

Attached to and forming part of Philippine British Assurance Company, Inc.
Policy Number:
Insured Name:

PERSONAL CYBER INSURANCE

Whereas the Insured named in the Schedule has paid or agreed to pay to the Insurer specified below the Premium shown in the Schedule, now the Insurer agrees, subject to the terms, Conditions, Exclusions, Memoranda, Warranties, limitations and other provisions, contained herein or endorsed hereon, to indemnify the Insured as specified herein against loss arising from any insured events which occur during the Period of Insurance stated in the Schedule or any renewal thereof.

NOW THIS POLICY WITNESSES that, subject to payment of the Premium stated in the Schedule, in respect of the contingencies happening during the period of Insurance and subject to the limitations, exceptions, terms and conditions contained herein or endorsed hereon, the Company agrees to indemnify the Insured in the manner and to the extent hereinafter provided.

Provided That the total liability of the Insurer at any one Situation shall not exceed the appropriate Limit or Sub Limit(s) of Liability as stated in the Schedule or such amount(s) as may be substituted therefore by endorsement or memorandum hereon or attached hereto and that each Insurer specified below shall only be liable to contribute to any loss covered by this Policy that proportion of the loss as is specified beside its name.

IMPORTANT NOTICE

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

CIVIL CODE ARTICLE 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 an extraordinary inflation or deflation of the currency stipulated should supervene, the value of the currency at the time of the establishment of the obligation shall be the basis of payment,"... shall not apply in determining the extent of liability under the provisions of this Policy.

DISCLOSURE

All material information to be disclosed by an Insured when seeking a new insurance and when renewing or making changes to an existing Policy. Such information is any information that might influence the Insurer in deciding whether or not to accept the risk, what terms should be or what premiums to charge. Failure to do so may render the insurance voidable from inception and enable the Insurer to repudiate liability in respect of any claim or claims under the Policy.

In Witness whereof, the Company has caused this policy to be signed by its duly authorized representative.

PHILIPPINE BRITISH ASSURANCE CO., INC.

Authorized Signatory



ROSARIO W. CUYEGKENG
PRESIDENT

PERSONAL CYBER INSURANCE

SECTION 1: INSURING AGREEMENT

In consideration of the premium paid, **we** agree to provide the insurance described under Section 1 (Insuring Agreements) subject to the terms, conditions, exclusions and limitations of this policy.

1.1 Electronic Fund Transfer Fraud

We shall reimburse **you** for **your financial loss** arising directly from a **cyber event**, which **you** first discovered during the **policy period**.

1.2 Online Retail Fraud

We shall reimburse **you** for **your financial loss** arising directly from an **online marketplace fraud**, which **you** first discovered during the **policy period**.

1.3 Identity Theft

We shall reimburse **you** for **identify theft expenses** arising directly from an identity theft, which **you** first discovered during the **policy period**.

1.4 Cyber bullying

We shall reimburse **you** for **your cyber bullying expenses** arising directly from **cyber bullying** that is first made against **you** in **your** personal capacity, during the **policy period**.

1.5 Restoration costs

We shall indemnify **you** for **restoration costs** arising directly from a cyber act, which **you** first discovered during the **policy period**.

1.6 Cyber Extortion

We shall indemnify **you**, to the extent insurable, for **extortion payment** arising directly from a **cyber-extortion threat** that is first made against **you** in **your** personal capacity, during the **policy period**.

1.7 Cyber Liability

We shall reimburse **you** for cyber liability **expenses** arising directly from **cyber liability claims** that is first made against **you** in **your** personal capacity during the **policy period**.

Provided, with respect to each of the above Insuring Agreements, as a condition precedent to coverage under this policy, **you** shall give us notice of the claim as set forth in Special Conditions 5.1 (Claims Notification).

If **you** do not pay the premium within the timescale advised to **you** by the insurance intermediary who sold **you** this Policy, it may render **your** cover invalid.

Our maximum liability for each and every **loss** and all **loss** in the aggregate under this **policy**, in respect of each item above, shall not exceed the Limit of Liability stated in the Schedule.

SECTION 2: GENERAL DEFINITIONS

The following terms wherever they appear in this **policy** in bold, shall have the meanings specified below:

2.1 Dependent Children means any of **your** children who

- (a) Permanently reside with **you**;
- (b) Are under 18 years old and;
- (c) Are unmarried.

2.2 Cyber act means:

- (a) The fraudulent or malicious input, modification, deletion, corruption, encryption or extraction of your digital assets, residing on **your computer system**, which is caused by the introduction of malware or hacking by a third party;
- (b) The fraudulent or malicious disablement of access and control of **your computer system**,

- which is caused by the introduction of **malware** or hacking by a third party; or
- (c) **Cryptojacking.**
- 2.3 **Cryptojacking** means the unauthorized use of **your computer systems** by a third party for mining cryptocurrency.
- 2.4 **Cyber event** means:
- (a) the fraudulent electronic transfer of funds or property from **your** personal account with a financial institution by:
- (i) a **third party**; or
- (ii) the financial institution acting in good faith upon a fraudulent incoming **electronic communication** purporting to have been sent but which was not sent by **you**;
- (b) **you** acting in good faith upon any fraudulent incoming **electronic communication** request and transferring funds or property from **your** personal account with a financial institution, to the account of a **third party**;
- (c) fraudulent unauthorized use of or electronic transfer of funds stored in **your** personal **digital wallet** held with an **online merchant**; or
- (d) the fraudulent unauthorized online purchases by a **third party** that are charged to **your plastic card**.
- 2.5 **Cyber bullying** means the posting of material online by anyone acting maliciously and is intended to cause **you** embarrassment, humiliation or distress.
- 2.6 **Cyber bullying expenses** means reasonable and necessary expenses incurred by **you**, with **our** prior written consent:
- (a) To reduce and mitigate the impact of unlawful harassment and/or defamation of **you** via online media such as psychological consultation, relocation costs and online reputation restoration; or
- (b) To pursue or defend legal action in respect of or arising from a **cyber bullying** incident.
- 2.7 **Cyber extortion threat** mean a demand for money or property accompanied by a credible threat by a **third party** to:
- (a) release, divulge, disseminate, destroy, alter or use your **digital assets**, acquitted by fraudulently or maliciously accessing or using **your computer system**; or
- (b) introduce **malware** into **your computer system**; or
- (c) corrupt, damage or destroy **your computer system**; or
- (d) restrict or hinder access to **your computer systems** or **your digital assets** or having already encrypted **your digital assets** or disabled access and control of **your computer system**, a demand for money or property in return for the decryption key or instructions.
- 2.8 **Cyber liability claims** means liability for claims brought against **you** in **your** personal capacity in connection to the exchange or transfer of **electronic data** using **your computer system**.
- 2.9 **Cyber liability expenses** means reasonable and necessary expenses incurred by **you**, with our prior written consent to pursue or defend legal action in respect of or arising from a **cyber liability** claim.
- 2.10 **Digital assets** means software, programs, **your** personal **electronic data**, digital photos, digital music and digital video stored on **your computer systems**.
- 2.11 **Digital wallet** is an e-wallet associated with a user's account with an **online merchant** and is intended for effecting payment for the purchase of goods and services through the **online merchant's** website.
- 2.12 **Electronic communication** means:
- (a) electronic mails;
- (b) instructions given via the online banking or trading platform of a financial institution; or

- (c) instructions given via the mobile application software (App) of a financial institution
- 2.13 **Electronic data** means information stored or transmitted in a digital format.
- 2.14 **Financial loss** means:
- (a) loss of funds from **your** personal account with a financial institution or from **your digital wallet** with an **online merchant**;
 - (b) any associated fees, penalties or interest incurred by **you** which have been levied by the financial institution or **online merchant**;
 - (c) **plastic card** charges that **you** have incurred, including any penalties or interest which have been levied by the financial institution
- Financial Loss** does not include any taxes, the loss of tax benefits, or fines and penalties imposed by law.
- 2.15 **First discovered** means your earliest possible discovery of **identity theft, online marketplace fraud, cyber event, or cyber bullying** during the policy period subject to sixty (60) days from the date of occurrence.
- 2.16 **Identity theft** means the unauthorized and/or illegal use of **your personal information** by a **third party** without **your** consent for the purpose of obtaining goods, money or services.
- 2.17 **Identity theft expenses** means:
- (a) Reasonable and necessary expenses (including legal costs) incurred by **you**, with **our** prior written consent:
 - (i) To correct or reinstate official public records after an **identity theft** has occurred;
 - (ii) For challenging the accuracy or completeness of a consumer credit report;
 - (iii) For the preparation and attendance at any audit or hearing conducted by a governmental agency;
 - (iv) For the dismissal or withdrawal of civil or criminal proceedings on the basis that the alleged liability rests with the perpetrator of the **identity theft** and not **you**; or
 - (v) For the removal of criminal or civil judgements wrongly entered against **you**.
 - (b) Actual loss of income that would have been earned, whether for partial or whole day's work, for time reasonable and necessarily taken off **your** work and away from **your** work premises, solely to attend to the matters referred to 2.17 (a) above.
- 2.18 **Immediate Family** means the Insured's **children**, spouse and/or parents who permanently reside with the **Insured** at the **Insured's** permanent address.
- 2.19 **Incident Responder** means **CyberScout** and/or other service providers nominated by them. Contact with an Incident Responder does not on its own constitute notice of claim under this **policy**.
- 2.20 **Insured** means the person named in the Schedule as Insured.
- 2.21 **Online merchant** means a Third Party retail business registered with a valid business license according to the jurisdiction of the country which it is situated in and which accepts payment for goods and services through a secured online payment gateway.
- 2.22 **Loss** means:
- (a) **Financial loss** for the purpose of Insuring Agreement 1.1 and 1.2; or
 - (b) **Identity theft expenses** for the purpose of Insuring Agreement 1.3; or
 - (c) **Cyber bullying expenses** for the purpose of Insuring Agreement 1.4; or
 - (d) **Restoration costs** for the purpose of Insuring Agreement 1.5; or
 - (e) **Extortion payment** for the purpose of Insuring Agreement 1.6; or
 - (f) **Cyber liability expenses** for the purpose of Insuring Agreement 1.7.
- Loss** does not include any taxes, the loss of tax benefits, or fines and penalties imposed by law.
- 2.23 **Malware** means any malicious software code designed to infiltrate, disrupt, corrupt or damage a computer system or circumvent any network security product or service, including but not

- limited to viruses, worms, trojans, horses, ransomware, adware, spyware and **cryptojacking** scripts.
- 2.24 **Non-delivery** means failure of complete delivery of a **product you** purchased from an **online merchant** within thirty (30) days of the scheduled delivery, unless so otherwise stated by the seller and the seller has failed to refund **you** within sixty (60) days of the initial scheduled delivery date.
- 2.25 **Online marketplace fraud** means a transaction occurring on an online marketplace where **you** have been dishonestly induced into a transaction resulting in goods paid for by **you** never being dispatched by the seller.
- 2.26 **Personal information** means information or data relating to **your** personal identity, which publicly documents, authenticates or proves **your** genuine identity or good standing.
- 2.27 **Plastic card** means any credit, debit, charge or store card that is registered to **your** name.
- 2.28 **Policy** means this insurance document and the Schedule, including any endorsements.
- 2.29 **Policyholder** refers to the named owner of this **policy** as shown in the Schedule.
- 2.30 **Policy period** means the period set forth in the Schedule.
- 2.31 **Product** means brand new retail items of personal use that **you** purchased, subject to Section 4: Specific Exclusions.
- 2.32 **Restoration costs** means reasonable and necessary costs and expenses you incur, with our prior written consent:
- (a) For investigating, reconfiguring and repairing any damage to your computer system;
 - (b) For retrieving or replacing your digital assets; or
 - (c) For locating and removing malware from your computer systems following a cyber act.
- We can at our sole discretion settle your claim for **restoration costs** under the policy, with new for old with provision for Wear and tear deduction if necessary.
- 2.33 **Third party** means any natural person or entity other than **you, your immediate family** or **your** relative acting on their own accord, without **your** knowledge, consent, assistance or participation.
- 2.34 **Time element loss** means business interruption, contingent business interruption or any other consequential losses
- 2.35 **Your computer system** means:
- (a) any home computer network, router, hardware, **digital assets** therein and all associated input and output device, which is owned by **you** and used mainly by **you** for personal purposes, and which is located at **your** home; or
 - (b) mobile phones, laptops, notebook or tablets, which are owned by **you** and used mainly by **you** for personal purposes.
- 2.36 **You / your** means the Insured.
- 2.37 **We / us / our / insurer** means **Philippine British Assurance Company, Inc.**

SECTION 3: EXCLUSIONS

This **policy** does not cover:

- 3.1 **Abnormal Conditions/ State of Emergency / Mass Cyber-Attack**
Any **loss** based upon, arising from or as consequence of any abnormal conditions or state of emergency as declared by the local authorities (whether physical or otherwise) or mass cyber-attack except to the extent that **you** shall prove that such **loss** happened independently of such abnormal conditions or state of emergency as declared by the local authorities or mass cyber-attack.
- 3.2 **Bodily Injury**
Any **loss** based upon, arising from or as a consequence of physical injury, sickness, disease,

disability, shock, mental anguish, or mental injury, including required care, loss of services or death at any time resulting therefrom.

3.3 Business Activities

Any **loss** based upon, arising from or as a consequence of any activities carried out by **you** for trade, business or professional purposes, including any **loss** connected to an account with a financial institution that is used for trade, business or professional purposes.

3.4 Confidence Scams

Any **loss** based upon, arising from or as consequence of a confidence trick involving feigned intentions towards **you**, such as romantic intentions, investments, contracts, loans and the like, gaining **your** confidence or affections, and then using that goodwill to commit fraud.

3.5 Currency

Any **loss** involving unregulated digital currency of any kind, unregulated virtual currency of any kind or cryptocurrency of any kind.

3.6 Dishonest Acts

Any **loss** based upon, arising from or as a consequence of any dishonest, criminal, malicious or fraudulent acts if **you** willingly participated in or directed such acts.

3.7 Indirect or Consequential Loss

Any indirect or consequential loss of any nature, except as expressly provided for in this **policy**.

3.8 Infrastructure Failure

Any **loss** based upon, arising from or as consequence of any outage in or disruption of electrical power or telecommunications services operated by a third-party service provider.

3.9 Lost or Stolen Plastic Cards

Any **loss** based upon, arising from or as consequence of lost or stolen **plastic cards**.

3.10 Nuclear Risks

- (a) loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss; or
- (b) legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:
 - (i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
 - (ii) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

3.11 Prior Matters

Any **loss** based upon, arising from or as a consequence of any fact, circumstance, act, threat or event which **you** were aware of prior to the inception date of this **policy**.

3.12 Property Damage

Any physical loss or damage to tangible property.

3.13 Terrorism

any **loss** based upon, arising from or as a consequence of:

- (a) any act of terrorism or cyber terrorism, notwithstanding any provision to the contrary within

- this **policy** or any endorsement thereto; or
- (b) any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism;
- (c) any hostile act by or against belligerent power or any person acting from a political motive;
- (d) the use of any computer, computer system or computer software programme or any other electronic system in launch and/or guidance system and/or firing mechanism of any weapon or missile.

3.14 Voluntary Disclosure

Any **loss** based upon, arising from or as a consequence of voluntary disclosure by **you** of any code or other security information to someone who subsequently commits or colludes with **you** in an **identity theft, online marketplace fraud, cyber event, cyber bullying, or non-delivery.**

3.15 War, Invasion and Civil Commotion

Any **loss** based upon, arising out of or a consequence of:

- (a) war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war; or
- (b) civil commotion assuming the proportions of or amounting to a popular uprising, military rising, mutiny, insurrection, rebellion, revolution, military or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state or any act of any person acting on behalf of or in connection with any organization with activities directed towards the overthrow by force of the government de jure or de facto or to the influencing of it by terrorism or violence.

3.16 Wear and Tear

Any **loss** based upon, arising from or as a consequence of any ordinary wear and tear, drop in performance, progressive or gradual deterioration.

3.17 Police Report

Any **loss** based upon, arising out of or a consequence of non-reporting of the **identity theft, online marketplace fraud, cyber event, or cyber bullying** to the police and/or **you** do not have a police reference number.

3.18 Corporate Cyber Liability Exclusion

Any **losses** related to corporate cyber liability or arising from a commercial cyber-attack and any **losses** where a legal corporate entity of any sort is the subject of a cyber-attack. Legal corporate entities here are in reference to but not limited to NGOs or any registered or unregistered business entity.

3.19 Infectious / Communicable Disease Exclusion

Notwithstanding any provision of this Agreement including any exclusion, extension or other provision included herein which would otherwise override a general exclusion, all losses, damage, resultant **time element losses**, and costs in connection with or arising directly or indirectly from infectious and/or communicable diseases is excluded.

SECTION 4: SPECIFIC EXCLUSIONS

With respect to Insuring Agreements 1.2, this policy do not cover:

- 4.1 animals or plant life;
- 4.2 cash, bullion, negotiable instruments, shares, travelers' checks;
- 4.3 **products** purchased for commercial use including items purchase for re-sale or tools of trade or

- profession;
- 4.4 counterfeit or fake products;
- 4.5 **products** used for, or intended to be used for, commercial, retail and/or property rental, or other business purposes;
- 4.6 **products** that were, at the time of purchase, used, rebuilt, refurbished, or remanufactured;
- 4.7 misplacement;
- 4.8 mysterious disappearance;
- 4.9 **products** deemed to be illegal by local government authorities;
- 4.10 gross negligence of any kind;

SECTION 5: GENERAL CONDITIONS

5.1 Claims Notification

- (a) As soon as **you** become aware during the **policy period** of any fact or circumstances that is reasonably likely to result in a **loss** covered under this **policy**, **you** must notify **us** as soon as possible, but, in any event, **you** liaise with **our incident responder** within seventy-two (72) hours after it was first discovered.
- (b) **You** shall provide **us** with all information, assistance, and cooperation which **we** reasonably request and shall:
 - (i) take all reasonable steps to mitigate or avoid a **loss** under this **policy**;
 - (ii) provide full co-operation and compliance with the **incident responder's** process in order to mitigate any **loss** under this policy.
 - (iii) Co-operate with the **incident responder's** attempts and assistance to recover **loss** relating to a claim under Insuring Agreement from a financial institution or **online merchant** (as applicable) that may be responsible for all or part of the **loss**; and
 - (iv) do nothing that may prejudice **our** potential or actual rights of recovery with respect to a **loss**.
- (c) With respect to Insuring Agreement 1.1 and 1.2, **you** must report to the police as well as the issuers of **your plastic card** (where applicable) and/or the financial institution where **your** personal account is held (where applicable) or the **online merchant** holding **your digital wallet** (where applicable) as soon as practicable but no later than twenty-four (24) hours after **your** discovery of an **online marketplace fraud** or **cyber event**.
- (d) With respect to Insuring Agreement 1.3, **you** must report to the police as well as the issuers of the **plastic card** (where applicable) as soon as practicable, but no later than twenty-four (24) hours after **your** discovery of the **identity theft**.
- (e) With respect to Insuring Agreement 1.4, **you** must report to the police as soon as practicable but no later than twenty-four (24) hours after **your** discovery of a **cyber bullying** incident. **You** must also make every reasonable effort to establish the credibility of the threat and to notify the police or other local law enforcement authorities.
- (f) With respect to Insuring Agreement 1.6, the **extortion payment** shall not be paid without our prior written consent. **You** must also make every reasonable effort to establish the credibility of the threat and to notify the police or other local law enforcement authorities before surrendering any **extortion payment** in response to the cyber extortion threat. If the **extortion payment** involves marketable goods, **we** will pay the actual cash value at the time of the surrender of such goods.

5.2 Duty of Care

You must:

- (a) make sure that **your computer system** is used and maintained as recommended by the manufacturer or supplier;
- (b) take reasonable measures to safeguard **your computer system**, including the installation of anti-malware software. It is recommended that **you** update **your** anti-malware software regularly in accordance with the manufacturer's recommendation and regularly back-up **your digital assets**;
- (c) take reasonable measures when disposing of and destroying **your computer system** to protect **your digital assets**;
- (d) take reasonable measures to safeguard **your personal information, plastic cards** and details of **your** accounts with financial institutions;
- (e) take reasonable measures to authenticate and verify the identity of the sender of an **electronic communication to you**, requesting the transfer of funds including the sender's entitlement to request and receive such funds, prior to such funds being transferred from **your** personal account with a financial institution to an account of a **third party**.
- (f) take all necessary reasonable action against the seller to send replacement **product** or refund the purchase amount to **you**; and
- (g) have informed the seller in writing of the **non-delivery** of the **product** and demanded replacement **product** or a full refund; and the **product** have not been delivered. In the event that a claim for **non-delivery** is paid to **you**, and the original **product** eventually arrived, **you** should pay back any indemnity received to **us**.

5.3 Arbitration

All differences as to the amount of any loss or damage covered by this Policy shall be referred to the decision of an arbitrator to be appointed by the parties in difference or if they cannot agree upon a single arbitrator 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 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 the amount of liability arising out of this Policy.

5.4 Renewal

- a) In case of insurance other than life, unless the insurer at least forty-five (45) days in advance of the end of the policy period mails or delivers to the named insured at the address shown in the policy notice of its intention not to renew the policy or to condition its renewal upon reduction of limits or elimination of coverages, the named insured shall be entitled to renew the policy upon payment of the premium due on the effective date of the renewal. (Sec. 66, Ins. Code)
- b) Any policy written for a term of less than one (1) year shall be considered as if written for a term of one (1) year. Any policy written for a term longer than one (1) year or any policy with no fixed expiration date shall be considered as if written for successive policy periods or terms of one (1) year. (Sec.66, Ins. Code).

5.5 Cancellation

- (a) No Policy of insurance shall be cancelled by the insurer except upon prior notice thereof to the insured, and no notice of cancellation shall be effective unless it is based on the

occurrence, after the effective date of the policy, of one or more of the following:

- 1) Nonpayment of premium;
- 2) Conviction of a crime arising out of acts increasing the hazard insured against;
- 3) Discovery of fraud or material misrepresentation;
- 4) Discovery of willful or reckless acts or omissions increasing the hazard insured against;
- 5) Physical changes in the property insured which result in the property becoming uninsurable;
- 6) Discovery of other insurance coverage that makes the total insurance in excess of the value of the property insured; or
- 7) A determination by the Commissioner that the continuation of the policy would violate or would place the insurer in violation of this code. (Sec. 64, Ins. Code).

5.6 Fraud

If **you** make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this **policy** shall become void from the beginning and all claims hereunder shall be forfeited.

5.7 Geographical Coverage

Worldwide.

5.8 Interpretation

The construction, interpretation and meaning of the terms, conditions, exclusions and limitations of this **policy** shall be determined in accordance with the laws of the Philippines and in accordance with the English text as it appears in this **policy**.

5.9 Notice of Trust or Assignment

We shall not accept or be affected by notice of any trust or assignment or the like which relates to this **policy**.

5.10 Other Insurance

This **policy** shall apply in excess of any other valid and collectible insurance policy available to the **insured**, including any retention or deductible portion thereof, unless such other insurance is written only as specific excess insurance over the Sum Insured under this **policy**.

5.11 Sanctions

We shall not be deemed to provide cover nor shall **we** be liable to pay any claim or provide any benefit under this **policy** to the extent that the provision of such cover, payment of such claim would expose **us** to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of European Union, United States of America, United Kingdom and/or any other applicable national economic or trade sanction law or regulations.

5.12 Subrogation

In the event of any payment to **you** under this **policy**, **we** shall be subrogated to the extent of such payment to all **your** rights of recovery, and **you** shall execute all papers required and shall do everything necessary to secure and preserve such rights.

5.13 Mediation

In the event of any controversy or claim arising out of or relating to this contract, or a breach thereof, the parties hereto agree first to try and settle the dispute by mediation, administered by the Insurance Commission or any recognized mediation institution under its Mediation Rules, before resorting to arbitration, litigation or some other dispute resolution procedure.

5.14 Governing Law

This **policy** will be governed by and interpreted in accordance with the laws of the Philippines.

5.15 Documentary Stamp Tax Revenue Memorandum Order G066

BIR Revenue Memorandum Order No.15-2001, Revenue Regulation No.9-2000: 1. It is understood that upon issuance of the policy, no payment for Documentary Stamps Tax will be refunded as a result of the cancellation or endorsement of the policy or a reduction in the premium due for whatever reason. 2. If a cancellation or endorsement occurs prior to the settlement of the amount due under the policy, the (agent/broker/insured) guarantees the payment of the corresponding Documentary Stamps Tax due, which amount may be legally enforced against and collected from the (agent/broker/insured).

5.16 Action Against Company/Expiration of Action

A condition, stipulation, or agreement in any policy of insurance, limiting the time for commencing an action thereunder to a period of less than one (1) year from the time when the cause of action accrues, is void. (Sec. 63, Ins. Code).

5.17 Claims Settlement

The amount of any loss or damage for which an insurer may be liable, under any policy other than life insurance policy, shall be paid within thirty (30) days after proof of loss is received by the insurer and ascertainment of the loss or damage is made either by agreement between the insured and the insurer or by arbitration; but if such ascertainment is not had or made within sixty (60) days after such receipt by the insurer of the proof of loss, then the loss or damage shall be paid within ninety (90) days after such receipt. Refusal or failure to pay the loss or damage within the time prescribed herein will entitle the assured to collect interest on the proceeds of the policy for the duration of the delay at the rate twice the ceiling prescribed by the Monetary Board, unless such failure or refusal to pay is based on the ground that the claim is fraudulent. (Sec. 249, Ins. Code).