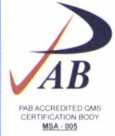




Republic of the Philippines  
Department of Finance  
**INSURANCE COMMISSION**  
1071 United Nations Avenue  
Manila



## NOTICE TO THE PUBLIC

19 January 2024

### EXPOSURE DRAFT ON THE PROPOSED INCREASE IN THE BENEFITS FOR COMPULSORY MOTOR VEHICLE LIABILITY INSURANCE

The Insurance Commission hereby posts for information of all concerned the Exposure Draft on the proposed increase in the benefits of the Compulsory Motor Vehicle Liability Insurance (CMVLI). The proposed increase is intended to continually improve the welfare and development needs of the individuals who are victims of vehicular incidents and mishaps.

To promote the participation of the public, the Insurance Commission is openly soliciting comments and suggestions from all interested persons.

All interested persons may submit their written comments and suggestions to the Regulations, Enforcement and Prosecution Division (REPD) of the Insurance Commission with office address at Insurance Commission Bldg., 1071 United Nations Ave., Manila. Said comments and suggestions may also be submitted electronically through email to [repd@insurance.gov.ph](mailto:repd@insurance.gov.ph).

Comments and suggestions made through phone calls or text messages will not be entertained and will be disregarded automatically.

Written comments and suggestions on the matter must be submitted within **fifteen (15) days** from the posting of this Notice. Late submission will no longer be considered.

The Exposure Draft on the Proposed Increase in the Benefits for CMVLI Coverage which is attached hereto will be posted on the Insurance Commission website ([www.insurance.gov.ph](http://www.insurance.gov.ph)).

Be guided accordingly.

  
**REYNALDO A. REGALADO**  
Insurance Commissioner



Insurance Memorandum	
Circular (IMC) No.	:
Date	:
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 \_\_\_\_\_ after its publication in the Official Gazette or in a newspaper of general circulation.

City of Manila, Philippines. \_\_\_\_\_ 2024.

**REYNALDO A. REGALADO**  
Insurance Commissioner