of Insurance, while the Insured is on a Trip, the Insured sustains loss of Money Overseas due to robbery, theft or burglary or any attempt thereof or Natural Disasters, the Company will indemnify the Insured in respect of such loss up to the relevant Benefit amount as stated in the Policy Schedule subject to the terms and conditions of this Policy.

ADDITIONAL CONDITIONS

- (a) The loss must be reported to the police or relevant authority having jurisdiction where the loss occurred, within twenty-four (24) hours after the incident. Any claim must be accompanied by a copy of a police report or a report issued by the relevant authority evidencing such loss.
- (b) For the avoidance of doubt, in the event the Insured become entitled to a refund or reimbursement of all or part of such expenses from any other source, or if there is in place any other insurance against the events covered under this section, the Company will only be liable for the excess of the amount recoverable from such other source or insurance.
- (c) The Insured must take every possible safeguard to ensure the security of the Insured's Money.

ADDITIONAL DEFINITIONS

"Money" means coins, bank notes, postal money orders, or travelers' cheques

H. Loss of Travel Documents Benefit

If, during the Period of Insurance, while the Insured is on a Trip, the Insured sustains loss of Travel Documents Overseas due to robbery, theft or burglary or any attempt thereof or Natural Disasters, the Company will indemnify the Insured in respect of reasonable additional hotel, travel and communications and other expenses necessarily incurred in the country or countries visited in obtaining the replacement of the lost Travel Documents up to the relevant Benefit amount as stated in the Policy Schedule subject to the terms and conditions of this Policy.

ADDITIONAL DEFINITIONS

"Travel Documents" means documents or identification required for the Insured's Trip including but not limited to passport, visas or travel tickets issued by the Air Carrier.

ADDITIONAL EXCLUSIONS

The Company will not pay under **Section III-G** and **Section III-H** for any of the following:

1. Devaluation of currency or shortage due to errors or omissions during any transactions involving money;
2. Loss due to confiscation or detention by customs or any other authority;
3. Loss not reported to either the police or relevant authority having jurisdiction where the loss occurred within twenty-four (24) hours of the discovery of such loss;

4. Loss of postal money orders or travellers' cheques not immediately reported to the local branch or agent of the issuing authority.

H.1. Emergency Cash

If, during the Period of Insurance, while the Insured is on a Trip, the Insured sustains loss of Travel Documents which has resulted in a valid claim under **Section III-H** – Loss of Travel Documents Benefit and the Insured is in need of emergency cash to arrange for the replacement of the Travel Documents, the Company will pay a cash advance to the Insured in respect of such expenses up to a maximum of the relevant Benefit amount as stated in the Policy Schedule subject to the terms and conditions of this Policy.

I. Baggage Delay Benefit

If, during the Period of Insurance, while the Insured is on a Trip, the Insured's checked-in luggage is delayed and is not delivered to Insured within twelve (12) hours of the Insured's arrival at the scheduled destination Overseas, the Company will indemnify the Insured for the reasonable expenses incurred for the purchase of necessary clothing and toiletries up to the relevant Benefit amount as stated in the Policy Schedule for every full twelve (12) consecutive hours of delay, up to the maximum Benefit amount as stated in the Policy Schedule, subject to the terms and conditions of this Policy.

The Insured cannot claim under both Loss or Damage of Baggage and Personal Effects and Baggage Delay Benefit for any one Trip.

ADDITIONAL EXCLUSIONS

The Company will not pay under **Section III-I** for any of the following:

1. Delay not reported to an authorized person of the Air Carrier as soon as the Insured knows that the baggage is late or lost;
2. For any clothing or toiletries that the Insured purchased more than four (4) days after the actual time of arrival at the airport of destination;
3. When the baggage delay occurs on the journey back to the Insured's normal domicile; or
4. For purchases made after delivery of Insured's baggage by the Air Carrier.

SECTION IV: OTHER TRAVEL BENEFITS

A. Personal Liability and Legal Expenses Benefit

If, during the Period of Insurance, while the Insured is on a Trip, the Insured commits an act of negligence which results in the Insured becoming legally liable to pay compensation for:

- (i) Death or Accidental Bodily Injury to any third party; or
- (ii) Accidental Property Damage or loss to any third party

the Company will indemnify the Insured in respect of any one (1) event, up to the Benefit amount as stated in the Policy Schedule subject to the terms and conditions of this Policy. The Insured must not make any offer or promise payment, admit his fault to any other party or become involved in any litigation without the Company's written approval.

Included in the benefit are all costs and expenses incurred with the written consent of the Company in connection with the defense of claims against the Insured, which may be the subject of any indemnity under this coverage.

ADDITIONAL DEFINITIONS

"Property Damage" refers to any physical damage to, destruction of, or loss of use of, tangible property.

ADDITIONAL EXCLUSIONS

The Company will not pay under **Section IV-A** for any of the following:

1. Any Property Damage to the property of or Bodily Injury to any person who is the employee or deemed by law to be the Insured's employee;
2. Property Damage to property belonging to or held in trust by the Insured, or while in the Insured's custody or control;
3. Any liability assumed under contract;
4. Liability arising out of any willful, malicious or unlawful act or omission on the Insured's part;
5. Liability arising out of past or present business, trade or professional activities, including the rendering of or failure to render business, trade or professional services;
6. Any criminal proceedings taken against the Insured whether the Insured is actually convicted or not;
7. The possession or use of any controlled substance/drugs unless prescribed by a Physician;
8. Sexual molestation, corporal punishment, physical or mental abuse;
9. Pollution which includes the alleged or potential introduction of substance which makes the environment impure or harmful. The Company shall have no duty to defend any suit in connection with such pollution; and judgments which are not in the first instance delivered by or obtained from a court of competent jurisdiction within the Republic of the Philippines.

B. Rental Vehicle Excess

If, during the Period of Insurance, while the Insured is on a Journey, the Insured becomes legally liable to pay a rental vehicle excess or deductible as a result of an Accidental loss or damage of the rented vehicle whilst in the Insured's control, the Company will reimburse the Insured for the excess or any other expenses, up to the Benefit amount as specified in the Policy Schedule subject to the terms and conditions of this Policy.

ADDITIONAL CONDITIONS

- (a) The rental vehicle must be hired from a licensed rental agency.
- (b) As part of the hiring arrangement the Insured must take up all comprehensive motor insurance against loss or damage to rental vehicle during the rental period.
- (c) The Insured must comply with all requirements of the rental organization under the hiring agreement and of the insurer under such insurance, as well as the laws, rules and regulations of the country.

ADDITIONAL EXCLUSIONS

The Company will not pay under **Section IV-B** for any of the following:

1. Loss or damage arising from operation of the rental vehicle in violation of the terms of the rental agreement or the rental motor vehicle insurance policy, or loss or damage which occurs beyond the limits of any public roads or in the violation of laws, rules and regulations of the country.
2. Loss or damage arising from wear and tear, gradual deterioration, damage from insects or vermin, inherent vice, latent defect or damage.

THIS SECTION IS APPLICABLE FOR MABUHAY MILES MEMBERS ONLY**C. Loss of Mabuhay Miles Due to Trip Cancellation**

If, the Insured purchases an airline ticket from the Air Carrier using Mabuhay frequent flyer points and the airline ticket is subsequently cancelled as a result of any Specified Cause (as defined in **Section III-A**) and the loss of Mabuhay frequent flyer points cannot be recovered from the Air Carrier or any other source, the Company will indemnify the Insured the costs incurred of replacing the ticket up to the Benefit amount stated in the Policy Schedule subject to the terms and conditions of this Policy. This coverage is effective only if this Policy is purchased before the Insured becomes aware of any circumstances which could lead to the disruption of the Insured's Trip.

C.1. Loss of Mabuhay Miles Due to Trip Postponement

If, the Insured purchases an airline ticket from the Air Carrier using Mabuhay frequent flyer points and If, the Insured is forced to postpone the Trip prior to the commencement of that Trip as the direct and necessary result of any Specified Cause (as defined in Section III-A), the Company will reimburse the Insured the Postponement Expenses up to thirty (30) days prior to Scheduled Departure Date, up to the Benefit amount as stated in the Policy Schedule subject to the terms and conditions of this Policy. This coverage is effective only if this Policy is purchased before the Insured becomes aware of any circumstances which could lead to the disruption of the Insured's Trip.

ADDITIONAL DEFINITION

"Postponement Expenses" mean the resulting Air Carrier's administrative charges incurred for postponing the Trip:

- (a) which full payment was made by the Insured;
- (b) for which the Insured is legally liable; and

(c) which are not recoverable from any other source.

ADDITIONAL EXCLUSIONS

The Company will not pay under **Section IV-C** and **Section IV-C.1** for any of the following:

1. Any change of plans by the Insured, an Immediate Family Member or any person to travel;
2. Financial circumstances or any contractual or business obligation of the Insured or an Immediate Family Member;
3. Financial Default or failure to provide promised services by the person, agency or tour operator or organization from whom the Insured made his travel arrangements;
4. Any loss that is covered by any other existing insurance, government program or which will be paid or refunded by a hotel, travel agent or any other provider of travel and/or accommodation.

C.2. Loss of Mabuhay Miles Frequent Flyer Card

If, during the Period of Insurance, while the Insured is on a Trip, the Insured sustains loss of their Mabuhay Miles Card issued by the Air Carrier due to robbery, theft or burglary or any attempt thereof or Natural Disasters, the Company will indemnify the Insured the cost of replacing the Mabuhay Miles Card up to the relevant Benefit amount as stated in the Policy Schedule subject to the terms and conditions of this Policy.

ADDITIONAL CONDITIONS

- (a) The loss must be reported to the police or relevant authority having jurisdiction where the loss occurred, within twenty-four (24) hours after the incident. Any claim must be accompanied by a copy of a police report or a report issued by the relevant authority evidencing such loss.
- (b) The Insured must take every possible safeguard to ensure the security of his property.

EXCLUSIONS APPLICABLE TO ALL SECTIONS

The Company will not (under any Section) pay for claims arising from any of the following:

1. Declared or undeclared war or any act of war, invasion, foreign enemy, civil war, rebellion, revolution, insurrection, military or usurped power;
2. Any nuclear reaction or contamination, ionizing rays or radioactivity;
3. Any willful or intentional acts by the Insured whether sane or insane, mental and nervous disorders, self-inflicted injury, suicide or attempted suicide, suicide pacts or agreements or any attempts thereat, provoked homicide or assault;
4. The Insured acting as a law enforcement officer, emergency medical or fire service personnel, civil defense personnel or military personnel of any country or international authority, whether full-time service or as a volunteer;

5. Any condition, which is or results from or is a complication of infection with Human Deficiency Syndrome ('HIV'), any variance including Acquired Immune Deficiency Syndrome ('AIDS'), and AIDS Related Complications ('ARC'), or any opportunistic infections and/or malignant neoplasm (tumor) found in the presence of HIV, AIDS or ARC;
6. Any condition which is, results from or a complication of pregnancy, childbirth, miscarriage (except Accidental miscarriage) or abortion, intoxication by alcohol or drugs not prescribed by a Physician (other than over-the-counter drugs);
7. Illegal acts (or omissions) by the Insured or the Insured ' s executors, administrators, legal heirs or personal representatives, loss resulting directly or indirectly from action taken by the Government Authorities including confiscation, seizure, destruction and restriction;
8. Air travel other than as a ticketed passenger on a fully licensed passenger carrying aircraft operated by the Air Carrier;
9. Travel booked or undertaken against the advice of any Physician or for the purpose of seeking medical attention;
10. Any Pre-existing Conditions;
11. Any government prohibition, regulation or intervention;
12. Any loss or expenses which if reimbursed or paid by the Company would result in the Company being in breach of trade or economic sanctions or other such similar laws or regulations;
13. The Insured engaging in naval, military or air force service or operation or testing of any kind of conveyance or being engaged in Manual Work or whilst engaging in offshore activities like diving, oil-rigging, mining or aerial photography or handling of explosives;
14. Any condition which results from or is a complication of venereal disease;
15. Where the Insured becomes entitled to a refund of or reimbursement of all or part of such expenses from any other source, or if there is in place any other insurance against the events covered under this Policy, the Company will only be liable for the excess of the amount recoverable from such other source or insurance;
16. Any loss or expenses which arises in connection with or is contributed by the Insured undertaking any Trip against the travel advice of the Ministry of Foreign Affairs of the Philippines or the Ministry of Health of the Philippines, in relation to actual or threatened riot, strike or civil commotion, war or warlike situation, outbreak of disease or unsafe health conditions, or impending natural disasters, to the country or territory of the Insured ' s travel destination, unless the Trip had already commenced prior to the issuance of the travel advice.

GENERAL CONDITIONS UNDER THE POLICY

Currency

All amounts shown in this Policy are in United States Dollar (USD), unless specified in the Policy Schedule. If expenses are incurred in a foreign currency, then the rate of currency exchange used to

calculate the amount payable in United States Dollar (USD) will be the rate at the time the expense was incurred or the loss occurred.

Due Diligence

The Insured will exercise due diligence in doing all things to avoid or reduce any loss under this Policy.

Notice of Claim or Loss

Notice shall be given to our Claims Department at 2/F PNB Financial Center, Pres. Diosdado Macapagal Boulevard Pasay City, Philippines or via email to paltravelclaims@pnbgentravel.com.

If the Insured, or the Insured's legal representative wants to make a claim, the Insured or their legal representative must:

- (a) Complete a claim form (claim forms are available from the Company), and attach to the claim form:
 - (i) Receipts for any expenses incurred that are being claimed;
 - (ii) Any reports that have been obtained from the police, a carrier or other authorities about an accident, loss or damage;
 - (iii) Any other documentary evidence required by the Company under this Policy.
- (b) Provide the Company with the completed claim form and accompany documents within thirty (30) days of the incident taking place which gives rise to a claim, or as soon as reasonably practical and not later than one (1) year from the date of loss;
- (c) Provide any documents or evidence required by the Company to verify the claim at the Insured's expense. Any medical examination required by the Company (including post-mortem examinations where it is not prohibited by law) to verify the claim will be at the Company's expense.

In the case of death, hospitalization or medical emergency, the Insured, a person traveling with him or the treating medical authority must contact the Company or the Authorized Company, or its authorized representative, immediately to verify coverage and arrange the appropriate medical care or arrangements.

Failure to notify the Company within the time limit prescribed shall not invalidate the claim if it can be shown to the Company's satisfaction, that it was not reasonably possible to give such proof within the prescribed time limit for an otherwise legitimate claim.

To Whom Claims Paid

Benefits payable under this Policy shall be made to the Insured; or in the event of his death, to the beneficiary designated by the Insured provided such beneficiary is not legally disqualified and survives the Insured; or in the absence of beneficiary designation, to the person or persons then surviving in the following order of preference: (a) legal spouse; (b) children; (c) parents; (d) brothers and sisters; otherwise, to the estate of the Insured, except under **Section II-B** (Emergency Medical Evacuation), **II-C** (Repatriation of Mortal Remains) and **II-D** (Emergency Communication Expenses). Any payment made by the Company in good faith pursuant to this provision shall fully discharge the Company to the extent of the payment.

Subrogation

In the event of any payment made by the Company under one or more sections of this Policy, the Company will be subrogated to all the Insured's rights of recovery against any person or organization. The Insured shall provide the Company with reasonable assistance including but not limited to, executing

and delivering any instruments and/or documents. The Insured shall take no actions which may prejudice the Company's subrogation rights.

Other Insurances

The Insured can only be covered under one (1) travel insurance policy underwritten by the Company for the same Trip. In the event of a claim, the Insured must advise the Company as to any other insurance the Insured may have covering the same risks in this Policy. If, at the time of occurrence of any loss, except otherwise provided for in this Policy, there are other valid and collectible insurance policy/ies in place, the Company will only be liable for the excess beyond the amount of such other Insurance, and any applicable deductible.

Fraud or Misrepresentation

This Policy shall be voidable in the event of any intentional misrepresentation, non-disclosure or concealment of any circumstances by the Policyholder or the Insured which is material to or connected with:

- (a) fraud
- (b) the Insured's risk experience and claim history;
- (c) the Insured's insurance record, including previous refusals to grant insurance coverage.

Fraudulent Claims

If any claim under this Policy is fraudulent or if any fraudulent means or devices are used by any person to obtain a benefit under this Policy, the Company shall have no liability in respect of such claim and the Company shall be entitled to terminate this Policy with immediate effect.

Clerical Error

A clerical error by the Company shall not invalidate insurance otherwise validly in force, nor continue insurance otherwise not validly in force.

Notice of Trust or Assignment and Third Party Rights

The Company shall not be bound or be affected by any notice of any trust, charge, lien, assignment or other dealing with or in relation to this Policy.

A person who is not a party to this Policy shall have no right to enforce any of its terms.

Complying With Policy Conditions

Failure to comply with any of the provisions contained in this Policy may delay processing and lead to invalidate claims related to the provision not complied.

Entire Contract

This Policy, the Policy Schedule and any amendments or endorsements shall contribute the entire contract of insurance. No change to the terms and conditions of this Policy shall be valid unless approved in writing by and authorized executive officer of the Company and such approval shall be endorsed hereon or attached hereto. No broker or agent has the authority to amend or to waive any of the terms and conditions of this Policy except in accordance with the pertinent provisions of Section 50 of the Insurance code.

Unless applied for by the Policyholder, any rider, clause, warranty or endorsement issued after the Effective Date of this Policy shall be countersigned by the Policyholder, which countersignature shall be taken as the Policyholder's agreement to the contents of such rider, clause, warranty or endorsement.

Governing Law

This Policy shall be governed by the interpreted in accordance with the laws of the Republic of the Philippines.

Arbitration

All differences as to the amount of any loss or damage covered by this Policy shall be settled by final, binding arbitration under the arbitration rules of the Philippine Dispute Resolution Center, Inc. (PDRCI) in force at the time of arbitration. The dispute shall be referred to an arbitrator to be appointed by the parties in difference, or if they cannot agree upon a single arbitrator, a panel of three (3) arbitrators ("the Panel") shall conduct the arbitration. Each party shall have the right to appoint one (1) member of the Panel, with the third member to be mutually agreed by the two (2) Panel members appointed by the parties or appointed in accordance with the Rules of the PDRCI. The venue of arbitration shall be in any competent courts in the Philippines, and the arbitration proceedings shall be conducted in the English language. Any lawsuit to enforce the arbitration award shall be filed with the competent courts of the Philippines.

Legal Action

Unless the claim has been denied, no action or suit shall be brought either to the Insurance Commission or any court of competent jurisdiction to recover on this Policy prior to the expiration of sixty (60) days after written proof of loss has been furnished in accordance with the requirements of this Policy. In any event, no legal action shall be brought after the expiration of twelve (12) months from notice of the denial of the claim.

Civil Code 1250 Waiver Clause

It is hereby declared and agreed that the provision of Article 1250 of the Civil Code of the Philippines (Republic Act No. 386) which reads:

"In case of 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.

Availability of the Policy

This Policy shall be kept in the main office of the Policyholder and shall be in the custody of its authorized officer. This Policy shall be available to the Insured for inspection during the regular office hours of the Policyholder.

Data Protection

The Company will use the information supplied during the formation and performance of this Policy for policy administration, customer services, paying claims and fraud prevention. The Company may disclose this information to its service providers for these purposes. We will keep this information for a reasonable period. Where sensitive personal data has been disclosed, including any medical or criminal record information, the Company will also use this information for the above purposes. The Company may also transfer certain information to countries that do not provide the same level of data protection for the above purposes so a contract will be in place to ensure the information transferred is protected. Insured's whose information has been supplied to the Company have a right to ask for a copy of that information and to have any inaccuracies corrected. The Company may record telephone calls to make sure it follows instructions correctly and for staff training purposes.

When personal or sensitive data is supplied to the Company about third parties other than the Insured, both during the formation and performance of this Policy, the Company assumes that those third parties consent to the supply of this information to the Company, to the Company processing this data, including sensitive personal data, and to the transfer of their information abroad. The Company will also assume that the supplier of the information is authorized to receive, on their behalf, any data protection notices.

ADDITIONAL GENERAL CONDITIONS APPLICABLE TO THE POLICYHOLDER ONLY**Renewal conditions**

This Policy may be renewed for further consecutive periods subject to approval by the Company subject to the Company's right to decline renewal of this Policy on any anniversary date of the Policy upon giving three (3) months prior written notice, mailed or delivered to the Policyholder at the address shown in the Group Policy, of the Company's intention not to renew the Policy, or to condition its renewal upon changes of premium rates, coverage and terms. The Company's acceptance of premium shall constitute its consent to renew. Unless renewed as herein provided, this Policy shall terminate at the expiration date for which premium has not been paid.

Cancellation of Group Policy

Either party may cancel the Group Policy by giving thirty (30) days written notice to the other party. In the event of such cancellation, the terms of the Group Policy shall only be applicable until the expiry of the Insured's then current Period of Insurance.

IN WITNESS WHEREOF, the Company has caused this Policy to be executed and commenced on the Effective Date stated in the Policy Schedule, provided that no insurance shall be in force unless the Policy Schedule is signed by an authorized representative of the Company.

PNB GENERAL INSURERS CO., INC.



FRANCISO P. RAMOS
Authorized Signatory

