



Legal Opinion (LO) No.:	2020 - 14
Date:	19 October 2020

**MS. SUSAN C. RAMIREZ**  
 OIC-Regional Director  
**Regional Office No. II**  
**Commission on Audit**  
 Regional Government Center,  
 No. 1 Dalanimammo cor. Pavvurulun St.,  
 Carig Sur, Tuguegarao City

**SUBJECT: Request for Interpretation of Provision of Typhoon Endorsement**

Dear **Ms. Ramirez:**

This refers to your letter dated 03 September 2020 requesting for an interpretation of a certain provision of the insurance policy entered into by the Commission on Audit (COA), Regional Office No. II (RO2) with the Government Service Insurance System (GSIS).

The factual antecedents are as follows:

“x x x As an antecedent, the COA RO2 had obtained an insurance coverage of all its provincial Satellite Auditing Offices (PSAO) Buildings and properties with the GSIS, as mandated by applicable rules and regulations. Part of such insurance policy is a casualty insurance which covers loss or damage caused by typhoon and other natural or man-made calamities.

Item 5 of the Special Condition of Typhoon Endorsement states:

*It is understood and agreed that the Insured shall bear the first 2% of the **actual value of the affected item/s** under this endorsement on any one Typhoon occurrence the duration and extent of which shall be limited to 168 consecutive hours. (Highlight supplied)*

With the onslaught of the Typhoon “Ompong” which battered the northern part of Luzon, part of the PSAO-Cagayan Building was damaged and we submitted a claim to the GSIS. The total amount