

Master Policy No. PA-GPO-HOM-XXXXXX

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

In consideration of the statements in the Policy Application Form or other acceptable means of enrollment, which shall be the basis of this contract and whose original copy or proof is filed with PRUDENTIAL GUARANTEE AND ASSURANCE, INC. (hereinafter called "Prudential Guarantee") 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, Prudential Guarantee hereby insures the person/s named (hereinafter called the "Insured") against loss indicated as covered in the Schedule of Benefits occurring during the term of this Policy, as required under Republic Act No. 8042, as amended by Republic Act No. 9422 and Republic Act No. 10022.

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 Section 5 of Rule XVI of the said Omnibus Rules and Regulations of Republic Act No. 10022.

IN WITNESS WHEREOF, Prudential Guarantee has caused this Policy to be signed by its Authorized Representative and countersigned by the Policyholder.

PRUDENTIAL GUARANTEE AND ASSURANCE, INC.



ANTHONY G. SY
President & CEO

CONFORME:

(Name of Agency)

By:

(Authorized Representative of Agency)

INSURING AGREEMENT

Prudential Guarantee will indemnify the Insured Migrant Worker, the sum specified in the Policy Schedule for loss of life, permanent disablement, 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 Form, a 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 - BENEFITS

DEATH AND PERMANENT TOTAL DISABLEMENT BENEFIT

Prudential Guarantee, will pay the amount of coverage set opposite such loss, and in addition will provide financial assistance benefits to the Insured Migrant Worker as provided in PART II to the date of loss.

Accidental Death (Loss of Life) - US\$15,000.00

Natural Death* - US\$10,000.00

**Loss of Life due to natural causes shall be covered and paid by the identified Life Insurance Partner in the Policy Schedule.*

Permanent Total Disablement - US\$ 7,500.00

PART II - FINANCIAL ASSISTANCE BENEFITS

Repatriation Cost - Actual Cost

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

Subsistence Allowance - maximum of \$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 the Philippine Peso equivalent at the time of agreement, subject to the consent of the Insured Migrant Worker or the beneficiaries, as the case may be. In no case shall the settlement be less than the mentioned U.S. Dollar equivalent, as required by Republic Act No. 10022, at the time of the payment of the benefits.

PART III - DEFINITIONS

1. "Accidental Death" refers to death resulting directly and solely from external, violent, and accidental means visible on the surface of the body disclose from an autopsy where not forbidden by law, occurring within one hundred–eighty (180) days from the date of accident.
2. "Permanent Total Disablement" refers to 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; or 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 Insured Migrant Worker's employment.

Service in the armed forces in any country or international authority, (whether in peace or war), war and civil risk, and nuclear energy risk 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 to the residence of the Insured Migrant Worker's in the Philippines or to any place in the Philippines in accordance with the Insured Migrant Worker's will, if there is any. The extent of the said benefits shall be regardless of the cost, the primary test of 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" refers to 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" refers to any claim that may be awarded or given to the worker in a judgment 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 Insured 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 or agreed upon, the recruitment/manning agency is liable to pay the balance thereof.
6. "Compassionate Visit" is 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/she 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" is 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" is 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 to 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" means the Philippine Overseas Labor Office.
10. "POEA" means the Philippine Overseas Employment Administration.
11. "NLRC" means the National Labor Relations Commission, who shall have the original and exclusive jurisdiction to hear and decide all claims arising out of employer-employee relationship or by virtue of any law or contract involving the Filipino Workers for overseas deployment, including claims for actual, moral, exemplary, and other forms of damage subject to its rules and procedures.
12. "Application for Cover" refers to the submission of duly accomplished and signed Application Form to the Insurance Company prior to deployment from the Philippines of an eligible Migrant Worker.
13. "Contract of Employment" refers to 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 in consonance with the master 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 a legal resident, to be used interchangeably with overseas worker.
17. "Term of Insurance" refers to the period of insurance commencing from the date of the Insured Migrant Workers departure from the Philippines and shall continue during the entire term of his/her employment 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 a 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 Insured Migrant 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/Proof of Cover issued or renewed for less than one (1) year and shall be used in calculating earned premiums on Policies/Proof of Cover cancelled and not replaced.

One (1) Month	-	20% of the Annual Premium
Two (2) Months	-	30% of the Annual Premium
Three (3) Months	-	40% of the Annual Premium
Four (4) Months	-	50% of the Annual Premium
Five (5) Months	-	60% of the Annual Premium
Six (6) Months	-	70% of the Annual Premium
Seven (7) Months	-	75% of the Annual Premium
Eight (8) Months	-	80% of the Annual Premium
Nine (9) Months	-	85% of the Annual Premium
Ten (10) Months	-	90% of the Annual Premium
Eleven (11) Months	-	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.

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.

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

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. **Conformity to Statute 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 of the Company and issued in accordance with the provisions of Section 50 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 issued 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 Republic Act No. 10022, Rule XVI of its Omnibus Rules and Insurance Guidelines issued by the Insurance Commission.
13. **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.
14. **Currency Clause**
All amounts shown in this Policy are in US Dollar (USD) unless specified in the Policy Schedule. If expenses are incurred in another currency, then the rate of currency exchange used to calculate the amount payable in US Dollar (USD), as fixed by the Bangko Sentral ng Pilipinas, will be the rate at the time the expense was incurred or the loss occurred.

PART V - DOCUMENTARY REQUIREMENTS

For any claim arising from accidental or permanent total disablement, the following documents, duly authenticated by the Philippine foreign posts or by the local registry if death occurs in the Philippines, whichever is applicable, 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 Migrant Worker, if beneficiary is a parent or a child;
- 2) Marriage Contract of Insured Migrant Worker 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.

PRUDENTIAL GUARANTEE AND ASSURANCE, INC.



ANTHONY G. SY

President & CEO

The Insurance Commission, with offices in Manila, Cebu, and 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.