



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



Legal Opinion (LO) No.:	2020 - 03
Date:	11 March 2020

AR. Z. JOAQUIN C. AMADOR

President
PhintecStar Construction, Inc.
Suite 21, 3J Heights Bldg.,
No. 35 Visayas Avenue,
Diliman, Quezon City

SUBJECT: **Request for the Formal Interpretation
of Deductible Amount of Validated
Claims for Damages against
Contractor's All Risk Insurance (CARI)**

Dear **Ar. Amador**:

This refers to your letter dated 20 January 2020 requesting for the Insurance Commission's formal interpretation of the participation clause of the insured in a Contractor's All Risk Insurance (CARI).

The pertinent facts are as follows:

"This has reference to [PhintecStar Construction, Inc.'s] claims for damages against our present CARI's we secured from The Premier Insurance & Surety Corporation, which were caused by Typhoon Ursula on our on-going works in our Yolanda Projects with the National Housing Authority (NHA), in the Municipalities of Hernani, MacArthur, Quinapondan and Balangiga, all located in Eastern Samar.

The aforementioned claim for damages were all denied by The Premier Insurance & Surety Corporation, in letters dated January 14, 2020, and we quote:

*'May we refer to **Section 1** of the [policy schedule of Contractor's All Risk Policy No. XXXXX, **under item A**, that the insured will bear the first 25% of sum*