

HOME PROTECT LITE

GENERAL POLICY CONDITIONS

This Policy is subject to the following Standard Conditions:

1. If there be any material misdescription of any 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 in the manner provided herein.

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 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 now are 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 therefor have actually been paid in full and duly acknowledged in receipt signed by any authorized official or representative/agent of the company in such a 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 property or properties 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 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 Php200,000.00
4. All insurances 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
 - i. of such building or of any part thereof,
 - ii. of the whole or any part of any range of buildings or of 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 of any property contained therein subject to increase risk of fire or is otherwise material.

AND PROVIDED, that such fall or displacement is not caused by fire, loss or damage by which is covered by this Policy or would be covered if such building, range of building 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. This insurance does not cover:

- a. Loss or theft during or after the occurrence of a fire, unless such expected loss be the direct result of, or ultimately due and traceable to efforts to, rescue the insured property from the perils insured against which would have caused a loss.
- b. Loss or damage to property occasioned by its own fermentation, natural heating or spontaneous combustion (except in accordance with condition 8 (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
 - Subterranean fire

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. Earthquake, volcanic eruption or other convulsion of nature
- b. Typhoon, hurricane, tornado, cyclone or other atmospheric disturbances
- 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 rising, 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 proceedings where the company alleges that by reason 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.

7. This insurance does 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 arising from nuclear weapons material.

8. Unless expressly stated, the insurance does not cover:
- Goods held in trust or in commission
 - Bullion or unset precious stones
 - Any curiosity or work of art for an amount exceeding Php 200.00
 - Manuscripts, plans, drawings, or designs, patterns, models or moulds
 - Securities, obligations or documents of any kind, stamps, coined or paper money, cheques, book of account or other business books, computer system records
 - Coal against loss or damage occasioned by its own spontaneous combustion
 - Explosives
 - Loss as a consequence of explosion (except explosion of gas used for illumination and domestic purposes)
 - Forest Fires, Bush / Prairie / Jungle Fire, clearing of lands by fire
 - Damage to electrical machines due to over-running, excessive pressure, short-circuiting, arcing, self-heating, or leakage of electricity from whatever cause unless fire ensues there from and liability shall be limited to actual damage by the ensuing fire
9. Under any of the following circumstances the insurance ceases to attach as regards the property affected 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.
- 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 of damage by fire.
 - If the building insured or containing the insured property becomes unoccupied and so remain for a period of more than 30 days.
 - If property insured be removed to any building or place other than in that which is herein stated to the insured.
 - If the interest in the property insured passes from the Insured otherwise than by will or operation of law.
10. The 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.
11. This Policy shall not be cancelled by or on behalf of the Company except in accordance with and pursuant to the provisions of Section 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 assured, likewise, this Policy may be cancelled on the short rate basis set forth in the short rate cancellation table at the request of the Assured.
12. If this Policy is issued for a period less than one year or if this Policy is surrendered by the Insured for the cancellation, premium shall be charged or retained in accordance with the following scale of percentage of the annual rate:
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|----------------------|-----------------------------|
| 5 days or less - 6% | Up to 4 months - 50% |
| Up to 10 days - 10% | Up to 5 months - 60% |
| Up to 15 days - 13% | Up to 6 months - 70% |
| Up to 20 days - 17% | Up to 7 months - 75% |
| Up to 1 month - 20% | Up to 8 months - 80% |
| Up to 2 months - 30% | Up to 9 months - 85% |
| Up to 3 months - 40% | Over 9 months - annual rate |
13. The Insured shall give immediate written notice to the Company of any loss, protect the property from further damage, forthwith separate the damage and undamaged personal property, put 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; AND WITHIN SIXTY 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 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 the books of account, bills, invoices and other vouchers, or certified copies thereof if originals be 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.

14. On the happening of any loss or damage to any property insured by this policy, the Company may
 - a. Enter and 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 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 take possession of the company or not.

15. If the claim be in any respect fraudulent, or if any false declaration be made or used in support thereof, 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.
16. The Company may at its option reinstate or replace the property damaged or destroyed, or any part thereof, instead of paying the amount of 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 selects 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.

17. 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.
18. Subject to and in accordance with pertinent provisions of 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.
19. 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.
20. If the property 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.
21. The following provisions 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 substances or materials soaked therewith or containers thereof or any mechanical, electrical, chemical or electrical contrivance designed to start a fire or ashes or traces of any foregoing are found in the ruins of premises of the burned building property.
 - d. If the building or property is insured 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 desistance of the offender or for the safety of the person or property of the victim.
22. All differences as to the amount of any loss or damage covered by this Policy shall be referred to the decision of the arbitrator to be appointed by the parties in difference 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 to do so 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 the arbitrator or arbitrators or umpire shall be a condition precedent to any right of action against the Company, only in cases of differences as to amount of the liability arising out of this Policy.
23. The provision of Article 1250 of the Civil Code of the Philippines (Republic Act No. 386) which reads: "In case an extra ordinary 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.
24. The amount of insurance shall be reduced automatically by the amount of any claim paid under this Policy.
25. Every notice and other communication to the Company required by these conditions must be written or printed.
26. Renewal Clause- Unless the Company at least forty-five days in advance of the end of the policy period mails or delivers to the Assured 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 Assured shall be entitled to renew the Policy upon payment of the premium due on the effective date of renewal.
27. Action or Suit Clause – If a claim be made and rejected and an action or suit be not 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 or umpire, then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.
28. Changes in Policy Clause- None of the provisions, conditions and terms of this Policy shall be waived or altered except by endorsement signed or initialled by an authorized official of the Company and issued whenever applicable in accordance with the provisions of Section 50 of the Insurance Code.
29. 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 days after proof of loss or damage 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 had or made within sixty days after such receipt by the Company of the proof of loss, then the loss or damage shall be paid within ninety days after such receipt. Refusal or failure to pay the loss or damage within the time prescribed herein will entitle the Assured to collect interest on the proceeds of the Policy for the duration of the delay at the rate of SIX PERCENT PER ANNUM, unless such failure or refusal to pay is based on the grounds that the claim is fraudulent.

CONFISCATION OF OBJECT OF ARSON – The building which is the object of arson including the land of which 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.

War, Terrorism and Sabotage Exclusion Endorsement

"Notwithstanding any provision to the contrary within this insurance or any endorsement thereto, it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any 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 or Sabotage

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 thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

Terrorist groups or organizations include, but are not limited to, any organization, association, or group of persons classified and/or declared as terrorists or outlawed organizations by competent courts in the Philippines, the Department of Interior Local Government, the Department of National Defense, the Department of Justice, Local Government Units, any Philippine government agency or official charged with law enforcement, and/or those declared/classified as such by the International Anti-Money Laundering Council or the United States of America Department of State's Bureau of Counter-Terrorism.

The Assured expressly and unconditionally agrees that any of the following circumstances shall be sufficient basis to establish that such is an act of Terrorism and/or of a Terrorist group or organization, and therefore the claim on which it is based is non-compensable and/or deniable:

1. A declaration by a duly elected or appointed government official that the cause of the loss and/or damage as an act of Terrorism, or as an act perpetuated by a person or persons identified with terrorist groups.
2. Any report from the Department of Interior and Local Government, Department of National Defense, Department of Justice, or any government agency or official charged with law enforcement, declaring such act as one of terrorism, or perpetrated by person/s identified with a terrorist group. In case of conflict between the reports issued by any of these Departments or their agencies, the report pronouncing that the act is one of terrorism, or perpetrated by person/s identified with a terrorist group, shall prevail.
3. A statement issued by any person or persons claiming responsibility for the act which caused the loss and/or damage, and such person or persons are associated, affiliated, identified or a member of a terrorist group/s. Such statement/s shall be sufficient evidence of terrorism even if the person or persons issuing the statement will neither testify in court to identify such statement/s nor execute any sworn statement identifying the same.

4. A demand for money, revolutionary tax or other valuable consideration is made before or after the act or acts which caused the loss and/or damage, and such demand is in exchange for the desistance of the offender or for the safety of the person or property of the victim, and the demand is made by a person or persons associated, affiliated, identified or a member of a terrorist group/s.

The Assured acknowledges and confirms that he has read and thoroughly understood this endorsement, and that in case of denial, there is no need for the Insurer to present any other proof other than any of the mentioned (1) declaration, (2) report, (3) statement or (4) demand.

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

Residential Occupancy Warranty

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 condition renders this policy null and void.

Class A Building Construction Warranty

Warranted that outer walls of the building shall be made of concrete, concrete hollow blocks, reinforce concrete, glass and/or metal, and roof shall be made of galvanize iron sheets, long-span roof and/or concrete roof deck, with not presence of wood or light materials.

Violation of this warranty shall make the policy null and void.

Documentary Stamp Tax Clause

Under pertinent regulations of the Bureau of Internal Revenue, liability for documentary stamp tax (DST) accrues upon issuance of the insurance policy. Hence, in the event of policy cancellation, liability for the DST subsists and the same shall be chargeable to the assured. Therefore, payment of the corresponding DST is immediately due and payable, i.e., "cash & carry" basis, as soon as the assured receives a copy of the policy."

Data Privacy

It is hereby declared that as a condition precedent to the liability of the Company, the Insured has agreed that any personal information collected or held by the Company is provided and may be held, used and disclosed by the Insured to individual/organizations associated with the Company or any selected third party (within or outside the country where the Insured is domiciled) for the purposes of processing the application and providing subsequent services to the Insured for such purposes. The Insured has the right to obtain access to and to request correction of any personal information held by the Insurer concerning the Insured.