

LOAN REPAYMENT PROTECTION PLAN

Loan Repayment Protection Plan (LRP<sup>2</sup>) is an insurance protection for agricultural producers, fisherfolk and other agricultural stakeholders that guarantees the payment of the face value or the amount of the released agricultural loans or agri-related microfinance or livelihood loans upon the death or total permanent disability of the insured borrower.

I. ELIGIBILITY

Any individual or group of borrowers whose age ranges from eighteen (18) to eighty (80) years old who availed of agricultural loans.

II. PERIOD OF INSURANCE COVERAGE

- **Duration** — Maximum of one (1) year or less than a year, as the term of the loan specifies.
- **Commencement** — Date of initial loan release or the approval of application by PCIC whichever is later.
- **Termination** — Will terminate on whichever is earliest of the following dates:
  - 1.Full payment of the loan;
  - 2.Maturity of the loan;
  - 3.Expiry of the policy; or
  - 4.Default of premium payment (For staggered payment, default is reckoned ten (10) days after the premium amortization due date).

III. COVERED RISKS

- Death or total and permanent disability of the insured resulting from:
- Accident;
  - Natural Causes; and
  - Murder or assault

IV. PRINCIPAL SUM AND PREMIUM

The amount of insurance is equal to the amount of the approved loan of the borrower or the full amount of the loan including legitimate interest thereof, subject

to the following limits:

Limit of Amount of Insured Loan, Required Documents and Approving Authority		
Loan Limit (Php)	Required Documents	PCIC Approving Authority
≤ 300,000 (Non-medical limit)	• Application and Health Statement	Regional Office
> 300,000 to 500,000	• Application and Health Statement • Medical Certificate	Regional Office
> 500,000		Head Office

Notes:

1. Medical certificate must be from a licensed medical practitioner/physician.
2. Non-compliance with the required medical examination shall automatically limit the sum insured to the non-medical limit as stated above.

Premium Rate and Premium Discount as % of Approved Loan/Sum Insured			
Term of Loan (No. of Mos.)	Premium Rate	Discount for Group Coverage	
		No. of Members	Discount
≤ 3	0.375	15 to 25 26 to 40 > 40	5 10 15
4	0.500		
5	0.625		
6	0.750		
7	0.875		
8	1.000		
9	1.125		
10	1.250		
11	1.375		
12	1.500		

Notes: Premiums are inclusive of taxes

V. EXCLUDED RISKS

- Death or total permanent disability caused by any of the following:
- War, invasion, act of foreign enemy, hostilities or warlike operations, mutiny, terrorism, riot, civil commotion, strike, civil war, rebellion, revolution and insurrection, and atomic fission or radioactive

- contamination;
- Intentionally self-inflicted injuries, suicide or any attempt thereat, while sane or insane;
- Vehicular accidents while driving under the influence of liquor or prohibited drugs;
- Rendering military and paramilitary services;
- Engagement in hazardous sports or occupation;
- Illegal acts of the insured;
- Engagement in aviation other than as a passenger in a commercial flight;
- Abortion, except when pursued as a medical intervention; and
- Incidents occurring before the effectivity and after the expiry of the insurance coverage as indicated on the Certificate of Cover.

VI. BENEFITS AND LIMITS OF LIABILITY

In case of death or total permanent disability of the insured, PCIC pays the face value of the loan, provided that the said amount is actually released; otherwise, the limit of liability shall be the actual amount released including legitimate interest, if applicable.

VII. BENEFICIARIES

Payment of claim shall be made to the lending institution/cooperative where the loan was obtained. The payment shall be applied to liquidate and settle the outstanding obligation of the insured borrower. Any excess shall be paid by the lending institution/cooperative to the primary beneficiary of the borrower. If the primary beneficiary is rendered ineligible, the secondary beneficiary shall be the recipient. If the beneficiary is a minor, the appointed trustee is the payee.

VIII. APPLICATION OF INSURANCE

- **Where to file** — Lending Institution, Cooperative, PCIC Regional Office (RO), and/or PCIC Extension Office (PEO).
- **When to file** — Before loan release.

- **Documents Required** — Filled-out Application and Health Statement Form, and Medical Certificate, if applicable.

IX. NOTICE OF CLAIM

In case of Total Permanent Disability

The lending/institution/cooperative/underwriting agent, the immediate member of his family, or the insured himself, as the case may be, shall file a notice of claim (NC) in writing to the PCIC RO or PEO not later than thirty (30) calendar days from the time of total permanent disability.

The claimant may file the NC thru a text message or other forms (E-mail, FB Messenger, and others) to the PCIC RO/PEO and must contain at least the name and address of the assured, type of insurance and cause of loss, provided that a written NC shall be submitted thereafter.

In case of Death

The lending institution/cooperative/underwriting agent or the immediate member of his family shall file a notice of claim (NC) in writing to the PCIC RO or PEO not later than thirty (30) calendar days from the time of death.

X. SUBMISSION OF CLAIM DOCUMENT

Within sixty (60) calendar days from the death or total permanent disability of the insured, the following claim documents should be submitted:

In case of Death

- a.Death Certificate duly signed & sealed by the Local Civil Registrar;
- b.Birth Certificate or any legally valid proof of age of the deceased borrower;
- c.Claimant Statement Form to be accomplished by the Manager of the concerned lending institution/cooperative;
- d.Medical Certificate;



## REGIONAL OFFICES

### REGION I

2nd and 3rd Floor, S and P North Building, Nancayasan, McArthur Highway, Urdaneta, Pangasinan, 2428

Phone: (075) 568-2524  
(075) 637-8036

Email: ro1@pcic.gov.ph

### REGION II

Regional Government Center, Carig, Tuguegarao City, Cagayan, 3500

Phone: (078) 844-1225  
Email: ro2@pcic.gov.ph

### REGION III

PEDMAR Building Dolores, City of San Fernando, Pampanga, 2000

Phone: (045) 652-7816  
Email: ro3@pcic.gov.ph

### REGION III-A

2nd Floor CBNE Bldg. Maharlika Highway Cabanatuan City, 3100

Phone: (044) 600-2080  
(044) 958-9845

Email: ro3a@pcic.gov.ph

### REGION IV

2/F Rizal Commercial Center, J.P. Rizal St. corner

MH Del Pilar, Calamba City, Laguna, 4207

Phone: (049) 530-0935  
(049) 536-2129

Email: ro4@pcic.gov.ph

### REGION V

BB Andes Building, Zone 8, SOLS Subdivision, Bitano, Legazpi City, 4500

Phone: (052) 742-6613  
Email: ro5@pcic.gov.ph

### REGION VI

2nd Floor, Regional Science Laboratory Building, Department of Agriculture, Fort San Pedro Iloilo City, 5000

Phone: (033) 323-3402  
Email: ro6@pcic.gov.ph

### REGION VII

3rd and 4th Floor, DBP Building, Osmeña Boulevard, Cebu City, 6000

Phone: (032) 253-8686  
Email: ro7@pcic.gov.ph

### REGION VIII

2nd and 3rd Floor F. Mendoza RealtyComplex, 141 Sto. Niño St., Tacloban City, 6500

Phone: (053) 321-3013  
(053) 523-4104

Email: ro8@pcic.gov.ph

### REGION IX

2nd Floor Bulaylay Building, National Highway, Tiguma, Pagadian City, Zamboanga Del Sur, 7016

Phone: (062) 945-1588  
(062) 925-0700

Email: ro9@pcic.gov.ph

### REGION X

3rd Floor and 4th Floor One Montecarlo Building, Corrales-Hayes St. Cagayan de Oro City, 9000

Phone: (088) 857-2983  
Email: ro10@pcic.gov.ph

### REGION XI

Purok 16, Sitio, Durian, Libby Road, Bago Gallera, Puan, Davao City, 9506

Phone: (083) 228-3902  
Email: ro11@pcic.gov.ph

### REGION XII

Dumagan Building, Morales Avenue, Purok Katipunan, General Paulino Santos, Koronadal City, 9410

Phone: (083) 305-2739  
Email: ro12@pcic.gov.ph



Department of Agriculture  
PHILIPPINE  
CROP INSURANCE  
CORPORATION

## QUALITY POLICY


The highest satisfaction with our agricultural insurance services among our internal and external stakeholders is our commitment.

We optimize the use of available resources to provide responsive livelihood protection at the appropriate level and right time, to the greatest number of marginal farmers and fisherfolk.

We assure this by:

- o empowering the workforce;
- o maintaining and expanding the partnership with public and private entities nationwide;
- o adhering to local and international standards; and
- o integrating risk-based quality management system in the delivery of our products and services toward continual improvement.

Approved by:

  
**ATTY. JOVY C. BERNABE**  
President  
Date: November 28, 2022

# LOAN REPAYMENT PROTECTION PLAN



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



Department of Agriculture  
**PHILIPPINE  
CROP INSURANCE  
CORPORATION**

## HEAD OFFICE

7F Building A, NIA Complex, EDSA, Diliman, Quezon City  
**Phone:** 8559-7457  
**Fax:** 8361-8983  
**Email us at:** rmg@pcic.gov.ph

Visit us at:  
<http://pcic.gov.ph>

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- e. Police report, if the cause of death is by accident or by violent means; and  
f. Other documents such as sworn affidavit of two (2) disinterested persons as may be required by PCIC.

### In case of Total Permanent Disability

- a. Medical Certificate by the attending physician and certified machine copy of complete medical/ hospital records;  
b. Claimant Statement Form to be accomplished by the Manager of the concerned lending institution/ cooperative;  
c. Police report, if the cause of disability is by accident or by violent means; and  
d. Other documents as may be required by PCIC

## XI. SETTLE OF CLAIM

A claim shall be settled not later than twenty (20) working days from the submission of complete claim documents to the PCIC RO, PEO or accredited underwriting agent.

## XI. MISCELLANEOUS PROVISIONS

### Disappearance

Disappearance per se of the insured is not compensable. However, if death of the insured alleged to have disappeared is proven or established later to have occurred during the term of cover, the claim maybe given due course.

### Voidance & Cancellation Clause

The policy shall be voided and cancelled by the PCIC upon occurrence of any of the following during the effectivity of the policy, and after notice thereof to the insured/ lending institution/cooperative:

- a. Conviction of a crime, thus, increasing the hazard insured against;  
b. Discovery of fraud or material misrepresentation; and  
c. Discovery of willful, reckless acts or omissions that increase the hazard insured against.

In case of cancellation, the insured is not entitled to any premium refund for the unexpired term.

### 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 an 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.