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**LIABILITY INSURANCE POLICY**  
Truckers Cargo (Goods In Transit)

Dear Valued Insured,

Thank you for choosing Cocogen Insurance, Inc. as your Insurer.

This insurance contract between You and Cocogen consists of the Application Form, the Policy, the Schedule, and the Endorsements, if any. Please note that in accepting this insurance, We relied on the information You have provided us.

In consideration of the payment of the premium shown in the Schedule, We agree to pay You, subject to the terms and conditions contained in or endorsed on this insurance contract, against loss or damage in the manner and to the extent provided in this Policy.

Should You have clarifications and concerns on this insurance contract, feel free to call Us at (632) 8-830-6000 or send Us an email at [client\\_services@cocogen.com](mailto:client_services@cocogen.com). To learn more about Our products and services, please visit Our website at [www.cocogen.com](http://www.cocogen.com).

Your Insurance Provider,

COCOGEN INSURANCE, INC.

**IMPORTANT NOTICE**

The Insurance Commissioner, with offices in Manila, Cebu, and Davao, is the Government official in charge of the enforcement of all laws relating to Insurance and has supervision over insurance companies. He is ready at all times to render assistance in settling any controversy between an insurance company and a policyholder relating to insurance matters.

**ARTICLE 1250 OF THE CIVIL CODE WAIVER**

You agree that the following provision of the Civil Code of the Philippines shall not apply in determining the extent of Our liability under this insurance contract:

*"Art. 1250. In case an extraordinary inflation or deflation of the currency stipulated should supervene, the value of the currency at the time of the establishment of the obligation shall be the basis of payment xxx."*

**Cocogen has caused this insurance contract to be signed by its duly authorized officer in the place and on the date appearing in the Schedule.**

**COCOGEN INSURANCE, INC.**  
T.I.N. 000 432 798

  
Atty. David Roy C. Padin

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President

**WHEREAS THE INSURED**, carrying on the business described in the Insurance Policy Schedule, and by his corresponding proposal and declaration which shall be the basis of this Contract and deemed incorporated herein, has applied to the Company for the insurance hereinafter contained, subject to the payment of premium as consideration for such insurance.

#### **NOW THIS INSURANCE POLICY WITNESSETH:**

That, in respect of events occurring during the Period of Insurance, and subject to the terms, exceptions and conditions contained herein or endorsed hereon (hereinafter collectively referred to as the Terms and Conditions of this Insurance Policy), any Goods, which are either the property of the Insured or held by him in trust or on commission or for which he is responsible, be lost damaged or destroyed as a result of any of the Perils whilst being carried by any overland Motor Vehicle, described in the Insurance Policy Schedule and within the Territorial Limits, the Company will indemnify the Insured by payment (or at its option by repair, reinstatement or replacement) in respect of such loss, damage or destruction but not exceeding, in any Period of Insurance, the Sum Insured in respect of any one (1) vehicle or Total Sum Insured in respect of any claim or series of claims arising out of one (1) event.

That this Insurance Policy and the Insurance Policy Schedule shall be read together and any word or expression to which a specific meaning has been attached in either shall bear such meaning wherever it may appear.

#### **SECTION I: MATERIAL DAMAGE**

This Insurance Policy will indemnify the Insured for all sums which the Insured shall become legally obligated to pay as damages for loss or damage to merchandise or goods under his care, custody or control caused by but not limited to the following perils:

- Fire, whether or not originating from the vehicle, including self ignition and internal explosion of the conveyance;
- Accidental collision of the vehicle with any other vehicle or object;
- Riot, strikes and civil commotion;
- Overturning or upset of the truck;
- Collapse or subsidence of bridges, provided not overloaded beyond the authorized capacity;
- Explosion, unless arising from the nature of the merchandise;
- Acts of Nature;
- Misconduct of the Insured's employee, authorized personnel either as principal or accessory;
- Robbery;
- Hijacking.

#### **SECTION II: LEGAL EXPENSE AND COST**

In addition to material damage, The Insurance Company will further pay the legal expense and cost in connection with the defense of any claim contested by or with the written consent of the Insurance Company.

#### **COVERAGE AND WARRANTIES**

1. The Insurance attaches from the time the goods are:
  - (a) Admitted onboard the designated motor vehicle and/or truck and/or trailers attached hereto; and at the warehouse and/or store and/or factory at the place of origin of transit;
  - (b) And continues during the ordinary course of transit up to the final destination.
2. The cover shall cease upon arrival of the truck loaded with the goods insured at the premises of the warehouse and/or store and/or factory or outside the premises where the goods will be unloaded at the point of destination.
3. All trucks carrying the goods shall be installed with GPS units and will be monitored by a Control Monitoring Station equipped with a Security Response Team and has coordination with the Police and Traffic Centre.
4. Coverage will take effect after coordination or dispatch with the Control Monitoring Station.
5. The Insured shall undertake the necessary background investigation of all full-time drivers and helpers and ensure favorable results thereon before their employment. Unregistered driver, helper and unlisted trucks are not covered.
6. No claim will be admitted for theft, robbery or burglary from any vehicle not individually attended unless:
  - (a) All doors, windows and other openings of the vehicle are left closed, securely locked and properly fastened;
  - (b) Any such door, window opening, lock or fastener has been smashed by violent forcible means wherever entry or access has been effected.
7. No claim will be admitted for theft, robbery or burglary in respect of property left in or on any unattended vehicle for the night except where such vehicle is parked in a building or compound which is securely closed or locked.

#### **EXCEPTIONS**

The Company shall not be liable in respect of:

1. Loss, damage or destruction caused by:
  - (a) Wear and tear, depreciation, insects, vermin, inherent vice, or defect or atmospheric or climatic conditions, except as a direct result of an Insured Peril;

- (b) Illegal cargoes like drugs, contraband and the like;
  - (c) Delay, confiscation or detention by order of any government or public authority;
  - (d) Radioactive contamination, war and kindred risks;
  - (e) Hooks or slings.
2. Loss, damage or destruction caused to:
- (a) Cash, bank notes, currency notes, check, postal and money orders, stamps, securities for money, deeds, bonds, bills of exchange, promissory notes, documents of title to property, precious stones, precious metals or jewelry;
  - (b) Glass, china, scientific instruments, works of art or other goods of a fragile or brittle nature unless following fire or an accident to the vehicle in which such property is being carried;
  - (c) Furniture including paintings, pictures, drawings, etchings as a result of scratching, rubbing or abrasion.
3. Unfitness of the truck or land conveyance container for the safe carriage of the subject matter insured, where the Insured or their servants are privy to such unfitness at the time the goods are loaded therein.
4. Insolvency or financial default of the owners' managers or operators of the truck.
5. Damage to the goods caused by the spillage or leakage of liquid from container vessels unless caused by the overturning or impact with any object of conveyance in which such goods are carried or by loading and unloading.
6. Loss, damage or destruction occasioned by the weight of a load exceeding the registered lifting capacity of any machine.
7. Loss, damage or destruction due to atmospheric conditions when the goods are contained in open vehicles unless such shall have been adequately and properly protected by tarpaulin sheets.
8. Consequential loss or damage of any kind or description whatsoever including:
- (a) Delay in completion, negotiating and loss of contracts;
  - (b) Deterioration and loss of market.
9. War or the use of any weapon of war employing automatic or nuclear fission and/or fusion or other like reaction or radioactive force or matter whether in time of peace or war.
10. Any loss or damage directly or indirectly, proximately or remotely occasioned by, contributed by, or traceable to or arising out of or in connection with invasion, the act of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, rebellion, revolution, insurrection, military or usurped power or by any direct or indirect consequences of any of the said occurrences and in the event of any claim hereunder, the Insured shall prove that the accident, loss, damage or liability arose independently of and in no way connected with or occasioned by, or contributed to, by or traceable to any of the said occurrences or any consequences thereof and in default of such proof the Company shall not be liable to make any payment in respect of such claim.

#### **CONDITIONS APPLICABLE TO ALL SECTIONS**

1. The Insured shall maintain the Vehicle(s) in roadworthy and efficient condition and take all reasonable precautions to prevent loss and damage to Goods.
2. The Company shall in no case be bound to accept notice of any transfer of interest arising hereunder and nothing herein contained shall give any right against the Company to any person other than the Insured except to a transferee approved by the Company.
3. On the discovery of any event which may give rise to a claim under this Insurance Policy the Insured shall:
  - (a) Give written notice to the Company stating all particulars then known to the Insured;
  - (b) If any part of the goods be lost or stolen, notify the police and take all practical steps to discover any guilty person and recover the lost property;
  - (c) Within thirty (30) days or within such time as the Company may allow, deliver to the Company a detailed claim in writing;
  - (d) Supply at the request of and free of expense to the Company all such proofs of information and other evidence with respect to the claim as the Company may reasonably require.
4. The Company shall be entitled at any time in the Company's own or the Insured's name to take steps for the recovery of any part of the goods lost or for securing reimbursement in respect of any loss or damage and the Insured shall give the Company all information and assistance in so doing. Upon payment of any claim under this Insurance Policy (other than repair), any part of the goods in respect of which payment is made shall belong to the Company subject to the Insured's right to reclaim it upon repayment to the Company of the amount so paid.
5. If any claim be in any respect fraudulent or if any fraudulent means or devices be used by the Insured or anyone acting on the Insured's behalf to obtain benefit under this Insurance Policy all benefit hereunder shall be forfeited.
6. If at the time of a claim under this Insurance Policy, there be any other insurance covering the same loss or damage, the Company shall not pay more than its ratable proportion of such claim.
7. In case of an over insurance by several insurers, the Insured is entitled to a ratable return of the premium, proportioned to the amount by which the aggregate sum insured in all the policies exceeds the insurable value of the goods at risk.
8. This Insurance Policy may be cancelled at any time by the Company after giving ten (10) days notice in writing of such cancellation. The notice shall be based on the occurrence of one or more of the following, after the effective date of this Insurance Policy:
  - (a) Non-payment of premium;
  - (b) Conviction of a crime arising out of acts increasing the hazard insured against;

- (c) Discovery of fraud or material misrepresentation;
- (d) Discovery of willful or reckless acts or omissions increasing the hazard insured against;
- (e) Physical changes in the property insured which result in the property becoming uninsurable;
- (f) A determination by the Insurance Commissioner that the continuation of this Insurance Policy would violate or would place the Company in violation of the Insurance Code.

The notice of cancellation shall be mailed or delivered to the Insured at the address shown in this Insurance Policy and shall state which of the foregoing grounds is the basis for the cancellation. Upon written request of the Insured, the Company will furnish the facts on which the cancellation is based. In the event of the cancellation of this Insurance Policy, the Company will return a pro-rated portion of the premium in respect to the unexpired period.

9. All differences as to the amount of any loss or damage arising out of this Insurance Policy shall be referred to the decision of an arbitrator to be appointed in writing by the parties in differences, or if they cannot agree upon a single arbitrator, to the decision of two arbitrators, one to be appointed in writing by each of the parties, within thirty (30) days after having been required in writing so to do by either of the parties and in case of disagreement of the arbitrators, to the decision of an umpire to be appointed by the arbitrators before entering upon the references. The making of an award shall be a condition precedent to any right of action against the Company.
10. The due observance and fulfillment of the Terms and Conditions of this Insurance Policy insofar as they relate to anything to be done or complied with by the Insured and the truth of the statements and answers in the Proposal shall be conditions precedent to any liability of the Company to make any payment hereunder.
11. Unless the Company, at least forty-five (45) days in advance from the end of the Period of Insurance of this Insurance Policy, mails or delivers to the Insured at the address shown in the Insurance Policy a notice of its intention not to renew the Insurance Policy or conditions its renewal upon reduction of limits or elimination of coverage/s, the Insured shall be entitled to renew this Insurance Policy upon payment of the premium due on the effective date of the renewal Insurance Policy.
12. If a claim be made and rejected and an action or suit not be commenced either in the Insurance Commission or any court of competent jurisdiction within twelve (12) months from receipt of notice of such rejection or in case of arbitration taking place as provided herein, within twelve (12) months after due notice of the award made by the arbitrator or arbitrators, then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

#### **NUCLEAR EXCLUSION CLAUSE**

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

#### **SHORT PERIOD RATE SCALE**

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

If insurance contract remains in force for only:	We will retain:
1 month or less	20% of the premium
2 months	30% of the premium
3 months	40% of the premium
4 months	50% of the premium
5 months	60% of the premium
6 months	70% of the premium
7 months	75% of the premium
8 months	80% of the premium
9 months	85% of the premium
10 months	90% of the premium
11 months	95% of the premium