



Insurance Memorandum	
Circular (IMC) No.	: 2024-01
Date	: 07 February 2024
Amends	: IMC No. 4-2006

**INSURANCE MEMORANDUM CIRCULAR**

**TO : ALL NON-LIFE INSURANCE COMPANIES**

**SUBJECT : Increase in the Benefits for Compulsory Motor Vehicle Insurance Coverage**

**WHEREAS**, the Insurance Commission provided for the Limits of Liability, Schedule of Indemnities for Bodily Injury and/or Death, and Premium Rates through Insurance Memorandum Circular (IMC) No. 4-2006 dated 26 July 2006 on “Compulsory Motor Vehicle Liability Insurance (CMVLI) Coverage;

**WHEREAS**, the primordial purpose of the CMVLI is to guaranty and ensure that the owners and/or operators of motor vehicles have the means and resources to indemnify the death and/or bodily injury of third-parties or passengers, as the case may be, arising from the operation of their motor vehicles;

**WHEREAS**, Chapter VI of the Amended Insurance Code provides the standards and general guidelines on CMVLI policies;

**WHEREAS**, there is a need to continually improve/increase the benefits and insurance coverages under the CMVLI policy to make it more responsive to the welfare and development needs of the individuals who are victims of any vehicular incidents or mishaps.

**NOW, THEREFORE**, in the interest of the public and pursuant to the authority vested in me by the provisions of Section 437 of the Insurance Code of the Philippines, as amended, the limits of the third-party liability prescribed under IMC No. 4-2006 are hereby increased and amended as follows:

**I. LIMITS OF LIABILITY**

The limit for third party liability for all CMVLI coverage shall be Two Hundred Thousand Pesos (P200,000.00) each for all types of motor vehicles.

**II. SCHEDULE OF INDEMNITIES FOR BODILY INJURY AND/OR DEATH**

The following Schedule of Indemnities shall be observed in the settlement of claims for death, bodily injuries, professional fees and hospital charges for services rendered to traffic incident victims under the CMVLI policy.

A) DEATH INDEMNITY P 200,000.00  
 including Burial and Funeral Expenses

**B) BODILY INJURIES AND FRACTURES**

<b>Types of Accommodation or Professional Attendance <u>Extended</u></b>	<b><u>Services Rendered</u></b>	<b>Maximum Reimbursable Fees and/or Charges</b>
1. Hospital Rooms	Maximum of 45 days per accident	P 500.00 /day
	Laboratory Examination, fees, x-rays	2,000.00
2. Surgical Expenses	Major Operation	7,500.00
	Medium Operation	5,000.00
	Minor Operation	1,500.00
3. Anaesthesiologist's Fees	Major Operation	2,500.00
	Medium Operation	2,000.00
	Minor Operation	500.00
4. Operating Room	Major Operation	1,500.00
	Medium Operation	1,000.00
	Minor Operation	500.00
5. Medical Expenses	For daily visits of Practitioner or specialists	400.00 /day
	The total amount of medical expenses must not exceed (For a single period of confinement)	5,000.00
6. Drugs and Medicines	Actual value of drugs and medicines used but not to exceed	20,000.00
7. Ambulance	Actual amount charged for ambulance transport but not to exceed	1,500.00

C) PERMANENT DISABLEMENT		AMOUNT
Loss Of or Loss of Use of:		
Two Limbs	P	50,000.00
Both Hands, or All Fingers & Both Thumbs		50,000.00
Both Feet		50,000.00
One Hand and One Foot		50,000.00
Sight of Both Eyes		50,000.00
Injuries Resulting in being permanently bedridden		50,000.00
Any other injury causing permanent total disablement		50,000.00
Arm at or above elbow		20,000.00
Arm between elbow and wrist		15,000.00
Hand		15,000.00
Four Fingers and Thumb of one Hand		15,000.00
Four Fingers		12,000.00
Leg at or above knee		20,000.00
Leg below knee		15,000.00
One Foot		15,000.00
All Toes of one foot		10,000.00
Thumb		8,000.00
Index Finger		6,000.00
Sight of One Eye		20,000.00
Hearing – Both Ears		30,000.00
Hearing – One Ear		15,000.00

#### D) OTHER INCIDENTAL EXPENSES

The Insurer will pay all pertinent and reasonable expenses incurred in connection with the accident not provided under this Schedule of Indemnities (A), (B), and (C), subject to a maximum amount of Ten Thousand Pesos (P10,000.00) but in no case shall the Insurer's aggregate payment exceed the overall Limits of Liability under Sections I and II.

#### III. NO FAULT INDEMNITY

Any claim for death or bodily injuries sustained by a passenger or third party shall be paid without necessity of proving fault or negligence of any kind provided the total indemnity in respect of any person shall be Thirty Thousand Pesos (P30,000.00) for all motor vehicles.

#### IV. MOTOR CAR TARIFF

The premium rates for one-year and three-year CMVLI coverage set forth in IMC No. 4-2006 shall remain in force and effect. Premium adjustments arising from the increase in benefits as provided in this Circular shall be subject to study once sufficient data are gathered during the implementation of this Circular.

#### V. TRANSITORY PROVISION

Upon effectivity of this Circular, said increase shall automatically be in force and effect on all existing and subsisting CMVLI contracts, without the need to amend said contracts nor provide supplementary documents to enforce this Circular.

#### VI. REPEALING CLAUSE

All other provisions of existing and effective issuances by this Commission inconsistent herewith are hereby amended or repealed accordingly.

#### VII. EFFECTIVITY

This Insurance Memorandum Circular shall take effect 15 days after its publication in the Official Gazette or in a newspaper of general circulation.

City of Manila, Philippines. FEB 07 2024 2024

  
REYNALDO A. REGALADO  
Insurance Commissioner

