

## GENERAL INFORMATION ON THE NON-CROP AGRICULTURAL ASSET INSURANCE PROGRAM

### AGRICULTURAL ASSETS

Agricultural assets shall pertain to buildings, machineries, equipment, transportation facilities, and other related infrastructures directly or indirectly used in pursuit of agricultural activities including production and processing, marketing, storage, and distribution of goods and services.

### TYPES OF INSURANCE COVER AND RISKS ELIGIBLE FOR COVERAGE

#### Fire and Lightning

- Warehouse risks for agricultural produce, machineries and equipment;
- Industrial risks for processing of agricultural produce;
- Poultry houses, pig pens, stables and other similar structures; and
- Other related infrastructures.

**Note:** Allied perils such as typhoon, flood, earthquake, and other perils as rider in fire policy may be included, subject to additional premium loading and approval by PCIC Head Office; if necessary.

#### Property Floater

- ♦ Tractors, threshers, trailers, shallow tube wells, other related farm machineries.

#### Commercial Vehicle

- ♦ Agricultural transport facilities/vehicles used for hauling agricultural products such as trucks and pickups.

**Note:** Fishery non-crop assets such as ice plants, cold storage and other post-harvest facilities, are eligible for coverage.

### PERIOD OF COVER

The period of insurance cover shall be for a maximum of one (1) year commencing on the effectivity date or as specified in the policy contract and the payment of premium thereof.

### PREMIUM RATES, DISCOUNTS AND DEDUCTIBLES

#### • Fire and lightning

Premium rating of all risks, including applicable discounts and deductibles shall be in accordance with the prevailing industry practice.

#### • Property Floater

The premium rate shall be based on the prevailing rate in the area; provided, in no case shall said rate be lower than one percent (1.0%) of sum insured if the coverage is an initial insurance coverage for the subject property or the rate as expiring if renewal, subject to a minimum premium of Four Hundred Pesos (P400.00) per policy.

The per event deductible shall be one percent (1.0%) of sum insured or One Thousand Pesos (P1,000.00), whichever is higher.

#### • Commercial Vehicle

The premium rating of all risks shall be in accordance with the prevailing industry practice.

The per event deductible shall be One Percent (1.0%) of sum insured or Three Thousand Pesos (P3,000.00), whichever is higher.

### COVERED RISKS AND PERILS

#### Fire and Lightning

- Damage to insured property due to fire and lightning.

#### Property Floater

- All risks of direct physical loss or damage to the property insured from any external cause.

### Commercial Vehicle

- Loss of or damage to the scheduled vehicle and its accessories and spare parts whilst thereon:
  - a. by accidental collision or overturning consequent upon mechanical breakdown or consequent upon wear and tear;
  - b. by fire, external explosion, self-ignition or lightning or burglary, housekeeping or theft;
  - c. by malicious act;
  - d. while in transit (including the processes of loading and unloading) incidental to such transit by road, rail, inland waterway, lift or elevator.
- ♦ Other risks specified in the commercial vehicle policy (e.g., CTPL).

### PROHIBITED RISKS AND PERILS

#### Fire and Lightning

- Non-agriculture related warehouse and industrial risks;
- All fire risks not classified under warehouse risks/industrial risks;
- Earthquake, riot and all allied perils (e.g., typhoon, flood, etc.);
- Burglary and robbery;
- All prohibited risks and perils under ordinary fire policy; and
- Loss or damage related to war and terrorism.

#### Property Floater

- Loss or damage to the property insured caused by or resulting from wear and tear, gradual deterioration, inherent vice, latent defect, mechanical breakdown, corrosion, rust, dampness of the atmosphere and/or loss or damage caused by perils other than those specified above;
- Loss or damage to electrical appliances or devices of any kind including wiring caused by electrical current or disturbance whether from artificial or natural cause unless fire ensues and then for the loss by fire only;



- Loss or damage caused by repairing, adjusting, servicing or maintenance operations, unless fire ensues and then for the loss by fire only;
- Infidelity of the assured's employees or of persons to whom the assured's property is entrusted;
- Loss or damage occasioned by the weight of a load exceeding the registered lifting capacity of any machine;
- Loss or damage caused directly or indirectly by invasion, the act of foreign enemies, hostilities, warlike operations, (whether war be declared or not) civil war, mutiny, rebellion, revolution, insurrection, military or usurped power or by any direct or indirect consequences of any of the said occurrences;
- Consequential loss or damage of any kind or description whatsoever including 1) delay in completing, negotiating and loss of contracts and 2) deterioration and loss of market; and
- Loss or damage arising from the prohibited risks stipulated in the property floater policy.

### Commercial Vehicle

- Loss or damage in respect of any claim or series of claims arising out of one event unless such loss or damage is in excess of the deductible and then only for such excess;
- Consequential loss, depreciation, wear and tear, mechanical or electrical breakdowns, failures or breakages;
- Damage to tires, unless the Scheduled Vehicle is damaged at the same time;
- Any malicious damage caused by the assured, any member of his family or by a person in the assured's service;
- Loss of, or damage to accessories or spare unless the Scheduled Vehicle is stolen at the same time; and
- Loss or damage arising from the prohibited perils, exceptions and limitations stipulated in the commercial car policy.

### WHERE TO FILE APPLICATION

- PCIC Head Office
- PCIC Regional Office (RO)
- PCIC Extension Office (PEO)

### NOTICE OF LOSS

In the event of loss, a Notice of Loss (NL) shall be filed to PCIC RO or PEO within ten (10) calendar days after the occurrence of loss.

NL shall be in writing and must at least contain the following information:

- a. name and address of the assured;
- b. type and number of policy;
- c. location of insured property;
- d. date and time of occurrence of loss;
- e. nature/cause of loss; and
- f. extent of loss/damage.

### PROOF OF LOSS

- **Filing of Proof of Loss**  
A proof of loss, signed and sworn to by the assured, shall also be filed with the PCIC RO or PEO.
- **Fire and Lightning**  
Within sixty (60) calendar days after the loss.
- **Property Floater**  
Within ninety (90) calendar days after the loss.
- **Commercial Vehicle**  
Within three (3) calendar days from filing of NL, submit Affidavit of Loss.

### ADJUSTMENT AND SETTLEMENT OF CLAIMS

- Adjustment of claim shall be done by PCIC personnel or as the PCIC may deem necessary, such may be assigned to an independent adjuster.
- A claim shall be settled as expeditiously as possible upon receipt of complete claim documents from the claimant.
- PCIC shall be liable only to the extent as specified in the policy contract or as agreed upon by and between the assured and the insurer.

# NON-CROP AGRICULTURAL ASSET INSURANCE General Information



“Sa Paglaban sa Kahirapan at Gutom,  
Crop Insurance, Katulong sa Pagbangon.”



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