



Republic of the Philippines  
Department of Finance  
**INSURANCE COMMISSION**  
1071 United Nations Avenue  
Manila



09 November 2017

**MS. ROSARIO W. CUYEGKENG**

President

Philippine British Assurance Company, Inc.

Penthouse Morning Star Center Building

347 Sen. Gil Puyat Avenue Extension, Makati City

**SUBJECT : Compulsory Insurance Coverage  
for Agency-Hired Migrant Workers**

**Dear Ms. Cuyegkeng:**

Please be informed that the Company's Compulsory Insurance Coverage for Agency-Hired Migrant Workers is hereby approved for issuance pursuant to Section 232 of the Insurance Code, as amended.

It is understood that the approval of this policy shall be recalled at any time if there is a finding of violation of or non-compliance with the amended Insurance Code and pertinent circulars and guidelines, without prejudice to the authority of the Insurance Commission to impose the applicable penalties and other administrative sanctions provided in the same code.

Thank you.

Very truly yours,

By the Authority of the Insurance Commissioner:

  
**DOROTHY M. CALIMAG**

Deputy Insurance Commissioner  
Management Support Services Group



PENTHOUSE MORNING STAR CENTER BUILDING  
347 SEN. GIL J. PUYAT AVENUE EXTENSION  
MAKATI CITY, PHILIPPINES • Email: pbac.customercare@gmail.com  
TEL. NOS. : (632) 890-4051 TO 57 • (02) 964-0502

Master Policy No. \_\_\_\_\_

**COMPULSORY INSURANCE COVERAGE  
FOR  
AGENCY-HIRED MIGRANT WORKERS**

Whereas, the Policy Holder, the Recruitment or Manning Agency named in the Schedule, by written application and declaration, which shall be the basis of this contract and is deemed incorporated herein applied to PHILIPPINE BRITISH ASSURANCE COMPANY, INC. (hereinafter referred to as the insurance provider) for the insurance hereinafter contained as required under Republic Act 8042, as Amended by R.A. 9422 and R.A. 10022, and subject to payment of the premium as stated in the Policy Schedule.

Whereas, this Master Policy shall be lodged at the Philippine Overseas and Employment Administration (POEA) as a pre-requisite for the issuance of an Overseas Employment Certificate (OEC) pursuant to Rule XVI, Section 5 of the Omnibus Rules and Regulations of RA 10022.

IN WITNESS WHEREOF, the Insurance Provider has caused this Policy to be signed by its President and countersigned by the President of the Policy Holder.

\_\_\_\_\_  
(Name of the Policy Holder)

\_\_\_\_\_  
PHILIPPINE BRITISH ASSURANCE  
COMPANY, INC.

Documentary stamps to the value indicated in the schedule of this policy have been included in our lump sum payment to the BIR and credited to Documentary Stamps Tax Inventory.

**IMPORTANT NOTICE CLAUSE**

The Insurance Commission of the Philippines, with offices in Manila, Cebu, and Davao is the government office in charge of the enforcement of all laws relating to insurance companies.

It is ready at all times to render assistance in settling any controversy between an insurance company and an insured migrant worker or beneficiaries relating to insurance matters. The POEA and the POLO may likewise assist the insured Migrant workers in submitting their complaints to the Insurance Commission.



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
INSURANCE COMMISSION  
MANILA

**APPROVED**

BY THE INSURANCE COMMISSIONER UNDER THE PROVISION  
OF SECTION 232 OF THE INSURANCE CODE OF THE PHILIPPINES  
AS AMENDED BY REPUBLIC ACT NO. 10657

Nov. 19, 2019

DATE

Control No. 2017-0049

\_\_\_\_\_  
ATTY. BIRNOR GALE T. SIMUYAN

Chief, Compliance and Investigation Division



**INSURING AGREEMENT:** The insurance provide will indemnify the insured migrant worker, the sum specified in the Schedule for loss of life and financial assistance proximately caused by accidental bodily injuries to the extent herein provided. The consideration for this insurance is the payment of premium and the application, copy of which is attached hereto and made part hereof.

This policy is effective for the duration of the insured migrant worker's employment contract.

**PART I. ACCIDENTAL DEATH** ..... US\$ 5,000

**PART II. FINANCIAL ASSISTANCE BENEFITS**

Repatriation Cost..... Actual cost

- A) In case of death
- B) In cases where employment was terminated

Subsistence Allowance..... \$100/month not exceeding six (6) months

Money Claims Benefit..... maximum of \$1,000/month not exceeding six (6) months

Compassionate Visit..... actual cost (transportation cost of the family member or requested individual to the major airport closest to the place of hospitalization of the worker)

Medical Evacuation..... actual cost (mode of transport necessary shall be undertaken by the insurance provider)

Medical Repatriation..... actual cost (an alternative appropriate mode of transportation, such as air ambulance, may be arranged. Medical and non-medical escorts may be provided when necessary).

The benefits mentioned in this policy may be paid in Peso equivalent subject to the consent of the insured migrant worker or the beneficiaries, as the case may be. In no case shall settlement be less than the mentioned Dollar equivalent, as required by R.A. 10022, at the time of the payment of the benefits.

**PART III. DEFINITIONS:**

1. **Accidental Death** – refers to death resulting directly or independently from all other causes, from accidental bodily injuries.
2. **Permanent total disablement** – disability where there is total complete loss of sight of both eyes; loss of two limbs at or above the ankles or wrists; permanent complete paralysis of two limbs; brain injury resulting to incurable imbecility or insanity. All such disabilities must be due to accident or by any health-related cause or sickness or ailment suffered during the duration of the migrant worker's employment.

Service in the armed forces in any country or international authority, whether in peace or war, shall serve as the only exclusion to the limits of liability under this policy.

3. **Repatriation cost** of the worker when his/her employment is terminated by the employer without any valid cause, or by the employee with just cause, includes transport of his/her personal belongings. In case of death, the insurance provider shall arrange and pay for the repatriation of the worker's remains and belongings. The insurance provider shall also render any assistance necessary in the transport, including but not limited to locating a local and licensed funeral home, mortuary or direct disposition facility to prepare the body for transport, completing all documentations, obtaining legal clearances, procuring consular services, providing death certificates, purchasing the minimally necessary casket or air transport container, as well as transporting the remains including retrieval from site of death and delivery to the receiving funeral home and back in the Philippines in accordance with the worker's will, if there is any. The extent of the said benefits shall be regardless of the cost, the primary test compliance being the complete repatriation of the worker or his/her remains, as the case may be, and his/her personal belongings.
4. **Subsistence allowance benefit**-sum of money given to a migrant worker who is involved in a case or litigation for the protection of his/her rights in the receiving country.



5. Money claims arising from the employer's liability – claim that may be awarded or given to the worker in a judgement or settlement of his/her case in the NLRC. The insurance coverage for money claims shall be equivalent to at least three (3) months salaries for every year of the migrant worker's employment contract, the maximum amount per month of which is One Thousand United States Dollars (US\$1,000.00) or the amount of salary under the employment contract, whichever is lower. In case the amount of insurance coverage is insufficient to satisfy the amount adjudged upon, the recruitment/manning agency is liable to pay the balance thereof.
6. Compassionate visit. When a migrant worker is hospitalized and has been confined or will be confined as determined by the attending physician and the insurance company physician for at least seven (7) consecutive days, he shall be entitled to a compassionate visit by one (1) family member or a requested individual. The insurance provider shall pay for the transportation cost of the family member or requested individual to the major airport closest to the place of hospitalization of the worker. It is, however, the responsibility of the family member or requested individual to meet all visa and travel document requirements. The extent of the said benefits shall be regardless of the cost, the primary test of compliance being the complete transport of the visitor from and back to the Philippines.
7. Medical evacuation. When an adequate medical facility is not available proximate to the migrant worker, as determined by the insurance company's physician and the consulting physician, evacuation under appropriate medical supervision by the mode of transport necessary shall be undertaken by the insurance provider. The extent of the said benefits shall be regardless of the cost, the primary test of compliance being the completion of the said medical evacuation.
8. Medical repatriation. When medically necessary as determined by the insurance company physician and the consulting physician, repatriation under medical supervision to the migrant worker's residence shall be undertaken by the insurance provider at such time that the migrant worker is medically cleared for travel by commercial carrier. If the period to receive medical clearance to travel exceeds fourteen (14) days from the date of discharge from the hospital, an alternative appropriate mode of transportation, such as air ambulance, may be arranged. Medical and non-medical escorts may be provided when necessary. The extent of the said benefits shall be regardless of the cost, the primary test of compliance being the complete repatriation of the migrant worker under medical supervision to his/her residence.

The above assistance benefits must be performed or paid immediately by the insurance provider. The insured migrant worker or his heirs should not be made advance expenses.

The assistance benefits should be in force while the insured migrant worker is in the country of assignment for the duration of the policy.

9. POLO – Philippine Overseas Labor Office, located outside of the Philippines.
10. POEA – The Philippine Overseas Employment Administration monitors the overseas employment of Filipino workers.
11. NLRC – National Labor Relations Commission who shall have the original and exclusive jurisdiction to hear and decides all claims arising out of employer-employee relationship or by virtue of any law or contract involving Filipino workers for overseas deployment including claims for actual, moral, exemplary and other forms of damages, subject to its rules and procedures.
12. Application for Cover – the submission of duly accomplished and signed application form to the Insurance Company prior to deployment from the Philippines of an eligible insured.
13. Contract of Employment – the written agreement entered into by and between the foreign employer and/or the local recruitment agency and the overseas contract worker containing the terms and conditions of employment contract approved by POEA.
14. Loss – means eligible expense or amount caused by an event or occurrence covered by this policy.



15. Insured Migrant Worker – means an eligible migrant worker whose name is declared under the policy and appears on the individually issued Proof of cover.
16. Migrant Worker – refers to a person who is to be engaged, is engaged or has been engaged in a remunerated activity in a state of which he or she is not legal resident to be used interchangeably with migrant worker or overseas worker.
17. Term of Insurance – the period insurance commencing from the date of the Insured person's departure from the Philippines and shall continue during the entire term of his/her employment contract but not to exceed the number of days of stay allowed under the contract.

#### PART IV. CONDITIONS APPLICABLE TO ALL SECTIONS:

1. This policy insofar as accidental death and total permanent disablement benefits shall be paid by the company without any contest and without the necessity of providing fault or negligence of any kind on the insured migrant worker.
2. No statement made by the policyholder, recruitment or manning agency, not included herein shall avoid the insurance coverage herein provided or be used in any legal proceeding. No agent shall have authority to change this policy or to waive any of its provisions. No change in this Policy shall be valid unless approved by the Chief Executive Officer of the Company and concurred by the Insurance Commissioner. Each additional clause to be introduced by the insurance provider shall also be subject to the prior approval of the Insurance Commission.
3. The premium must be paid in full to the insurance provider by the Policyholder on a cash and carry basis at no cost to the insured migrant worker.

The premium shall be paid by the recruitment/manning agency that deployed the migrant worker. In no case the premium be charged by the Policyholder or the foreign employer directly or indirectly to the migrant worker. If default be made in the payment of the agreed premium and loss occurred such default shall not invalidate and otherwise valid claims. Any claim shall be paid less premium due to the Insurance Provider.

4. When the worker decides to voluntarily pre-terminate his employment contract abroad and returns to the Philippines out of his own volition and free will, there shall be a proportionate amount of return of premium for the benefit of the recruitment/ manning agency corresponding to the unexpired term of the insurance contract.

#### Short Rate Cancellation Table

The following scale of rate shall apply to Policies/ Proofs of Cover issued or renewed for less than one year and shall be used in calculating earned premiums on Policies/Proofs of Cover cancelled and not replaced.

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
10Months	-	90% of the Annual Premium
11Months	-	95% of the Annual Premium



5. Written notice of death, injury or financial assistance on which claim may be based must be given to the insurance provider, or to its International Assistance provider within a reasonable time after the date of the accident causing such injury or request for financial assistance. In the event of accidental death notice thereof must be given to the insurance provider as soon as practicable.

Failure to give notice of claim within the time provided in this policy shall not invalidate any claim if it should be shown not to have been reasonably possible to give such notice and that notice was given as soon as was reasonably possible.

The insurance provider, upon receipt of such notice, will furnish to the claimant such forms as are usually furnished by it for filing proofs of loss. If such forms are not so furnished within ten (10) days after the receipt of such notice the claimant shall have been deemed to have complied with the requirements of this Policy as to proof of loss covering the occurrence, character and extent of the loss for which claim is made.

6. Claims shall be paid at the home office of the insurance provider or in any of its branches or assistance centers, taking into consideration the circumstances of the insured migrant worker or the beneficiary at the time of payment.
7. No formal action shall be brought for adjudication before the Insurance Commission unless brought within two (2) years from the expiration of ten (10) day period within which to settle any claim under this Policy.
8. Indemnity for loss of life and permanent disablement of the insured migrant worker is payable to the designated beneficiary if surviving the insured migrant worker; otherwise to the estate of the insured migrant worker. All other benefits of this Policy are payable to the Policyholder, recruitment/manning agency, for the account of the insured migrant worker.

Consent of the beneficiary is a requisite to cancellation or assignment of this Policy, or to change the name of the designated beneficiary, or to any other changes in the Policy.

9. CONFIRMATORY TO STATUE CLAUSE: Where the terms and conditions of this policy are in conflict with any applicable statutes of the Philippines or the rules and regulations of the Insurance Commission, such terms and conditions are hereby amended to conform to such statutes.

#### 10. CHANGES IN THE POLICY CONDITION-

"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 on the Company and issued in accordance with the provisions of Section 64 of the Insurance Code of 1978."

#### 11. MEDIATION OR ADJUDICATION CLAUSE-

Any question or dispute in the enforcement of this policy regardless of the amount shall be brought before the Insurance Commission for mediation or adjudication pursuant to the applicable provisions of the Insurance Code or circulars issue by the Insurance Commission. The existing claims adjudication procedures of the Insurance Commission shall apply in the settlement of insurance claims.

12. In enforcing the migrant worker's rights, reference may be made to Section 23 of R.A. 10022, Rule XVI of its Omnibus Rules and Insurance Guidelines issued by the Insurance Commission.

### PART V. DOCUMENTARY REQUIREMENTS:

For any claim arising from accidental or permanent total disablement, the following documents, duly authenticated by the Philippine foreign posts, shall be sufficient evidence to substantiate the claim:

- 1) Death Certificate – in case of accidental death;
- 2) Police or Accident Report – in case of accident; and
- 3) Medical Certificate – in case of permanent disablement

For the purpose of identifying the legitimate and/or designated beneficiaries, the following claim documents shall also be submitted:

- 1) Birth Certificate of insured, if beneficiary is a parent or a child;
- 2) Marriage Contract of insured and spouse, if beneficiary is the spouse;
- 3) Affidavit of Legal Guardianship, if beneficiary is a minor; and
- 4) Other documents as may be necessary to establish identity of claimants.

For Repatriation – certification which states the reason/s for termination of the migrant worker's employment and the need for his/her repatriation issued by the Philippine foreign post or POLO located in the receiving country.

For Subsistence Allowance Benefit Claim – certification issued by the concerned Labor Attaché or, in his absence, the embassy or consular official stating the title of the case, the names of the parties and the nature of the cause of action of the migrant worker.

For settlement of money claims – certified true copy of the final decision of the NLRC or compromise agreement.

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