

**Group Policyholder: Globe Telecom, Inc.  
Group Policy Number: GTC05005**

**ACE Travel Insurance  
TELCO POLICY  
(International)**

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

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

## DEFINITIONS

1. **"Accident"** as referred to in the definition of Bodily Injury, means a sudden, unforeseen and fortuitous event.
2. **"Accidental Death"** means death occurring as a result of an injury.
3. **"Benefit Amount"** means the respective Benefit Amount, as stated in the Policy Schedule payable by ACE Insurance under the terms and conditions of this Policy in respect of each event or loss covered by this Policy.
4. **"Bodily Injury" or "Injury"** means accidental bodily injury occurring while this Policy is in force, resulting solely, directly and independently of all other causes from an Accident caused by external, violent and visible means.
5. **"Confirmation of Cover"** means the SMS ('Short Message Service') sent by Partner Telco or Policyholder to the Insured confirming the activation of the roaming service or the registration for the roaming plan, as the case may be, and informing the Insured regarding the free travel insurance coverage under this Policy.
6. **"Common Carrier"** means any fixed-wing aircraft provided and operated by an airline company which is duly licensed for the regular transportation of fare-paying passengers, and which has fixed and established routes.
7. **"Confined" or "Confinement"** means confinement for a continuous uninterrupted period in a Hospital as a Resident In-patient upon the advice of and under the regular care and attendance of a Physician.
8. **"Dependent Children"** means the Insured's unmarried dependent children, including stepchildren or legally adopted children, who are aged between two-weeks old and eighteen (18) years old or, who are over eighteen (18) years old and twenty-one (21) years old where they are full-time students at an accredited institution of higher learning and are primarily dependent upon the Insured for maintenance and support.
9. **"Effective Date"** means the date on which insurance under this Policy commences as stated in the Policy Schedule.
10. **"Eligibility"** means to be eligible for cover under this Policy, the Insured/s must be at least two (2) weeks old but not more than seventy-five (75) years old on the Effective Date of insurance as stated in the Policy Schedule.
11. **"Expiry Date"** means the date on which insurance under this Policy expires or ends as stated in the Policy Schedule.
12. **"Hijack"** means any seizure or exercise of control by force or violence or threat of force or violence, and with wrongful intent, of an aircraft.
13. **"Hospital"** means a legally constituted establishment operated pursuant to the laws of the country in which it is based, which holds a license as a hospital and meets the following requirements:
  - (i) operates primarily for the reception, care and medical care and treatment of sick, ailing or injured persons as in-patients;
  - (ii) provides full-time nursing service by and under the supervision of a staff of Nurses;
  - (iii) has a staff of one or more Physicians available at all times:

- (iv) maintains organized facilities for the medical diagnosis and treatment of such persons, and provides ( where appropriate ) facilities for major surgery within the confines of the establishment or in facilities controlled by the established; and
- (v) is not primarily a clinic, nursing, rest or convalescent home or similar establishment and is other than a place for alcoholics or drug addicts.

Hospital shall not include the following:

- (i) a mental institution; an institution confined primarily to the treatment of psychiatric disease including sub-normality; the psychiatric department of a hospital;
  - (ii) a place for the aged; a rest home; a place for drug addicts or alcoholics; or
  - (iii) a health hydro or nature cure clinic; a special unit of a hospital used primarily as a place for drug addicts or alcoholics, or nursing, convalescent, rehabilitation, extended-care facility or rest home.
14. **“Immediate Family Member”** means the Spouse, parent, parent-in-law, step-parent, child, brother, sister, brother-in-law, sister-in-law, daughter-in-law, son-in-law, half brother, half sister, niece, nephew, uncle, aunt, stepchild, grandparent or grandchild provided such person is at the relevant time not more than seventy five (75) years of age.
  15. **“Insured”** means the subscribers of the Policyholder who satisfy the Eligibility condition at the Scheduled Departure Date.
  16. **“International Trip”** means a trip undertaken by the Insured which starts in the Republic of the Philippines for the purpose of travelling outside the territorial limits of the Republic of the Philippines.
  17. **“Limb”** includes a hand or foot.
  18. **“Loss”** means, with respect to hands and feet, actual severance through or above wrist or ankle joints; with respect to eyes, entire and irrecoverable loss of sight; with respect to thumb and index finger, actual severance through or above metacarpophalangeal joints, and in each case caused by an Accidental Injury. This term shall not include loss of use of a part of the body.
  19. **“Loss of Hearing”** means permanent irrecoverable and complete loss of hearing.
  20. **“Loss of Sight”** means the total and irrecoverable loss of all sight of an eye which is beyond remedy by surgical or other treatment.
  21. **“Loss of Speech”** means the disability in articulating any three of the four sounds which contributes to speech such as the Labial sounds, the Alveololabial sounds, the Palatal sounds and the Velar sounds or the total loss of vocal cord or damage of speech center in the brain resulting in Aphasia.
  22. **“Loss of Use”** means, with respect to a part of the body, the complete inability of the part of the body to function as a result of an Injury sustained on that part.
  23. **“Medical Necessary Expenses”** means expenses, sustained by Injury, incurred by the Insured from a legally qualified medical practitioner, physician, surgeon, nurse, hospital and/or ambulance service for medical, surgical, x-ray, hospital or nursing treatment including the cost of medical supplies and ambulance hire.
  24. **“Nurse”** means a nurse duly licensed and practicing within the scope of their license pursuant to the laws in the geographical area of practice and shall not include the Insured or his Spouse or any of his Immediate Family Members unless approved by ACE Insurance.
  25. **“Overseas”** means anywhere outside the Republic of the Philippines.
  26. **“Partner Telco or Policyholder”** means the named Policyholder under this Policy or the policy owner of this Policy.
  27. **“Period of Insurance”** means the period of individual insurance coverage of the Insured as stated in the Policy Schedule and Confirmation of Cover.
  28. **“Permanent Loss”** means:

- (i) physical severance or total loss of the use of a Limb having lasted twelve (12) consecutive months and at the expiry of that period is beyond hope of improvement;
  - (ii) irrecoverable loss of all sight in an eye;
  - (iii) entire and irrecoverable loss of hearing;
  - (iv) entire and irrecoverable loss of the ability to speak; which in each case caused by a Bodily Injury.
29. **“Permanent Total Disability”** means disablement, which having lasted for at least twelve (12) consecutive months and will in all probability, entirely prevent the Insured from engaging in gainful employment of any and every kind for the remainder of his life.
30. **“Physician”** means a physician or surgeon duly licensed and practicing within the scope of their license pursuant to the laws in the geographical area of practice and shall not include the Insured or his Spouse or any of his Immediate Family Members unless approved by ACE Insurance.
31. **“Policy”** means this document and the Policy Schedule describing the insurance contract between Policyholder and ACE Insurance. It shall also include, after this Policy has taken effect, any amendment, rider, clause, warranty, endorsement or any other document attached to this Policy and which has been endorsed by an authorized executive officer of ACE Insurance and countersigned by the Policyholder.
32. **“Policy Schedule”** means the Schedule of Benefits attached to this Policy.
33. **“Pre-Existing Condition”** means condition for which an Insured has been diagnosed, received medical advice, consultation, treatment or prescribed drugs by a currently licensed Physician or surgeon within a twelve (12)-month period prior to the Effective Date of the Insured’s coverage. “Condition” as used herein means any specific injury, disease or infirmity requiring medical treatment, advice or medication, including all underlying or related conditions.
34. **“Resident In-patient”** means an Insured whose Confinement is as a resident bed patient and whose Confinement is covered by this Policy and not merely for any form of nursing, convalescence, rehabilitation, rest or extended-care.
35. **“Scheduled Departure Date”** means the date on which the Insured is scheduled to depart as set out in his travel ticket.
36. **“Schedule of Benefits”** means the summary of benefits, which will form part of this Policy.
37. **“Serious Sickness”** means Sickness certified as being life threatening and requiring immediate treatment by a Physician and which results in the Insured Persons or Immediate Family Member being certified by that Physician as unfit to travel or to continue with his/her original flight.
38. **“Sickness”** means physical condition marked by a pathological deviation from the normal healthy state as verified by a Physician.
39. **“Single Trip Policy”** means a policy issued to the Insured(s) where the Insured can only make a single Trip to the selected destination of travel during the Period of Insurance.
40. **“Spouse”** means the legally married spouse of the Insured.
41. **“Strike”** means organized industrial action or any temporary stoppage of work by the concerted action of the Airline’s employees as a result of an industrial or labor dispute.
42. **“Trip”** means an International Trip made by the Insured.
43. **“Unforeseen Circumstances”** means adverse weather conditions, act of God, mechanical breakdown or derangement of the aircraft, the Insured is denied boarding due to over-booking of the scheduled flight, or the inability to travel back to country of residence due to Sickness or Bodily Injury sustained by the Insured during the Trip.

## **EFFECTIVE AND TERMINATION DATES OF INDIVIDUAL INSURANCE**

All benefits, except Trip Cancellation, commence:

- (i) two (2) hours before the scheduled flight departure time for Insureds who register for the roaming plan before the Scheduled Departure Date; or
- (ii) upon Insureds receipt of the confirmation of registration from the Partner Telco or Policyholder for Insureds who register for the roaming plan when already at the travel destination; or
- (iii) upon Insured's receipt of the confirmation of activation of roaming service from the Partner Telco or Policyholder for Insureds who activate the roaming service upon arrival at the travel destination;

This insurance is only effective if the Insured activated the insurance before becoming aware of any circumstances which may lead to a claim under this Policy.

For Trip Cancellation, the benefit takes effect upon Insureds' registration for the roaming plan before the Scheduled Departure Date.

All benefits, except Trip Cancellation, cease on whichever of the following occurs first:

- (i) upon Insureds' 100% usage of the consumable roaming plan amount;
- (ii) upon reaching the maximum days of roaming plan effectivity;
- (iii) two (2) hours after the scheduled flight arrival time in the Philippines;
- (iv) on the date stated in the Policy Schedule or any subsequent endorsements issued by ACE Insurance to amend the travel dates as requested by the Policyholder or Insured;
- (v) the Insured's return to his/her place of residence or employment.

## **LIMITS OF COVERAGE:**

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

- (i) Upon the expiry of any Period of Insurance during which the Insured ceases to satisfy any of the eligibility requirements set out herein;
- (ii) Upon the death of the Insured.

2. Termination of cover under this Policy in respect of the Policyholder shall automatically terminate cover for all other Insureds.

## **DESCRIPTION OF BENEFITS**

### **SECTION 1: MEDICAL NECESSARY EXPENSES BENEFIT**

ACE Insurance will pay the Insured up to Benefit Amount as stated in the Policy Schedule subject to the terms and conditions of this Policy for the expenses for medical attention and treatment which the Insured incurred while on a Trip for Bodily Injury suffered by the Insured solely and independently of any other causes. ACE Insurance will also pay the Insured for the expenses for medical attention and treatment which the Insured incurred upon return from the Trip provided that the Insured is confined to a Hospital directly as a result of Bodily Injury suffered on a Trip. Initial treatment for such Bodily Injury must be received during the Trip and all Medical Necessary Expenses must be incurred within thirty (30) days from the date the Insured returns to his residence. Admission to a Hospital must be within twelve (12) hours after arrival from a Trip and must be a continuation of medical attention sought while on a Trip. In no event shall the total amount payable under this Section exceed one hundred percent (100%) of the Benefit Amount stated in the Policy Schedule.

## SECTION 2: PERSONAL ACCIDENT BENEFIT

If, during the Period of Insurance, whilst the Insured is on a Trip and as a result of an Accident, the Insured sustains Bodily Injury and it causes Accidental Death or Permanent Total Disability within one hundred eighty (180) days from the date of the Accident, or causes the Insured to receive continuous medical treatment as a Resident In-patient in a Hospital and loss of life occurs later because of such Injury, ACE Insurance will pay compensation in accordance with the Benefit Amount as stated in the Policy Schedule, subject to the limits provided in the table below:

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

The occurrence of any specific Loss for which indemnity is payable under this Section to an Insured shall at once terminate this Policy for such Insured, but such termination shall be without prejudice to any other claim originating from the Accident causing such Loss. In case indemnity for more than one Loss is payable under this Section, only the Loss entitled to the greatest amount under this Section shall be paid.

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

- (i) Insured who are at least eighteen (18) years old but not more than seventy-five (75) years old on the date of the Accident, will receive 100% of all benefits;
- (ii) Insured who are between two (2) weeks old and eighteen (18) years old on the date of the Accident will receive one hundred percent (100%) of all the benefit amounts as stated in the Policy Schedule, except for the Personal Accident Benefit where such Insured will receive fifty percent (50%) of the Personal Accident Benefit.

### **ADDITIONAL EXCLUSIONS APPLICABLE TO: Medical Necessary Expenses Benefit (Section 1) Personal Accident Benefit (Section 2)**

Sections 1-2 of this Policy do not cover Loss or Injury, and ACE Insurance will not in any event be liable in respect of any claim under Sections 1-2, occurring, caused by, resulting from or contributed to by the following:

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

8. Any medical treatment received during the Trip which was made for the purpose of receiving medical treatment or if the Trip was undertaken while the Insured was unfit to travel;
9. Experimental or investigative procedures;
10. Action of the Insured while under the influence of alcohol, addictive drugs, narcotic drugs to the extent of being unable to control one's mind. The term "under the influence of alcohol" means that the Insured's blood/alcohol level was equal to or superior to that fixed by the law/s regulating the use of automobiles, based on the results of a blood test.
11. Any Pre-Existing Conditions;
12. AIDS or any injury or sickness commencing in the presence of a zero-positive test for HIV, and HIV-related disease;
13. Mental and nervous disorders, including but not limited to insanity;
14. Venereal disease;
15. Cosmetic surgery, apart from reconstructive surgery required by a covered Accident;
16. Any treatment or surgical operation for congenital deformities and circumcision;
17. Treatment arising from any geriatric, psycho-geriatric or psychiatric condition, stress, anxiety and depression, psychoanalytic treatment, stays in rest homes, physiotherapy and detoxification, care provided by a chiropractor or osteopath;
18. Vaccinations and their complications;
19. Ophthalmological care, eyeglasses, contact lenses, hearing aids, dental care (unless such treatment is necessarily incurred to sound and natural teeth) and dentures, unless they are the direct consequence of a covered Accident;
20. Treatment for obesity, weight reduction or weight improvement; or
21. Any expenses incurred for transportation, accommodation or services provided by another party for which the Insured is not liable to pay, or any expenses already included in the cost of a scheduled Trip.
22. Any expenses incurred in relation to treatment that can be reasonably delayed until the Insured Person returns to his place of residence.

### **SECTION 3: TRIP CANCELLATION BENEFIT**

During the Period of Insurance, ACE Insurance will pay the Insured up to Benefit Amount as stated in the Policy Schedule subject to the terms and conditions of this Policy for loss of travel fare and/or accommodation expenses paid in advance by the Insured and for which the Insured is legally liable and which are not recoverable from any other source consequent upon the cancellation of the Trip necessitated by the following:

- (i) occurring within (30) days before the Scheduled Departure Date:
  - a. death, Injury or Sickness or compulsory quarantine of the Insured or Immediate Family Member,;
  - b. unexpected outbreak of Strike, riot, or civil commotion at the scheduled destination arising out of circumstances beyond the control of the Insured; or
  - c. receipt of witness summons or jury service.
- (ii) occurring within seven (7) days before the Scheduled Departure Date:
  - a. serious damage to the Insured's residence from fire, flood or similar natural disaster (typhoon, earthquake, etc.), which requires the presence of the Insured on the premises on the Scheduled Departure Date.

### **SECTION 4: TRIP CURTAILMENT BENEFIT**

During the Period of Insurance, ACE Insurance will pay the Trip Curtailment Benefit if a Trip is interrupted (a) due to Bodily Injury or Serious Injury or Sickness of the Insured or (b) due to Bodily Injury, Serious Injury or Sickness or Accidental Death of an Immediate Family Member causing the Insured to return directly to his place of residence.

In either case, ACE Insurance will pay for one of the following:

- (1) the forfeited/non-refundable payments or deposits made by the Insured up to the Benefit Amount stated in the Policy Schedule; or
- (2) additional transportation and accommodation expenses incurred by the Insured from the place that the Insured left the Trip to the place that the Insured may rejoin the Trip up to the Benefit Amount stated in the Policy Schedule.

However, the benefits payable under (2) above will not exceed the cost of an economy airfare ticket (or first class airfare ticket, if the Insured's original tickets were first class) by the most direct route, less any refund or settled claims.

**ADDITIONAL EXCLUSIONS APPLICABLE TO:  
Trip Cancellation Benefit (Section 3)  
Trip Curtailment Benefit (Section 4)**

Sections 3 and 4 of this Policy do not cover Loss or Injury, and ACE Insurance will not in any event be liable in respect of any claim under Sections 3 or 4, occurring, caused by, resulting from or contributed to by the following:

1. Pregnancy and its complications;
2. Pre-Existing Conditions;
3. Illnesses or disorders of a psychological nature, nervous depression, mental illness, sexually-transmitted disease, AIDS, HIV infections and AIDS-related infections;
4. Suicide, attempted suicide or intentionally self-inflicted injury;
5. Failure to obtain required vaccinations before departure;
6. Travel arrangements interrupted by an airline, cruise line or tour operator, or an organized labor strike that affects public transportation;
7. Changes in plans by the Insured or an Immediate Family Member for any reason;
8. Financial circumstances of the Insured or an Immediate Family Member;
9. Any business or contractual obligations of the Insured or an Immediate Family Member;
10. Default by the person, agency or tour operator from whom the Insured bought his coverage or purchased his travel arrangements;
11. Any government regulations or prohibitions;
12. Loss or expense incurred as a result of Bodily Injury or Sickness of an Insured or an Immediate Family Member which manifests itself more than thirty (30) days immediately preceding the Period of Insurance. A Sickness has manifested itself when:
  - (a) medical care or treatment has been given; or
  - (b) there exists symptoms which would cause a reasonably prudent person to seek diagnostic care or treatment;
13. ACE Insurance will not pay for any loss caused directly or indirectly by government regulations or control, bankruptcy, liquidation or default of travel agencies, or common carrier-caused cancellation or interruption; or
14. ACE Insurance will not pay for any loss that is covered by any other existing insurance, government program or which will be paid or refunded by a hotel, travel agent or any other provider of travel and/or accommodation.

**SECTION 5: FLIGHT DELAY BENEFIT**

During the Period of Insurance, in the event that the departure of the Common Carrier in which the Insured had arranged to travel is delayed for at least twelve (12) consecutive hours, from the time specified in the Itinerary Page supplied to the Insured due to inclement weather, equipment failure or Strike or other job action by the employees of the Common Carrier, ACE Insurance will reimburse the Insured per twelve (12)-hour delay up to the Benefit Amount stated in the Policy Schedule subject to the terms and conditions of this Policy for:

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

**SECTION 6: LOSS OR DAMAGE OF BAGGAGE AND PERSONAL EFFECTS BENEFIT**

During the Period of Insurance, ACE Insurance will pay for all direct loss or damage to the Insured's baggage and personal effects within the baggage sustained during the Trip, up to the Benefit Amount as stated in the Policy Schedule, subject to the following conditions:

1. the baggage or personal effects must be in the possession of the Common Carrier or hotel management and proof of such loss must be obtained in writing from the Common Carrier's management or hotel management and such proof must be provided to ACE Insurance, or
2. if loss or damage is the result of the forceful taking of the baggage or personal effects by way of violent means or the threat of violence, such loss must be reported to the police having jurisdiction at the place of the loss no more than twenty-four (24) hours from the incident. Any claim must be accompanied by written documentation from such police.

ACE Insurance will pay for loss or damage to the Insured, as follows:

1. The amount payable in respect of any one item shall not exceed the Loss or Damage of Baggage and Personal Effects Benefit Amount as stated in the Policy Schedule, subject to a maximum amount per item as stated in the Policy Schedule.
2. ACE Insurance may make payment or at its own option, reinstate or repair as it may select in respect of articles not older than one (1) year.
3. ACE Insurance may make payment or at its own option, reinstate or repair subject to due allowance of wear and tear and depreciation in respect of articles of more than one (1) year.
4. ACE Insurance will pay for loss or damage to maximum of one (1) mobile device only per Insured per Trip.

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

**ADDITIONAL EXCLUSIONS APPLICABLE TO:**

**Loss or Damage of Baggage and Personal Effects Benefit (Section 6)**

The following classes of property are excluded from coverage, and ACE Insurance will not in any event be liable in respect of any claim under Sections 6 relating to the following classes of property:

1. Animals;
2. Motor vehicles (including accessories), motorcycles, boats, motors, any other conveyances;
3. Snow skis, bicycles, sailboards, golf clubs, tennis rackets and other sporting equipment except while checked in as baggage with a registered Common Carrier;
4. Household effects, keys, antiques, arts, collectors' items, jewelry, musical instruments, equipment for professional use;
5. Computers (including data recorded on tapes, cards, disks or otherwise, software and accessories);
6. Eyeglasses, contact or corneal lenses, hearing aids, prosthetic limbs, wheelchair, artificial teeth or dental bridges;
7. Documents, identity papers, credit and payment cards, transport tickets, stocks and securities;
8. Perishables and consumables;
9. Baggage sent in advance or souvenirs and articles mailed or shipped separately;
10. Hired or leased equipment; or
11. Business goods or samples.

Section 6 of this Policy does not cover, and ACE Insurance will not in any event be liable in respect of any claim under Section 6 relating to:

1. Loss not reported to proper police authorities;
2. Loss or damage caused by wear and tear, gradual deterioration, moths and other insects, vermin, inherent vice or damage sustained due to any process or while actually being worked upon and resulting there from;
3. Loss of or damage to property resulting directly or indirectly from seizure or destruction under quarantine or customs regulations, confiscation or expropriation by order of any government or public authority or risk of contraband or illegal transportation of trade;
4. Loss of or damage to property insured under any other insurance policy or reimbursed by Common Carrier or hotel management;
5. Loss to Insured's baggage left unattended in any vehicle or public place or as a result of the Insured's failure to take care and precautions for the safeguard and security of such property;
6. Loss of or damage to property insured while the Insured is suffering from mental and nervous disorders, including but not limited to insanity;
7. The Insured not taking all reasonable efforts to safeguard his property or to avoid or minimize any claim under this Policy;
8. Mysterious disappearance;
9. Breakage of brittle or fragile articles, cameras, computers (including software and accessories), musical instruments, radio, compact disc players and similar property.

## **SECTION 7: LOSS OF TRAVEL DOCUMENTS BENEFIT**

During the Period of Insurance, ACE Insurance will reimburse the Insured up to the Benefit Amount as stated in the Policy Schedule subject to the terms and conditions of this Policy in respect of additional hotel, travel and communications expenses necessarily incurred in the country or countries visited in obtaining the replacement of a lost passport or visa, provided always that the Insured shall exercise reasonable care for the safety and supervision of the documents and that any loss of passport must be reported to the police within twenty-four (24) hours of the discovery of the loss.

## **SECTION 8: BAGGAGE DELAY BENEFIT**

During the Period of Insurance, ACE Insurance will reimburse the Insured up to the Benefit Amount as stated in the Policy Schedule subject to the terms and conditions of this Policy for the purchase of essential clothing and toiletries per twelve (12)-hour delay if the checked-in baggage accompanying the Insured has been delayed, misdirected or temporarily misplaced by the Common Carrier for more than twelve (12) hours from the Insured's arrival at the point of the scheduled destination. The Insured will be allowed a maximum of eight (8) payments for every twelve (12)-hour delay if the same baggage is still not in the physical possession of the Insured.

The total liability of ACE Insurance in aggregate shall not exceed the Benefit Amount as stated in the Policy Schedule. The Insured cannot claim under both Loss or Damage of Baggage and Personal Effects and Baggage Delay Benefit for any one Trip.

### **ADDITIONAL EXCLUSIONS APPLICABLE TO: Baggage Delay Benefit (Section 8)**

Section 8 of this Policy does not cover, and ACE Insurance will not in any event be liable in respect of any claim under Section 8 relating to:

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

## **EXCLUSIONS APPLICABLE TO ALL SECTIONS**

This Policy does not cover loss, injuries or damage caused by or resulting from or contributed to by the following:

1. War (whether declared or not), invasion, act of foreign enemies, civil war, revolution, insurrection, civil commotion, popular uprising against the government, riot, strike;
2. Nuclear weapons, radiation or radioactivity from any nuclear fuel or nuclear refuse arising from the combustion of nuclear fuel and any process of self-sustaining nuclear fission/ fusion, or any biological or chemical events;
3. Any illegal, criminal or unlawful act by the Insured or confiscation, detention, destruction by customs or other authorities;
4. Any prohibition or regulations by any government;
5. Any loss or expenses which if reimbursed or paid by ACE Insurance would result in ACE Insurance being in breach of trade or economic sanctions or other such similar laws or regulations.
6. Any breach of government regulation or any failure by the Insured to take reasonable precautions to avoid a claim under this Policy following the warning of any intended strike, riot or civil commotion through or by general mass media;
7. The Insured engaging in naval, military or air force service or operations or testing of any kind of conveyance or being employed as a manual worker or whilst engaging in offshore mining or aerial photography or handling of explosive or hitchhiking or backpacking.

## **GENERAL PROVISIONS**

1. The Insured must not make any offer or promise payment, admit his fault to any other party or become involved in any litigation without ACE Insurance's written approval.
2. The Insured can only be covered under one such policy for the same Trip.
3. Enrollment for this Policy will be allowed through the submission by the Policyholder of the daily/weekly/monthly enrolment declaration of its qualified Subscribers, the premiums therefor are guaranteed paid by the Policyholder.
4. The daily/weekly/monthly enrolment declaration of qualified subscribers submitted by the Policyholder will form part of this Policy.

## **GENERAL CONDITIONS UNDER THE POLICY**

### **Premium Payment**

This Policy shall not be valid and binding unless and until the premium has been paid by the Policyholder.

### **Grace Period**

A grace period of thirty-one (31) days will be granted for the payment of each premium falling due after the first premium during which time this Policy shall continue in force, unless this Policy has been cancelled, terminated or has not been renewed in accordance with the provisions of this Policy. However, if loss occurs within the grace period for which ACE Insurance shall be obligated to pay benefits under this Policy, any premium then due and unpaid will be deducted in settlement.

### **Currency**

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

### **Assistance and Cooperation**

The Insured shall cooperate with ACE Insurance and upon the latter's request, assist in making settlements, in the conduct of suits and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the Insured because of Injury or damage wherein insurance is accorded under this Policy. In this regard, the Insured shall promptly attend hearings and trials and assist in securing and giving of evidence and obtaining the attendance of witnesses. The Insured shall not, except at the Insured's own cost, voluntarily make any payment, assume any obligation, or incur any expense other than for payment of first aid expenses to others at the time of Accident.

### **Due Diligence**

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

### **Notice of Claim or Loss**

In case of Injury or Accidental Death, written notice of claim must be given to ACE Insurance within thirty (30) days after a covered loss begins or as soon as is reasonably possible. Notice should include the Insured's name and the confirmation number. If the Insured's property covered under this Policy is lost or damaged, the Insured must notify ACE Insurance as soon as possible, take immediate steps to protect, save and/or recover the covered property, give immediate notice to the Common Carrier or bailee who is or may be liable for the loss or damage, and notify the police or other authorities in case of robbery or theft within twenty-four (24) hours from the time of discovery of the robbery or theft by the Insured.

### **Claim Forms**

Upon receipt of a notice of claim, ACE Insurance will furnish to the claimant such forms usually required by ACE Insurance for filing proofs of loss. If such forms are not furnished within fifteen (15) days from receipt of such notice of claim, the claimant shall be deemed to have complied with the requirements of this Policy, as to proof of loss, upon submitting, within the time fixed in this Policy for filing proof of loss, written proof covering the occurrence, the character and extent of the loss for which the claim is made. All certificates, information and evidence, other than the usual claim forms, which ACE Insurance may reasonably require in support of a claim, shall be furnished by the Insured.

**Proof of Loss**

Written proof of loss including the original Policy, Policy Schedule or Certificate of Insurance, original receipts, invoices and all other relevant documents must be furnished to ACE Insurance within thirty (30) days after the date of such loss. Failure to furnish such proof within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to give proof within such time, provided such proof is furnished as soon as reasonably possible and not later than one (1) year from the date of loss.

**Physical Examination and Autopsy**

ACE Insurance at its own expense shall have the right and opportunity to examine the Insured when and as often as it may reasonably require during the pendency of the claim hereunder and to make an autopsy in case of death where it is not forbidden by law.

**To Whom Claims Paid**

Benefits payable under this Policy shall be made to the Insured; or in the event of his death, to the beneficiary designated by the Insured provided such beneficiary is not legally disqualified and survives the Insured; or in the absence of beneficiary designation, to the person or persons then surviving in the following order of preference: (a) Spouse; (b) children; (c) parents; (d) brothers and sisters; otherwise, to the estate of the Insured. Any payment made by ACE Insurance in good faith pursuant to this provision shall fully discharge ACE Insurance to the extent of the payment.

**Time of Payment of Claim**

Periodic payment will be made of all indemnities payable under this Policy which accrue during a period of more than four (4) weeks. Subject to due written proof of loss, all accrued indemnities for loss, for which this Policy provides periodic payment, will be paid at the expiration of each four (4) weeks during the continuance of the period for which ACE Insurance is liable, and any balance remaining unpaid upon the termination of liability will be made immediately upon receipt of due written proof. Indemnities payable under this Policy for any loss other than loss for which this Policy provides any periodic payment will be paid within thirty (30) days after receipt by ACE Insurance of due written proof of such loss and after ascertainment of the loss is made by the agreement between ACE Insurance and the Insured or by arbitration; but if such ascertainment is not had or made within sixty (60) days after such receipt by ACE Insurance of the proof of loss, then the loss shall be paid within ninety (90) days after such receipt. Refusal or failure to pay the loss within the periods prescribed herein will entitle the Insured to collect interest on the proceeds of the Policy for the duration of the delay at the rate of twice the ceiling prescribed by the Monetary Board, unless such refusal or failure to pay is based on the ground that the claim is fraudulent.

**Subrogation**

In the event of any payment under the Loss or Damage of Baggage and Personal Effects and Loss of Travel Documents Benefits in this Policy, ACE Insurance shall be subrogated to all the Insured's rights of recovery therefor against any person/s, organization/s or entity/ies. The Insured shall execute and deliver such instruments and papers and do whatever else is necessary to secure such rights. The Insured shall take no action after the loss that will prejudice the rights of recovery of the Insured or ACE Insurance by subrogation.

**Right of Recovery**

In the event authorization of payment and/or payment is made by ACE Insurance for a medical claim whereby Policy liability is not payable, ACE Insurance reserves the right to recover the amount paid against the Insured for the full sum which ACE Insurance is liable to the Hospital or medical institution where the Insured was admitted to.

**Cumulative Insurances**

In the event of a claim, the Insured must advise ACE Insurance as to any other insurance the Insured may have covering the same risks in this Policy. If, at the time of occurrence of any loss, except in respect of the Personal Accident Benefit, there are other valid and collectible insurance policy/ies in place, ACE Insurance will be liable only for the excess of the amount of loss over the amount of such other Insurance, and any applicable deductible.

**Misstatement of Age**

If the age of the Insured has been misstated, all amounts payable under this Policy shall be such as the premium paid would have purchased at the correct age. In the event the age of the Insured has been misstated, and if according to the correct age of the Insured, the coverage provided by the Policy would not have become effective, or would have ceased prior to the acceptance of such premium or premiums, then the liability of ACE Insurance during the period the Insured is not eligible for coverage shall be limited to the refund of all premiums paid for the period not covered by this Policy.

**Renewal Conditions**

This Policy may be renewed for further consecutive periods by the payment of premium on the effective date of the renewal at ACE Insurance's premium rate in force at the time of renewal, subject to ACE Insurance's right to decline renewal of this Policy on any anniversary date of the Policy upon giving six (6) months prior written notice, mailed or delivered to the Policyholder at the address shown in the Policy, of ACE Insurance's intention not to renew the Policy, or to condition its renewal upon reduction of limits or elimination of coverages. ACE Insurance's acceptance of premium shall constitute its consent to renew. Unless renewed as herein provided, this Policy shall terminate at the expiration of the grace period for which premium has not been paid.

**Cancellation**

This Policy shall not be cancelled by ACE Insurance except upon prior written notice thereto to the Policyholder, and no notice of cancellation shall be effective unless it is based on the occurrence, after the Effective Date of this Policy, of one or more of the following:

- a) Non-payment of premium;
- b) Conviction of the Insured of a crime arising out of acts increasing the hazards insured against;
- c) Discovery of fraud or material misrepresentation;
- d) Discovery of willful or reckless acts of omissions increasing the hazards insured against; or
- e) A determination by the Insurance Commissioner that the continuation of this Policy would violate or would place ACE Insurance in violation of the Insurance Code.

All notices of cancellation shall be in writing, mailed or delivered to the Policyholder at the address shown on the Policy Schedule and shall state (i) which of the grounds set forth in this provision is relied upon, and (ii) that, upon written request of the Policyholder, ACE Insurance will furnish the facts on which the cancellation is based.

If the Policyholder cancels this Policy, which must be in writing, ACE Insurance shall be entitled to retain a portion of the annual premiums computed in accordance with the applicable percentage indicated below, but in no event less than ACE Insurance's customary minimum premium.

PERIOD OF COVERAGE PRIOR TO CANCELLATION	PERCENTAGE OF ANNUAL PREMIUM (COMPUTED BASED ON PREMIUMS EXCLUSIVE OF DOCUMENTARY STAMPS, PREMIUM & APPLICABLE TAXES) TO BE RETAINED BY ACE INSURANCE:
2 Months (Minimum)	40%
3 Months	50%
4 Months	60%
5 Months	70%
6 Months	75%
Over 6 Months	100%

Such cancellation by the Policyholder shall become effective on the last day preceding the date the next premium is due and payable.

Without prejudice to the immediately preceding paragraph, if the Insured cancels a Trip (a) prior to the Effective Date of this Policy or prior to the Period of Insurance as stated in the Policy Schedule or Certificate of Insurance or (b) within three (3) days after the Effective Date of this Policy or Period of Insurance as stated in the Policy Schedule or Certificate of Insurance, and notifies ACE Insurance of such cancellation, ACE Insurance will refund to the Insured the premium which has been paid (if any) by the Insured in respect of that Trip less the amount of documentary stamps, premium and other applicable taxes.

**Termination of Insurance**

This Policy shall automatically end on the earliest of the following dates:

- (a) On the first premium due date on which no person occupies the status of Insured;
- (b) On the expiration of the grace period for any premium not paid when due;
- (c) On the latest date of expiration of coverage for all Insureds when applicable.

Termination or cancellation of this Policy or expiration of individual coverage shall not affect any valid claim or loss occurring before such termination, cancellation or expiration. The payment to or acceptance by ACE Insurance or by an agent of ACE Insurance of any premium after such termination, cancellation or expiration shall not create any liability except to return the premium paid after the termination, cancellation or expiration of this Policy unless this Policy is reinstated pursuant to the Reinstatement provision.

In any Policy year, the aggregate benefits payable to the Insured under this Policy or Certificate of Insurance in respect of any one Accident, resulting in Injury within one hundred eighty (180) days from the date of the Accident shall not exceed the amount equivalent to the Accidental Death Benefit payable in the case of Accidental Death.

In any Policy year, the aggregate benefits payable to the Insured for Accidental Permanent Total Disability Benefit under this Policy or Certificate of Insurance in respect of one or more Accident(s) resulting in Injury within one hundred eighty (180) days from the date of Accident shall not exceed the amount equivalent to the Accidental Death Benefit. However, the payment of the amount equivalent to the Accidental Death Benefit for injuries for which the Insured becomes entitled to Accidental Permanent Total Disability in one year shall not terminate this Policy in so far as the Accidental Death Benefit is concerned.

In any Policy year, the amount of Accidental Death Benefit shall be the principal sum.

#### **Fraud**

Any statement made by the Policyholder/Insured in the group Application/individual application/enrollment, which is an intentional misstatement of fact and constitutes fraud shall result in the right of ACE Insurance to immediately terminate this Policy.

#### **Fraudulent Claims**

If any claim under this Policy shall be, in any respect, fraudulent or if any fraudulent means or devices shall be used by the Insured or anyone acting on the Insured's behalf to obtain any benefit under this Policy, ACE Insurance shall be under no liability in respect of such claim and shall be entitled to terminate this Policy immediately.

#### **Clerical Error**

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

#### **Assignment**

No assignment of interest under this Policy shall be binding upon ACE Insurance unless and until the original or a duplicate copy thereof is filed with ACE Insurance. ACE Insurance does not assume any responsibility for the validity of any assignment.

#### **Geographical Limits**

The Benefits under this Policy shall apply twenty-four (24) hours a day anywhere in the world whilst the Insured is on a Trip unless otherwise endorsed or amended.

#### **Terms and Conditions**

Payment of any benefit under this Policy is subject to the Definitions, Exclusions, and all other terms and conditions pertinent to the payment of the benefit.

#### **Complying With Policy Conditions**

The due observance and fulfillment of the terms of this Policy insofar as they relate to anything to be done or complied with by an Insured and the truth of the statements and answers in any proposal and/or Application and of evidence required from an Insured in connection with Policy shall be conditions precedent to any liability of ACE Insurance to give any payment due under this Policy.

#### **Entire Contract**

This Policy, including endorsements and attached papers the descriptive title of which are mentioned in this Policy, if any, enrollment declaration, information or details on file with ACE Insurance or attached herewith and the Policy Schedule, constitute the entire contract of insurance. No change in this Policy shall be valid until approved by an authorized executive officer of ACE Insurance and unless such approval be endorsed hereon or attached hereto. No agent has authority to change this Policy or to waive any of its provisions. None of the provisions, conditions and terms of this Policy shall be waived or altered except in accordance with the pertinent provisions of Section 50 of the Insurance Code.

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

#### **Governing Law**

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

**Arbitration**

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

**Legal Action**

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

**Civil Code 1250 Waiver Clause**

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

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

shall not apply in determining the extent of liability under the provisions of this Policy.

**Availability of the Policy**

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

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

**INSURANCE COMPANY OF NORTH AMERICA**

**DANIEL T. DALY**  
Country President

The Insurance Commission of the Philippines, with offices in Manila, Cebu, Davao, is the government office in charge of the faithful execution and enforcement of all laws relating to insurance and has supervision over insurance companies. It is ready at all times to render assistance in settling any controversy between an Insurance Company and an Insured relating to insurance matter.