

FIRE INSURANCE POLICY
RESIDENTIAL

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. To learn more about our products and services, please visit our website at 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 faithful execution and 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.

CONFISCATION OF OBJECT OF ARSON. The building which is the object of arson including the land on which it is situated shall be confiscated and escheated to the State, unless the owner thereof can prove that he has no participation in nor knowledge of such arson despite the exercise of due diligence on his part.

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. Darren M. de Jesus
President

THIS POLICY OF INSURANCE WITNESSETH, that in accordance with Policy Condition No. 2, is in force only after payment by the Insured to the Company of the total premiums as stipulated in the attached Policy Schedule for the period aforementioned for insuring against Loss or Damage by Fire or Lightning as herein appears, as well as the Clauses, Endorsements and Warranties stated in the said Policy Schedule, the Property described in the said Schedule, and contained, or described herein, and not elsewhere in the sum or several sums opposite thereto.

THE COMPANY HEREBY AGREES with the Insured (subject to the terms and conditions, endorsed or otherwise expressed hereon, which are to be taken as part of this Policy), that if the Property described in the said Policy Schedule, or any part thereof, shall be destroyed or damaged by Fire or Lightning, after payment of the premium by the Insured to the Company, during the term of this Policy as indicated in the attached Policy Schedule or before 4:00 P.M. of the last day of any subsequent period in respect of which the Insured, or a successor in interest to whom the Insurance is by an endorsement hereon declared to be or is otherwise continued, shall pay to the Company, and the Company shall accept the sum required for the renewal of this Policy, and the Company will pay or make good all such Loss or Damage to an amount not exceeding during any one (1) period of Insurance in respect of the several matters specified in the said Policy Schedule, the sums set opposite thereto respectively, and not exceeding in the whole the total of the aforementioned sums insured in Philippine currency.

POLICY CONDITIONS

1. If there be any material misdescription of any of the property hereby insured, or of any building or place in which such property is contained, or any misrepresentation as to any fact material to be known for estimating the risk, or any omission to state such fact, the Company shall not be liable upon this Policy so far as it relates to property affected by any such misdescription, misrepresentation or omission.
2. This Policy including any renewal thereof and/or any endorsement thereon is not in force until the premium has been fully paid to and duly receipted by the Company in the manner provided hereon.

Any supplementary agreement seeking to amend this condition prepared by agent, broker or Company official, shall be deemed invalid and of no effect.

No payment in respect of any premium shall be deemed to be payment to the Company unless a printed form of receipt for the same signed by an Official or duly appointed Agent of the Company shall have been given to the Insured, except when such printed receipt is not available at the time of payment and the Company or its representative accepts the premium in which case a temporary receipt other than the printed form may be issued in lieu thereof.

Except only in those specific cases where corresponding rules and regulations which are now or may hereafter be in force provide for the payment of the stipulated premiums in periodic installments at fixed percentages, it is hereby declared, agreed and warranted that this Policy shall be deemed effective valid and binding upon the Company only when the premiums therefore have actually been paid in full and duly acknowledged in a receipt signed by any authorized official or representative/agent of the Company in such manner as provided herein.

3. The Insured shall give notice to the Company of any insurance or insurances already effected, or which may subsequently be effected covering any of the property consisting of stocks in trade, goods in process and/or inventories only hereby insured, and unless such notice be given and the particulars of such insurance or insurances be stated therein or endorsed on this Policy pursuant to Section 50 of the Insurance Code, by or on behalf of the Company before the occurrence of any loss or damage, all benefits under this Policy shall be deemed forfeited, provided however, that this condition shall not apply when the total insurance or insurances in force at the time of loss or damage is not more than Php 200,000.00.
4. All insurance under this Policy (a) on any building or part of any building, (b) on any property contained in any building, (c) on rent or other subject matter of insurance in respect of or in connection with any building or any property contained in any building, shall cease immediately upon any fall or displacement:

(a) of such building or any part thereof,

(b) of the whole or any part of any range of buildings or any structure of which such building forms part,

PROVIDED, that such fall or displacement is of the whole or a substantial or important part of such building or impairs the usefulness of such building or any part thereof or leaves such building or any part thereof or any property contained therein subject to increased risk of fire or is otherwise material. AND PROVIDED that such fall or displacement is not caused by fire, loss or damage which is covered by this Policy or would be covered if such building, range of buildings or structure were insured under this Policy.

In any action, suit or other proceeding, the burden of proving that any fall or displacement is caused by fire as aforesaid shall be upon the Insured.

5. Under any of the following circumstances the insurance ceases to attach as regards the property allocated unless the Insured, before the occurrence of any loss or damage, obtains the sanction of the Company signified by endorsement upon the Policy, by or on behalf of the Company:
 - (a) If the trade or manufacture carried on be altered, or if the nature of the occupation of or other circumstances affecting the building insured or containing the insured property be changed in such a way as to increase the risk of loss or damage by fire;
 - (b) If the building insured or containing the insured property become unoccupied and so remain for a period of more than thirty (30) days;
 - (c) If property insured be removed to any building or place other than in that which is herein stated to be insured;
 - (d) If the interest in the property insured pass from the Insured otherwise than by will or operation of law.
6. This Policy shall not be canceled by or on behalf of the Company except in accordance with and pursuant to the provisions of Sections 64 and 65 of the Insurance Code. In the event of such cancellation, the Company shall refund the paid premiums less the earned portion thereof to the Insured; likewise, this Policy may be canceled on the short rate basis set forth in the short rate cancellation table at the request of the Insured.
7. The Insured shall give immediate written notice to the Company of any loss, protect the property from further damage, forthwith separate the damaged and undamaged personal property, and put it in the best possible order; furnish a complete inventory of the destroyed, damaged and undamaged property, showing in detail quantities, costs, actual cash value and the amount of loss claimed;

WITHIN SIXTY (60) DAYS AFTER THE LOSS. UNLESS SUCH TIME IS EXTENDED IN WRITING BY THE COMPANY, THE INSURED SHALL RENDER TO THE COMPANY A PROOF OF LOSS, signed and sworn to by the Insured, stating the knowledge and belief of the Insured as to the following; the time and origin of the loss, the interest of the Insured and of all others in the property, the actual cash value of each item thereof and the amount of loss thereto, all encumbrances thereon, all other contracts of insurance, whether valid or not covering any of said property, any changes in the title, use, occupation, location, possession or exposures of said property since the issuing of this Policy, by whom and for what purpose any buildings herein described and the several parts thereof were occupied at the time of loss and whether or not it then stood on leased ground; and shall furnish a copy of all the descriptions and schedules in all policies and, if required verified plans and specifications of any building, fixtures or machinery destroyed or damaged. The Insured, as often as may be reasonably required, shall exhibit to any person designated by the Company all that remains of any property herein described, and submit to examination under oath by any person named by the Company, and subscribe the same; and, as often as may be reasonably required, shall produce for examination all books of account, bills, invoices, and other vouchers, or certified copies thereof if originals are lost at such reasonable time and place as may be designated by the Company or its representative, and shall permit extracts and copies thereof to be made.

No claim under this Policy shall be payable unless the terms of this condition have been complied with.

8. On the happening on any loss or damage to any of the property insured by this Policy, the Company may:
 - (a) Enter, take and keep possession of the building or premises where the loss or damage has happened;
 - (b) Take possession of or require to be delivered to it any property of the Insured in the building or on the premises at the time of the loss or damage;
 - (c) Keep possession of any such property and examine, sort, arrange, remove, or otherwise deal with the same;
 - (d) Sell any such property or dispose of the same for account of whom it may concern.

The powers conferred by this Condition shall be exercisable by the Company at any time until notice in writing is given by the Insured that he makes no claim under the Policy, or if any claim is made, until such claim is finally determined or withdrawn, and the Company shall not, by any act done in the exercise or purported exercise of its powers hereunder, incur any liability to the Insured or diminish its right to rely upon any of the Conditions of this Policy in answer to any claim.

If the Insured or any person acting in his behalf shall not comply with the requirements of the Company or shall hinder or obstruct the Company in the exercise of its powers hereunder, all benefits under this Policy shall be forfeited.

The Insured shall not in any case be entitled to abandon any property to the Company whether taken possession of by the Company or not.

9. If the claim be fraudulent in any respect, or if any fraudulent means or devices are used by the Insured or any one acting on his behalf to obtain any benefit under this Policy, or, if the loss or damage be occasioned by the willful act, or with the connivance of the Insured, all benefits under this Policy shall be forfeited.
10. The Company may, at its option, reinstate or replace the properly damaged or destroyed, or any part thereof, instead of paying the amount of the loss or damage, or may join with any other Company or Insurers in so doing but the Company shall not be bound to reinstate exactly or completely, but only as circumstances permit and in reasonably sufficient manner, and in no case shall the Company be bound to expend more in reinstatement than it would have cost to reinstate such property as it was at the time of the occurrence of such loss or damage, nor more than the sum insured by the Company thereon.

If the Company so elect to reinstate or replace any property the Insured shall, at his own expense, furnish the Company with such plans, specifications measurements, quantities, and such other particulars as the Company may require, and no acts done, or cause to be done by the Company with a view to reinstatement, or replacement shall be deemed an election by the Company to reinstate or replace.

If in any case the Company shall be unable to reinstate or repair the property hereby insured, because of any municipal or other regulations in force affecting the alignment of streets, or the construction of buildings, or otherwise, the Company shall, in every such case, only be liable to pay such sum as would be requisite to reinstate or repair such property if the same could lawfully be reinstated to its former condition.

11. The Insured shall, at the expense of the Company, do and concur in doing, and permit to be done, all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights and remedies, or of obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated, upon its paying for or making good any loss or damage under this Policy, whether such acts and things shall be or become necessary or required before or after its indemnification by the Company.
12. Subject to and in accordance with pertinent provisions of Policy Condition No. 3, whenever applicable, if, at the time of any loss or damage happening to any property hereby insured, there be any other subsisting insurance or insurances, whether effected by the Insured or by any other person or persons, covering the same property, this Company shall not be liable to pay or contribute more than its ratable proportion of such loss or damage in which case the Company shall make a ratable return to the Insured of the premium pursuant to the provisions of Section 82 of the Insurance Code.
13. This is an Open Policy as defined in Section 60 of the Insurance Code. In the event of loss, whether total or partial, it is understood that the amount of the loss shall be subject to appraisal, and the liability of the Company, if established, shall be limited to the actual loss, subject to the applicable terms, conditions, warranties, and clauses of this Policy, and in no case shall exceed the amount of the Policy.
14. Average Clause. If all the properties hereby insured shall, at the breaking out of any fire, be collectively of greater value than the sum insured thereon, then the Insured shall be considered as being his own insurer for the difference, and shall bear a ratable proportion of the loss accordingly. Every item, if more than one, of the Policy shall be separately subject to this condition.
15. The following provision of Section 6 of the Arson Law shall form an integral part of this Policy:
PRIMA FACIE EVIDENCE OF ARSON. Any of the following circumstances shall constitute prima facie evidence of arson:
- (a) If the fire started simultaneously in more than one part of the building or establishment;
 - (b) If substantial amount of flammable substances or materials are stored within the building not necessary in the business of the offender nor for household use;
 - (c) If gasoline, kerosene, petroleum or other flammable or combustible substances or materials soaked therewith or containers thereof, or any mechanical, electrical, chemical, or electronics contrivance designed to start a fire, or ashes or traces of any of the foregoing are found in the ruins or premises of the burned building property;
 - (d) If the building or property is insured for substantially more than its actual value at the time of the issuance of the Policy;
 - (e) If during the lifetime of the corresponding fire insurance policy more than two fires have occurred in the same or other premises owned or under the control of the offender and/or Insured;
 - (f) If shortly before the fire, a substantial portion of the effects insured and stored in a building or property had been withdrawn from the premises except in the ordinary course of business;
 - (g) If a demand for money or other valuable consideration was made before the fire in exchange for the desistance of the offender or for the safety of the person or property of the victim.

16. Arbitration Clause. All differences as to the amount of any loss or damage covered by this Policy shall be referred to the decision of an arbitrator to be appointed by the parties in difference or if they cannot agree upon a single arbitrator the decision of two arbitrators one to be appointed in writing by each of parties within thirty (30) days after having been required in writing so to do by either of the parties or in case of disagreement between the arbitrators to the decision of an umpire to be appointed in writing by the arbitrators before entering on the reference and an award by an arbitrator or arbitrators or umpire shall be

a condition precedent to any right of action against the Company.

17. The amount of insurance shall be reduced automatically by the amount of any claim paid under this Policy.
18. Every notice and other communication to the Company required by these Conditions must be written or printed.
19. **Renewal Clause.** Unless the Company at least forty-five (45) days in advance of the end of the Policy period mails or delivers to the Insured at the address shown in the Policy notice of its intention not to renew the Policy or to condition its renewal upon reduction of limits or elimination of coverages, the Insured shall be entitled to renew the Policy upon payment of the premium due on the effective date of renewal.
20. **Action of Suit Clause.** If a claim be made and rejected and an action or suit be not commenced either in the Insurance Commission or in 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 or umpire, then the claims shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.
21. **Changes in Policy Clause.** None of the provisions, conditions and terms of this Policy shall be waived or altered except by endorsement signed or initialed by an authorized official of the Company and issued whenever applicable in accordance with the provisions of Section 50 of the Insurance Code.
22. **Settlement of Claim Clause.** The amount of any loss or damage for which the Company may be liable under this Policy shall be paid within thirty (30) days after proof of loss is received by the Company and ascertainment of the loss or damage is made either by agreement between the Insured and the Company or by arbitration: but if such ascertainment is not made within sixty (60) days after such receipt by the Company of the proof of loss, then the loss or damage shall be paid within ninety (90) days after such receipt. Refusal or failure to pay the loss or damage within the time prescribed herein will entitle the Insured to collect interest on the proceeds of the Policy for the duration of the day at the rate of SIX PERCENT (6%) PER ANNUM, unless such failure or refusal to pay is based on the grounds that the claim is fraudulent.
23. **Unoccupancy Clause.** In the event of the Insured's Private Dwelling aforesaid being left without an inhabitant therein for more than seven (7) days consecutively, the insurance against loss or damage to building caused by the perils mentioned above and/or by burglary, housebreaking or any attempt thereat shall as regards loss or damage to the said Contents therein, be entirely suspended in respect of any period or periods during which the Private Dwelling House may be unoccupied in excess of the aforesaid seven (7) days.
24. **Limit of Liability.** In respect of loss or damage occurring during any one (1) period of insurance, the limit of liability should be the Sum Insured on Building and/or Contents specified in the Policy Schedule.
25. **Basis of Settlement.** The cost of repair following partial damage or replacement as new following total loss or damage; Provided, the Sum Insured represents the full replacement, or rebuilding costs at the time of loss or damage. If it does not, then the payment will be made after a deduction for any wear, tear and depreciation.
26. **Residential Occupancy Clause.** Warranted that the premises to which this insurance applies shall be occupied solely as dwelling and that no manufacturing, storage, or trading of goods for commercial purposes shall be carried out within said premises. Breach of this Warranty shall render this Policy null and void.
27. **Receipt of Payment Clause.** Except only in those specific cases where corresponding rules and regulations which now are or may hereafter be in force provide for payments of the stipulated premiums in periodic installments at fixed percentages, it is hereby declared, agreed and warranted that this Policy shall be deemed effective, valid and binding upon the Company only when the premiums therefore have actually been paid in full and duly acknowledged in a receipt signed by an authorized official or representative of the Company.
28. **Cancellation Clause.** This Policy shall not be cancelled by the Company except upon prior notice thereof to the Insured and no notices of cancellation shall be effective unless it is based on the occurrence after the effective date of the Policy of one or more of the following:
 - (a) Non-payment of premium
 - (b) Conviction of a crime arising out of acts increasing the hazards or perils insured against
 - (c) Discovery of fraud or material misrepresentations
 - (d) Discovery of willful or reckless acts or omissions increasing the hazards or perils insured against
 - (e) A determination by the Insurance Commission that the continuation of the Policy would violate or would place the Company in violation of the Insurance Code.

All notices of Cancellation shall be in writing, mailed or delivered to the Insured at the address shown in this Policy and shall state:

- (a) Which of the grounds set forth in this provision is relied upon and
- (b) That upon written request of the Insured the Company will furnish the facts on which the cancellation is based.

29. Mortgage Interest and Obligations. If loss hereunder is made payable in whole or in part to a designated Mortgagee not named herein as the Insured, such interest in this Policy may be cancelled by giving to such Mortgagee a 10-day written notice of cancellation. If the Insured fails to render proof of loss, such Mortgagee, upon notice, shall render proof of loss in the form herein specified within sixty (60) days thereafter and shall be subject to the provisions thereof relating to appraisal and time of payment and of bringing suit. If this Company shall claim that no liability existed as to the Mortgagor or Owner, it shall, to the extent of payment of loss to the Mortgagee, be subrogated to all the Mortgagee's rights of recovery, but without impairing Mortgagee's right to sue, or it may pay off the Mortgagor's debt and require an assignment thereof and of the mortgage. Other provisions relating to the interests and obligations of such Mortgagor may be added hereto by agreement in writing.
30. Subrogation. The Company may require from the Insured an assignment of all rights against any party for loss to the extent that payment therefore is made by this Company.
31. Warranted that during the currency of this Policy the store or projection of celluloid (cellulose nitrate) cinematography films are strictly prohibited. Breach of this condition shall render this Policy null and void, and the Company shall no longer be liable for any loss which may occur.
32. Breach of Conditions Clause. In case of any breach of conditions which may suspend or restrict this Policy, it shall be held that such breach of condition does not in fact suspend or restrict this Policy, but that the application of this insurance to the building or fire division (and contents) in which the breach occurs shall be suspended or restricted only during the time the breach occur.
- Such breach does not disentitle the Insured to recover for loss to other portions of the property hereby covered in which no such breach of conditions has occurred. A breach of conditions shall not disentitle the Insured to recover for loss if the Insured established that the loss was not caused by or contributed to by the breach.
33. Debris Removal. This Policy also covers within the limits of liability the expense of removal of debris remaining after any loss hereby insured against, except that there shall be no liability assumed for the expense and removal of:
- (a) Any foundation, other than damaged portions which must be removed for repair or rebuilding.
 - (b) Any building or part thereof, the removal of which is required by any ordinance or law regulating construction or repair.
34. Error in Description Clause. The insurance shall not be prejudiced by any error in stating the name, number, street or description of any location or premises described hereunder.
35. Omnibus Clause. All applicable provisions of Presidential Decree No. 1460, otherwise known as the Insurance Code of 1978, as amended, as of the date of effectivity, latest renewal or latest reinstatement of this Policy/ Confirmation/ Contract of Insurance as the case may be, and all existing laws obligatory upon insurance companies as may be pertinent are deemed incorporated in this Policy/ Confirmation/ Contract of Insurance and will supersede any agreement/contract inconsistent therewith.
36. Other Insurance Clause. It is understood that except as may be stated on the face of this Policy, there is no other insurance on the property hereby covered and other insurance is allowed except by the consent of the Insurance Company endorsed hereon.
37. Professional Fees Clause. The Policy covers Architects, Supervisors and Consulting Engineers Fees up to the amount stated below Philippine Currency, necessarily incurred in the reinstatement of the property specified consequent upon its damage or destruction by fire or any peril hereby Insured against, but not the amount payable for such fees shall not exceed those authorized under the scale or professional charges of the respective local representative organization.
38. War and Terrorism Exclusion Endorsement. Notwithstanding any provision to the contrary within this insurance or any endorsements thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;
- (a) War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
 - (b) Any act of terrorism.

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

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

This Endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to: (a) and/or (b) above. If the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Insured.

In the event any portion of this Endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

GENERAL EXCLUSIONS

1. This insurance does not cover:

- (a) Loss by theft during or after the occurrence of a fire, unless such excepted loss be the direct and necessary result of, or ultimately due and traceable to, efforts to rescue the Insured property from the perils Insured against which would otherwise have caused a loss;
- (b) Loss or damage to property occasioned by its own fermentation, natural heating or spontaneous combustion (except as may be provided in accordance with General Exclusion No. 4 (f)), or by its undergoing any heating or drying process;
- (c) Loss or damage occasioned by or through or in consequence of the burning of property by order of any public authority and/or subterranean fire.

2. Unless specified in the Policy Schedule, this insurance does not cover any loss or damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrences, namely:

- (a) Earthquake, volcanic eruption or other convulsion of nature;
- (b) Typhoon, hurricane, tornado, cyclone or other atmospheric disturbance;
- (c) War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war;
- (d) Mutiny, riot, military or popular uprising, insurrection, rebellion, revolution military or usurped power.

Any loss or damage happening during the existence of abnormal conditions (whether physical or otherwise) which are occasioned by or through or in consequence, directly or indirectly, of any of the said occurrences shall be deemed to be loss or damage which is not covered by this insurance, except to the extent that the Insured shall prove that such loss or damage happened independently of the existence of such abnormal conditions.

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

3. This insurance does not cover:

- (a) Loss or destruction of or damage to any property whatsoever or any loss or expenses 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.

The indemnity provided by this Policy shall not apply to nor include any loss, destruction, damage, or legal liability, directly or indirectly caused by or contributed to, by, or arising from nuclear weapons material.

4. Unless otherwise expressly stated in the Policy Schedule this insurance does not cover:

- (a) Goods held in trust or on commission;
- (b) Bullion or unset precious stones;
- (c) Any curiosity or work of art for an amount exceeding Php 200;

- (d) Manuscripts, plans, drawings or designs, patterns, models or moulds;
 - (e) Securities, obligations or documents of any kind, stamps, coins or paper money, cheques, books of account or other business books, computer systems records;
 - (f) Coal, against loss or damage occasioned by its own spontaneous combustion;
 - (g) Explosives;
 - (h) Any loss or damage occasioned by or through or in consequence of explosion; but loss or damage by explosion of gas used for illuminating or domestic purposes in a building in which gas is not generated and which does not form part of any gas works, will be deemed to be loss by fire within the meaning of the Policy;
 - (i) Any loss or damage occasioned by or through or in consequence of the burning, whether accidental or otherwise, of forests, bush prairie, pampas, or jungle, and the clearing of lands by fire;
 - (j) Loss or damage to any electrical machine or apparatus or to any portion of an electrical installation arising from or occasioned by over-running, excessive pressure, short-circuiting, arcing, self-heating or leakage of electricity from whatever cause (lightning included), unless fire ensues there from and, liability shall be limited to actual damage by the ensuing fire.
5. This insurance does not cover any loss or damage to property which, at the time of the happening of such loss or damage, is insured by or would be, but for the existence of the Policy, be Insured by any Marine Policy or Policies except in respect of any excess beyond the amount which would have been payable under the Marine Policy or Policies had this insurance not been effected.

SHORT PERIOD RATE SCALE

It is hereby agreed that, in the event this Insurance Policy is issued for a period of less than one (1) year or 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:
5 days	6% of the annual premium
10 days	10% of the annual premium
15 days	13% of the annual premium
20 days	17% of the annual premium
1 month	20% of the annual premium
2 months	30% of the annual premium
3 months	40% of the annual premium
4 months	50% of the annual premium
5 months	60% of the annual premium
6 months	70% of the annual premium
7 months	75% of the annual premium
8 months	80% of the annual premium
9 months	85% of the annual premium
10 months	90% of the annual premium
11 months	95% of the annual premium

ENDORSEMENTS

The following endorsements are deemed part of Cocogen's Fire - Residential Policy if and only when indicated on the Policy Schedule.

EARTHQUAKE, FIRE AND SHOCK ENDORSEMENT

In consideration of the payment by the Insured to the Company of the sum of additional premium, the Company agrees notwithstanding what is stated in the printed conditions of this Policy to the contrary, that this insurance

covers loss or damage (including loss or damage by fire) to any of the property Insured by this Policy occasioned by or through or in consequence of Earthquake.

Provided always that all the conditions of this Policy shall apply (except in so far as they may be hereby expressly varied) and that any reference therein to loss or damage by fire shall be deemed to apply also to loss or damage occasioned by or through or in consequence of Earthquake.

AVERAGE - If the property hereby insured shall on the consequence of any loss or damage be collectively of greater value than the sum insured thereon, then the Insured shall be considered as being his own insurer for the difference and shall bear a ratable proportion of the loss accordingly. Every item, if more than one, of the Policy shall be separately subject to the conditions.

CONSEQUENTIAL LOSS - No consequential loss or damage of any kind or description nor any loss or damage caused by confiscation or willful destruction by Government or any Municipal or Local Authority is covered.

EXCESS CLAUSE - It is UNDERSTOOD AND AGREED THAT the Insured shall bear that portion of the loss or damage caused by earthquake to each affected item of Insured property equivalent to 2% of its actual cash value at the time of loss, for each claim or series of claims arising out of one occurrence. For the purpose of this clause, the following shall be considered as separate items of insured property, regardless of what is indicated in the Policy Schedule:

1. Each building, including machinery, equipment and fixtures normal to its operation;
2. All machinery and equipment contained in each building;
3. All stocks in trade (raw materials, work-in-process, supplies and finished goods) contained in each building.
4. All other contents contained in each building.

All losses caused by earthquake or series of earthquakes (whether continuous or sporadic or whether or not due to the same seismic conditions) during each period of forty-eight (48) consecutive hours commencing from the first tremor shall be considered as arising out of one occurrence.

In case of other insurances on the same item of property, this clause shall apply only once regardless of the number of policies or insurers.

It is further understood and agreed that in the computation of the claims payable, Policy Condition No. 14 (Average Clause) shall apply after the application of the deductible provided herein.

IT IS FURTHER UNDERSTOOD AND AGREED THAT notwithstanding what is stated in Policy Condition No. 6 and Short Period Rate Scale of this Policy to the contrary, if this Policy is issued for a period of less than one (1) year or if this Policy is surrendered by the Insured for cancellation, the premium shall be charged or retained in accordance with the following scale or percentages of the annual rate:

Period of Coverage	Percentage (%) of the Annual Rate
From inception up to three (3) months	50%
In excess of three (3) months up to six (6) months	75%
After six (6) months	100%

EXTENDED COVERAGE ENDORSEMENT

In consideration of the payment by the Insured to the Company of an additional premium, it is hereby agreed that this insurance, as herein defined subject to the special conditions hereinafter contained, extends to include loss or damage directly caused by explosion, aircraft, vehicle and smoke.

PROVISION APPLICABLE TO EXPLOSION

Loss of or damage to the property insured by fire or otherwise directly caused by explosion, but excluding loss of or damage to boilers, economizers or other vessels, machinery or apparatus in which pressure is used or their contents resulting from their explosion, and rotating parts of machinery, including the machinery itself, caused by centrifugal force.

The following are not explosions within the intent or meaning of this endorsement:

1. Concussion unless caused by explosion,
2. Electrical arcing,
3. Water hammer,
4. Rupture or bursting of water pipes

Provided always that all the conditions of the Policy (except insofar as General Exclusion No. 4 (h) is hereby expressly varied) shall apply as if they had been incorporated herein and for the purpose hereof, any loss or damage by explosion as aforesaid shall be deemed to be loss or damage by fire within the meaning of this Policy.

SPECIAL CONDITIONS

1. The Company shall not be liable under this extension for loss or damage occasioned by, or through or in consequence, directly or indirectly, of any act of any person acting on behalf of, or in connection with any organization with activities directed towards the overthrow by force of the Government "de jure" or "de facto" or to the influencing of it by terrorism or violence.

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

2. If there shall be any other fire insurance on the property insured under this Policy, the Company shall be liable only pro-rata with such other fire insurance for any loss or damage extended to cover loss or damage by explosion.
3. The Company shall not be liable under this extension for loss or damage which at the happening of such loss or damage is insured by or would, but for the existence of this extension, be insured by any other existing Policy or Policies, except in respect of any excess beyond the amount which would have been payable under such other Policy or Policies had this insurance not been effected.

PROVISIONS APPLICABLE TO AIRCRAFT AND VEHICLE

The term "vehicle" as used in this endorsement, means vehicles running on land or tracks but not aircraft. Loss by aircraft or by vehicles shall include only direct loss resulting from actual physical contact of an aircraft or a vehicle with the property covered hereunder or with the building the property covered hereunder, except that loss by aircraft includes direct loss by objects falling therefrom. The Company shall not be liable, however, for loss:

1. By any vehicle owned or operated by the Insured or by any tenant of the described premises;
2. By any vehicle to fences, driveways, walks or lawns;
3. To any aircraft or vehicle, including contents thereof, other than stocks of aircraft or vehicles in process of manufacture or for sale.

PROVISION APPLICABLE TO SMOKE

The term "smoke" as used in this endorsement, means only smoke due to a sudden, unusual and faulty operation of any heating or cooking unit, only when such unit is connected to a chimney by a smoke pipe or by a vent, and while in or on the premises described in this Policy, excluding however, smoke from fire places or industrial apparatus.

DEDUCTIBLE APPLICABLE TO EXPLOSION, AIRCRAFT, VEHICLE AND SMOKE

It is understood and agreed that the insured shall bear the first 1% of the sum insured on the affected item/s under this endorsement but not less than Php 1,000.00 nor more than Php 500,000.00 on any material damage loss from any of the above mentioned perils.

GENERAL CONDITIONS APPLICABLE TO EXPLOSION, AIRCRAFT, VEHICLE AND SMOKE

1. It is a condition of this insurance that the Insured undertakes to exercise all ordinary and reasonable precautions for maintenance and safety of the property.
2. The Company shall not be liable for loss or damage occasioned by or through or in consequence of the action or order of any government or public authority.
3. In the event of this endorsement being surrendered by the Insured for cancellation, the Company shall retain a premium in accordance with the following scale for the time this endorsement has been in force:

Period of Coverage	Percentage (%) of the Annual Premium
5 Days or less	6%
Up to 10 days	10%
Up to 15 days	13%

Up to 20 days	17%
Up to 1 month	20%
Up to 2 months	30%
Up to 3 months	40%
Up to 4 months	50%
Up to 5 months	60%
Up to 6 months	70%
Up to 7 months	75%
Up to 8 months	80%
Up to 9 months	85%
Over 9 months	The annual rate

4. Provided always that all the conditions on the Policy to which this endorsement is attached shall apply, except as they may be hereby expressly varied, and that any reference therein to loss or damage by Fire shall be deemed to apply also to loss or damage directly caused by the above named perils.

FLOOD ENDORSEMENT

In consideration of the payment by the Insured to the Company of an additional premium, it is hereby agreed that this insurance as herein defined, subject to the Special Conditions hereinafter contained, extends to include loss or damage directly caused by Flood. The term "Flood" is defined as the entry of water into the premises Insured, from without; due to the inundation of land not usually covered by water; by reason of an:

1. Extraordinary high tide, or
2. Following Typhoon, Cyclone and/or Windstorm, or
3. The bursting or overflowing of rivers, reservoirs, canals and the like.

SPECIAL CONDITIONS

1. It is a condition of this insurance that the Insured undertakes to exercise all ordinary and reasonable precautions for the maintenance and safety of the property.
2. Unless liability is specifically assumed by amendment to this endorsement, the Company shall not be liable for loss or damage to the following property:
 - (a) Goods in the open, or
 - (b) Drains, water courses, boundary walls, garden walls, retaining walls, gates, posts, fences, driveway roads, walks or bulk-heads.
3. The Company shall not be liable for:
 - (a) Loss or damage caused directly or indirectly by landslide, subsidence, cloudburst or explosion, whether incidental to Flood or not, nor by theft, whether occurring during or after a Flood, nor by the neglect of the Insured to use all reasonable means to save and preserve the property during and after the Flood.
 - (b) Loss or damage caused by overflowing, bursting or leakage of water tanks, pipes and other water apparatus; loss or damage caused by overflowing of gutters and down pipes or bursting or overflowing of municipal or other public water supply mains; loss or damage due to seepage, leakage or influx of water from basement walls, including doors, windows and other openings therein, foundations, basement floors and sidewalks or water which backs up through sewers or drains; loss or damage occasioned by high water unless directly caused by Flood as defined herein.
 - (c) Loss or damage occasioned by or through or in consequence of the action or order of any Government or Public Authority.
 - (d) Loss or damage to property which at the time of the happening of such loss or damage is insured by or would, but for the existence of this Policy, be insured by Marine or Plate Glass policy or policies.
 - (e) Consequential Loss or Damage of any kind or description whatsoever.

4. In the event of this Policy being surrendered by the Insured for cancellation, the Company shall retain 100% of the premium notwithstanding what is stated in Policy Condition No. 6 and Short Period Rate Scale of this Policy to the contrary.

Period of Coverage	Percentage (%) of the Annual Premium
1 month	20%
2 months	30%
3 months	40%
4 months	50%
5 months	60%
6 months	70%
7 months	80%
8 months	90%
In excess of 8 months	100%

5. IT IS UNDERSTOOD AND AGREED THAT the Insured shall bear that portion of the loss or damage caused by flood to each affected item of insured property equivalent to 2% of its actual cash value at the time of loss, for each claim or series of claims arising out of any one Flood occurrence the duration and extent of which shall be limited to 168 consecutive hours. For the purpose of this clause, the following shall be considered as separate items of insured property, regardless of what is indicated in the Policy Schedule:

- (a) Each building, including machinery, equipment and fixtures normal to its operation;
- (b) All machinery and equipment contained in each building;
- (c) All stocks in trade (raw materials, work-in-process, supplies and finished goods), contained in each building;
- (d) All other contents contained in each building.

In case of other insurances on the same item of property, this clause shall apply only once regardless of the number of policies or insurers.

It is further understood and agreed that in the computation of the claims payable, Policy Condition No. 14 (Average Clause) of this Policy shall apply after the application of the deductible provided herein.

6. Provided always that all the conditions of the Policy to which this endorsement is attached shall apply, except as they may be hereby expressly varied, and that any reference therein to loss or damage by Fire shall be deemed to apply also to loss or damage directly caused by Flood.

MALICIOUS DAMAGE ENDORSEMENT

It is hereby declared and agreed that the insurance under the said Riot and Strike Endorsement shall extend to include MALICIOUS DAMAGE, which for the purpose of this extension shall mean:

“Loss of or damage to the property insured directly caused by the malicious act of any person (whether or not such act is committed in the course of disturbance of the public peace) not being an act amounting to or committed in connection with an occurrence mentioned in Special Condition no. 6 of the said Riot and Strike Endorsement.”

But the Company shall not be liable under this extension for any loss or damage by fire or explosion nor for any loss or damage arising out of or in the course of burglary, housebreaking, theft or larceny or any attempt thereat or caused by any person taking part therein.

Provided always that all the conditions and provisions of the said Riot and Strike Endorsement shall apply to this extension as if they had been incorporated therein.

PERSONAL LIABILITY ENDORSEMENT

The Company will in respect of such accident occurring anywhere within the geographical area stated in the Policy Schedule hereto indemnify the Insured against all sum for which the Insured shall become liable to pay

as compensation for:

1. Death or Bodily Injury to and Disease or Sickness of any person not being a member of the Insured's family or household nor a person who at the time of the Accident is engaged in and upon the service of the Insured.
2. Damage to Property other than property belonging to or used by or in the custody or control of the Insured or a member of the Insured's family or household or a person in the service of the Insured or upon which the Insured or his servants are or have been operating caused by or through the fault or negligence of the Insured.

RIOT AND STRIKE ENDORSEMENT

In consideration of the payment of an additional premium, it is hereby declared and agreed that notwithstanding anything in the written Policy contained to the contrary, the insurance under this Policy shall extend to cover Riot and Strike damage which for the purpose of this Endorsement shall mean (subject always to the Special Conditions hereinafter contained).

Loss of or damage to the property insured directly caused by:

1. The act of any person taking part together with others in any disturbance of the public peace (whether in connection with a strike or lock-out or not), not being an occurrence mentioned in Condition 6 of the Special Conditions hereof.
2. The action of any lawfully constituted authority in suppressing or attempting to suppress any such disturbance or in minimizing the consequences of any such disturbance.
3. The willful act of any striker or locked-out worker done in furtherance of a strike or in resistance to a lock-out.
4. The action of any lawfully constituted authority in preventing or attempting to prevent any such act or in minimizing the consequences of any such act.

SPECIAL CONDITIONS

For the purposes of this Endorsement, but not otherwise, there shall be substituted for the respectively numbered Conditions of the policy the following:

CONDITION 5

This insurance does not cover:

- (a) Loss of earnings, loss by delay, loss of market or other consequential or indirect loss or damage of any kind or description whatsoever,
- (b) Loss or damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation.
- (c) Loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority.
- (d) Loss or damage occasioned by permanent or temporary dispossession of any building resulting from the unlawful occupation of any person of such building.

PROVIDED nevertheless that the Company is not relieved under (c) or (d) above of any liability to the Insured in respect of physical damage to the property insured occurring before dispossession or during temporary dispossession.

CONDITION 6

This insurance does not cover any loss or damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrences namely:

- (a) War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war.
- (b) Mutiny, civil commotion, assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power, or any act of any person acting on behalf of or in connection with any organization with activities directed towards the overthrow by force of the Government "de jure" or "de facto" or to the influencing of it by terrorism or violence.

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

CONDITION 7

Unless otherwise expressly stated in the Policy, this insurance does not cover:

- (a) Goods held in trust or on commission.
- (b) Bullion or unset precious stones.
- (c) Any curiosity or work of art for an amount exceeding Php 200.00.
- (d) Manuscripts, plans, drawings or designs, pattern, models or moulds.
- (e) Securities, obligations or documents or any kind, stamps, coined or paper money, cheques, books of account or other business books, computer systems records.

CONDITION 10

This insurance may at any time be terminated by the Company on notice to that effect being given to the Insured, in which case, the Company shall be liable to repay a ratable proportion of the premium for the unexpired term from the date of cancellation. If the insurance be terminated at the request of the Insured, the Company shall not be liable to repay the premium or any part of it, except insofar as the insurance applies to stocks in respect of which the Company shall retained premium calculated according to its customary short period scale for the time the said insurance has been in force.

CONDITION 17 (Where the Fire Policy is subject to Average)

If the property hereby insured shall at the breaking out or any fire or at the commencement of any destruction of or damage to such property by any other peril insured against by this Endorsement, be collectively of greater value than the sum insured thereon, then the Insured shall be considered as being his own insurer for the difference and shall bear a ratable share of the amount of the subject to this Condition.

CONDITION 17 (Where the Fire Policy is not subject to Average)

In all cases where any other subsisting insurance or insurances effected by the Insured or by any other person covering any of the property hereby insured, either exclusively or together with any other property in and subject to the same risk only, shall be subject to Average, the insurance on such property under this Endorsement shall be subject to Average in like manner, but in any event, the Company shall not be liable to pay or contribute in respect of any loss or damage beyond the proportion which the sum insured by this Endorsement shall bear to the total insurance, whether effected by the Insured or not, on the same property against ordinary fire loss.

PROVIDED that it is hereby further expressly declared and agreed that:

1. All the conditions of this Policy shall apply in all respects to the insurance granted by this extension save insofar as the same are expressly varied by the above Special Conditions and any reference to fire in (the Conditions of the Policy shall be deemed to include the perils hereby insured against.
2. The Special Conditions herein shall apply only to the insurance granted by this extension and the Conditions of the Policy shall in all respects to the insurance granted by the Policy as if this Endorsement had not been made thereon.

TYPHOON ENDORSEMENT

In consideration of the payment by the Insured to the Company of an additional premium, it is hereby agreed that this insurance as herein defined, subject to the Special Conditions hereinafter contained, extends to include loss or damage directly caused by Typhoon. The term "Typhoon" as used in this Endorsement shall be understood to mean a Typhoon or Storm as recorded by the Weather Bureau.

SPECIAL CONDITIONS

1. It is a condition of this insurance that the Insured undertakes to exercise all ordinary and reasonable precautions for the safety of the property.

2. Unless liability is specifically assumed by amendment to this endorsement, the Company shall not be liable for loss or damage to buildings in the course of construction or reconstruction (or their contents), unless directly enclosed and under roof with all outside doors and windows permanently in place or property contained in any portion of any building described in this Policy not completely enclosed and roofed.
3. The Company shall not be liable for:
 - (a) Loss or damage caused directly or indirectly by flood, tidal wave, high water or overflow, whether driven by wind or not. This Company shall not be liable for loss and/or damage caused directly or indirectly by backing up of sewers, drains, canals, creeks, rivers and/or storm drainage system.
 - (b) Loss or damage caused directly or indirectly by landslide, subsidence, cloudburst or explosion, whether incidental to Typhoon or by theft, whether occurring during or after a Typhoon or by the neglect of the Insured to use all reasonable means to save and preserve the property during and after a Typhoon.
 - (c) Loss or damage caused by rain whether driven by wind or not unless the building insured or containing the property insured shall first sustain an actual damage to roof or walls by the direct force of a Typhoon and shall then be liable for such loss or damage to the building or insured property therein as may be caused by rain entering the building through openings in the roof or walls made by direct action of such Typhoon.
 - (d) Water damage as a result of doors, windows, transoms or roof lights being left open, notwithstanding the existence or presence of a Typhoon.
 - (e) Loss or damage to any building, or the contents thereof, if on the happening of such loss or damage, the building was already in a damaged, defective, fallen or displaced condition as regards foundations, walls, ceilings, roof gutters and flushing, roof lights, air vents, doors, windows and transoms.
 - (f) Loss or damage occasioned by or through or in consequence of the action or order of any Government or Public Authority.
4. In the event of this Policy being surrendered by the Insured for cancellation, the company shall retain 100% of the premium notwithstanding what is stated in Policy Condition No. 6 and Short Period Rate Scale of this Policy to the contrary.

Period of Coverage	Percentage (%) of the Annual Premium
5 Days or less	6%
Up to 10 days	10%
Up to 15 days	13%
Up to 20 days	17%
Up to 1 month	20%
Up to 2 months	30%
Up to 3 months	40%
Up to 4 months	50%
Up to 5 months	60%
Up to 6 months	70%
Up to 7 months	75%
Up to 8 months	80%
Up to 9 months	85%
Over 9 months	The annual rate

5. IT IS UNDERSTOOD AND AGREED THAT the Insured shall bear that portion of the loss or damage caused by typhoon to each affected item of insured property equivalent to 2% of its actual cash value at the time of loss for each claim or series of claims arising out of any one (1) Typhoon occurrence the duration and extent of which shall be limited to 16 consecutive hours. For the purpose of this clause,

the following shall be considered as separate items of insured property, regardless of what is indicated in the Policy schedule:

- (a) Each building, including machinery, equipment and fixtures normal to its operation;
- (b) All machinery and equipment contained in each building;
- (c) All stocks in trade (raw materials, work-in-process, supplies and finished goods) contained in each building.
- (d) All other contents contained in each building.

In case of other insurances on the same item of property, this clause shall apply only once regardless of the number of policies or insurers.

It is further understood and agreed that in the computation of the claims payable, Condition No. 14 (Average Clause) of this Policy shall apply after the application of the deductible provided herein.

6. Provided always that all the conditions of the Policy to which this endorsement is attached shall apply, except as they may be hereby expressly varied, and that any reference therein to loss or damage by Fire shall be deemed to apply also to loss or damage directly caused by Typhoon.