

Baggage Delay & 1 hour On-time Guarantee Insurance

This insurance plan is offered to individuals who purchase Value Pack, Premium Flatbed or Premium Flex fare (hereinafter referred to as the "Insured Person/You/Your") from AirAsia Berhad, Company No: 284669-W or Philippines AirAsia Inc, Company No.A1997-7490AirAsia..

IMPORTANT NOTE: This Policy Wording contains details of the coverage, conditions, restrictions and exclusions and shall form the basis of the Policy. Please read the Policy Wording carefully to understand the coverage and sections.

Summary of Benefits

Coverage excluding Infants is afforded as follows:-

One Way / Return Plan

| Benefits | | Sum Insured |
|-----------------|---|---|
| 1 | Baggage Delay - For every 6 consecutive hours delay from arrival time of Scheduled Flight to time You receive Your luggage | Up to PHP 4,200.00 (PHP 1,400.00 per 6 consecutive hours of delay) |
| 2 | On-Time Guarantee - Delay more than 1 consecutive hour from scheduled departure time | PHP 2,340.00 |

Definitions

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| “AirAsia Credit Shell” | refers to amount credited by AirAsia into Your AirAsia BIG Member ID. |
| “Air Ticket” (also known as seats purchased under AirAsia’s e-ticketing system) | refers to any air ticket(s) issued in Your name by AirAsia for a journey as mentioned in the itinerary (the electronic acknowledgement generated upon an internet purchase) |
| “Checked-In Baggage” | refers to baggage that is checked-in with AirAsia and accompanied by AirAsia baggage tag. |
| “Country of Arrival” | refers to country where Your Scheduled Flight is destined to depart to. |
| “Epidemic” | refers to a sudden severe outbreak of disease that spreads rapidly and affects, within a very short period, an inordinately large number of people within a geographical region. For example, SARS / Swine Flu (H1N1) / Bird Flu. |
| “First Departure Date” | refers to the date of departure shown on Your Flight Schedule. |
| “Insured AirAsia Guest, Insured Person, You, Your” | refers to the covered guest who has been issued with a Certificate of Insurance, who has purchased and paid for the insurance cover simultaneously with the purchase of an AirAsia Air Ticket. |
| “One Way Plan” | refers to insurance coverage for AirAsia Guest(s) who had purchase done way Value Pack, Premium Flatbed or Premium Flex fare. |
| “Pandemic” | refers to an outbreak of infectious disease, which meets the |

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| | <p>following criteria set by World Health Organisation (WHO), that spreads across a large region or worldwide.</p> <p>(i) Emergence of a disease new to a population.</p> <p>(ii) Agents infect humans, causing Serious Illness.</p> <p>(iii) Agents spread easily and sustainably among humans.</p> |
| "Return Plan" | refers to insurance coverage for AirAsia Guest(s) who had purchased return Value Pack, Premium Flatbed or Premium Flex fare. |
| "Scheduled Flight" | refers to commercial flights scheduled by AirAsia. |
| "Time" | Any reference to a time or a date in the policy context or in the context of a coverage period refers to Philippines time. |
| "Trip" | refers to the period between the Commencement of Cover and Expiry of Cover. |

Period of Insurance

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|--------------------------------|---|
| Commencement of Cover | (1) The cover commences upon Your check in at the airport on the First Departure Date for a Scheduled Flight. |
| Expiry of Cover (One Way Plan) | (1) Your departure from the airport at the Country of Arrival, |
| Expiry of Cover (Return Plan) | <p>(1) The cover ends upon checking out from point of immigration in Philippines on Your arrival date</p> <p>OR</p> <p>(2) upon checking in at point of immigration for travel outside the Country of Arrival, other than return to Philippines.</p> <p>whichever comes first</p> |

Benefits

SECTION 1 –BAGGAGE DELAY

We will pay You PHP 1,400.00 only for every six (6) consecutive hours delay whereby Your Checked-In Baggage and / or baby stroller is delayed, misdirected or temporarily misplaced by AirAsia from Your scheduled arrival time until the time You received Your baggage at the scheduled destination. The maximum amount payable is up to the limit stated in the Summary of Benefits.

The delay shall be calculated from the original scheduled arrival time of the Scheduled Flight until actual receive date and time of the baggage by You. A letter from AirAsia or its handling agents confirming the actual date and time of baggage delivery shall suffice as proof for purposes of claim for this benefit.

Special Exclusions applicable to Section 1 – Baggage Delay

We will not pay for claims in respect of:

- (1) Baggage delay not immediately reported to AirAsia
- (2) Confiscation or detention by customs, immigration and/or public authorities
- (3) Your failure to obtain a written confirmation from AirAsia or their handling agents on the actual date and time of baggage delivery.
- (4) There is no baggage allowance purchased during the Scheduled Flight.

SECTION 2–ON-TIME GUARANTEE

In the event Your Scheduled Flight is delayed for at least one(1) consecutive hour from the original scheduled time specified in the itinerary supplied to You, We will pay You PHP 2,340.00 only.

Original scheduled time shall means:

- i. the time printed in Your itinerary;
- ii. any new departure time which AirAsia has advised You, not less than twenty four (24) hours from the original scheduled time of flight departure on the flight itinerary.

The delay shall be calculated from the original scheduled time until the commencement of the first available alternative flight offered by AirAsia. A letter from AirAsia or its handling agents confirming the duration and reason of such delay and Your boarding pass issued on the affected flight shall suffice as proofs for purposes of claim for this benefit

Special Exclusions applicable to Section 2 – On-Time Guarantee

We will not pay for loss directly or indirectly arising as a result of:-

- (a) any illegal or unlawful intention act by You.
- (b) any breach of government regulation or any failure by You to take reasonable precautions to avoid a claim under the Policy following the warning of any intended strike, riot or civil commotion through or by general mass media.
- (c) Your failure to check in according to the itinerary supplied to You.
- (d) Your failure to board the next available flight offered by AirAsia.
- (e) airport closure, airport curfew, strike, air traffic flow management restrictions or industrial action of companies/carrier involving other than AirAsia and already in existence on the date of the Scheduled Flight.
- (f) any prohibition or regulations by any government or immigration authority.
- (g) You are not fit to travel or is travelling against the medical advice of a physician.
- (h) any rescheduling or delay which You have been made aware of twenty four (24) hours prior to the First Scheduled Departure Time in the travel itinerary.

General Exclusions Applicable to All Parts and Sections:

This Insurance does not cover:-

- (1) payment which would violate a government prohibition or regulation;
- (2) delay, seizure, confiscation, destruction, requisition, retention or detention by customs or any other government or public authority or official;
- (3) any violation or attempt of violation of laws or resistance to arrest by appropriate authority;
- (4) the Insured Person which is below the age of 9 days;
- (5) Your late arrival at the airport for the Scheduled Flight after the official check-in time;
- (6) Your failure to take reasonable measure to protect, save or recover lost luggage;
- (7) Your failure to notify the relevant airline authorities of missing luggage at the scheduled destination point and to obtain a property irregularity report;
- (8) any loss, injury, damage or legal liability arising directly or indirectly from travel in, to or through Afghanistan, Cuba, Democratic Republic of Congo, Iraq, Liberia, Sudan or Syria;
- (9) any loss, injury, damage or legal liability suffered or sustained directly or indirectly by You if You are :-
 - (a) a terrorist ;
 - (b) a member of a terrorist organisation ; or
 - (c) a purveyor of nuclear, chemical or biological weapons ;
 - (d) a narcotics trafficker.

- (10) any loss resulting directly and indirectly (in whole or in part) from :
- (a) Pandemic
 - (b) Epidemic

General Conditions Applicable to entire Policy

(1) **Entire Contract**

This Certificate of Insurance contains terms and conditions for the Insurance Coverage and benefits provided herein which shall always be subject to the terms and conditions of this Master Policy.

(2) **Observance of Insurance Terms and Conditions**

The due observation and fulfillment of terms and conditions of this policy in so far as they relate to anything to be done or complied with by the Insured or any claimant under this policy shall be conditions precedent to any liability of the Company to make any payment under this Policy.

(3) **Misrepresentation in Application**

The benefits shall not be payable and the Policy, at the option of the Company, shall be considered voidable in the event:

- (a) there is a failure to disclose or misrepresentation of any fact with respect to the Insured Person that is material to the insurance provided hereunder which is required to be furnished as evidence of insurability; and/or
- (b) in all cases of fraud.

(4) **Alterations**

The Company reserves the right to amend the terms and provisions of the Policy and may at any time be amended and changed by written agreement between the Company and the AirAsia. Any amendment to the Policy shall be binding on all persons whether insured under the Policy prior to, during, or after the effective date of the amendment. No alteration in the Policy shall be valid unless approved by an authorized representative of the Company and such approval be endorsed herein.

(5) **Currency of Payment**

Payment of any claim covered under this Policy shall be made in Philippine currency or its equivalent in any other currency at the prevailing rate of exchange as declared

by the Central Bank of the Philippines at the time of effecting payment if so required by the Insured Person or his/her permitted legal personal representatives.

(6) **Compensation Limit**

The compensation limit is that expressed in the Limit of Benefit.

(7) **Ages**

All ages referred to in this Policy shall be the age of the Insured Person at his/her last birthday.

(8) **Country of Residence**

Coverage provided to the Insured Person is subject to either their residence in the Philippines or for non-residents, to their travel through the Philippines or to their transit through a Philippine Airport.

(9) **Notice and Procedures of Claims**

(a) Upon the happening of any event which may give rise to a claim, the Insured Person shall:

- (i) notify the Company in writing as soon as possible but not later than thirty (30 days) after any event which may give rise to such claim by filling up the claim form as provided by the Company;
- (ii) furnish to the Company in writing, at the Insured Person's own costs and expenses, any evidence and proof including but not limited to information, particulars, accounts, original receipt, invoices, Insured Person's statements, reports and any other documents as the Company may require and shall be in such form and of such nature as the Company may prescribe.
- (iii) produce for the Company's examination pertinent documents at such reasonable times and shall cooperate with the Company in all matters pertaining to any loss and/or claims. Failure to comply with this condition may prejudice the claim.

(b) The following information and documents shall be furnished to the Company under any circumstances in matters of claims:

- (i) copies of the record and/or charge forms verifying the relevant Scheduled Flight Air Tickets charged to the Insured Person's credit card account or proof of payment.
- (ii) a property irregularity report obtained from AirAsia in respect of lost luggage including details of the Scheduled Flight

(c) All reasonable measures to protect, safeguard and recover such lost baggage and/or personal effects shall be taken by the Insured Person. Any delay or non-

delivery of baggage shall immediately be reported to an official of AirAsia authorized to receive such notification.

(10) Proof of Loss

Written proof of loss must be furnished to the Company at its office within ninety (90) days from the date of loss. Failure to furnish such proof within the time required shall not invalidate or reduce any claim if it was not reasonable possible to give proof within such time provided such proof is furnished as soon as possible and in no event, except in the absence of legal capacity, later than one (1) year from the time proof is otherwise required.

(11) Effect of Fraud

Any fraud, misstatement or concealment in respect of this insurance or any claim hereunder shall render the insurance coverage and benefits provided herein null and void.

(12) Medical Examination

The Company at its own expense shall have the right to require additional proof and request medical examination of the Insured Person when and as often as it may reasonably require during the period when the claim is pending and to conduct an autopsy in case of death provided it is not forbidden by law.

(13) To Whom Indemnity is Payable

Indemnity for loss of life in respect of the Insured Person is payable to the nominee(s) elected by the Insured Person, if surviving the insured (For foreigners, such pay out shall be made in accordance to foreign Insured Person's country's probate laws). Indemnity for all other benefits will be paid to the Insured Person or his/her estate upon his death. The process of claim including settlement shall be handled between the Company and the Insured Person or his/her estate as the case may be, whose sole discharge will constitute full and final discharge of the claim lodged.

(14) Sanctions Clause

The Company is not liable to make any payment for liability under any coverage sections of this Policy or make any payment under any extension for any loss or claim arising in, or where the Insured Person or any beneficiary under the Policy is a citizen or instrumentality of the government of any country(ies) against which any laws and/or regulations governing this Policy and/or the Company, its parent company or its ultimate controlling entity have established an embargo or other form of economic sanction which have the effect of prohibiting the Company to provide insurance coverage transacting business with or otherwise offering economic benefits to the Insured or any other beneficiary under the Policy. It is further understood and agreed that no benefits of payments will be made to any beneficiary(ies) who is or are declared unable to receive economic benefits under the laws and/or regulations governing this policy and/or the Company, its parent company or its ultimate controlling entity.

(15) **Receipts**

The Company shall not abide by any notice or any trust charge, a lien, assignment or other dealing with the Confirmation of Cover. The receipt by the Insured Person for any compensation payable herein shall in all cases be effectual discharge of liability of the Company.

(16) **Rights of Nominee**

Consent of nominee shall not be a pre-requisite to terminate or to cancel this Master Policy or to a charge of nominee or for that matter for any changes in this Master Policy.

(17) **Rights of Ownership**

The policy owner is AirAsia.

(18) **Legal Proceedings**

Action against Company must start from the date when the cause of action accrues such as from the denial of a claim.

(19) **Arbitration Clause**

In the event of any controversy or claim arising out of or relating to this contract, or a breach thereof, the parties hereto agree first to try and settle the dispute by mediation, administered by the Insurance Commission or any recognized mediation institution under its Mediation Rules, before resorting to arbitration, litigation or some other dispute resolution procedure.

(20) **Limitation of Time of Bringing Arbitration**

If a claim is made under the Master Policy and rejected by the Company, the Insured or his/her legal personal representatives shall commence arbitration proceedings within six (6) months of such rejection, failing which the Company shall be discharged from all liability whatsoever for that General claim.

(21) **Cancellation**

No policy of insurance shall be cancelled by the insurer except upon prior notice thereof to the insured, and no notice of cancellation shall be effective unless it is based on the occurrence, after the effective date of the policy, of one or more of the following:

- a. Non-payment of premium
- b. Conviction of a crime arising out of acts increasing the hazard insured against;
- c. Discovery of fraud or material misrepresentation

- d. Discovery of wilful or reckless acts or omissions increasing the hazard insured against;
- e. Physical changes in the property insured which result in the property becoming uninsurable;
- f. Discovery of other insurance coverage that makes the total insurance in excess of the value of the property insured; or
- g. A determination by the Commissioner that the continuation of the policy would violate or would place the insurer in violation of this code (Section 64, Insurance Code).

(22) Sole Responsibility of the Company

Any issues, matters or claims related in whole or part to insurance provided under this policy shall be the sole responsibility of the Company, and shall not in any way involve AirAsia.

(23) Conformity with Law

If any provision of this Confirmation of Cover which on its issuance date is in conflict with the law of the country in which the Certificate of Insurance was issued or delivered, this Policy shall be read in conformity to the Philippine Law.

(24) Flight Cancellation by AirAsia / Insured

(a) the travel insurance policy will be expired if the Insured Person selects the Credit Shell. However, the premium will be refunded as a credit for the Insured Person to buy a new air ticket flight.

(b) the travel insurance policy will be expired if the Insured Person selects Cash Refund pay-out. The premium will be included in the total amount you receive from AirAsia.

(25) Duplication of Cover

In the event an Insured Person is covered by more than one (1) policy purchased through AirAsia and/or its affiliates', benefit will be payable by the policy that provides the greatest amount of benefit. Where the benefit under each such policy is identical, the Company will only entertain the claim that Insured Person to be covered under the Policy first issued.

(26) Extension of Cover

Extension of insurance coverage up to a maximum of three (3) days (only for the return flight). The extension covers any insured person whose actual itinerary does not correspond to the original itinerary due to rescheduling of flight by AirAsia. The Company will honor valid claims in such a scenario.

(27) Applicable Law

This Policy shall be governed by laws of the Philippines, and that any disputes arising out of or in connection with the policy, including the interpretation of policy provisions, shall be construed in accordance with the laws of the Philippines.

(28) Flight Cancellation by AirAsia / Insured

- (a) the travel insurance policy will expire if You select the AirAsia Credit Shell. However, the premium will be refunded as a credit for You to buy a new Air Ticket of AirAsia flight.
- (b) the travel insurance policy will expire if You select Cash Refund pay-out. The premium will be included in the total amount you receive from AirAsia.

(28) General Interpretation

Wherever the context requires, the masculine form shall apply to the feminine and the singular term shall include the plural and vice versa.

GENERAL PROVISIONS

ENTIRE CONTRACT-CHANGES

This policy, including endorsements and attached papers, if any, shall be read together as one contract. None of the provisions, conditions, and terms of this Policy shall be waived or altered except by endorsement, signed or initialled by an authorized official of the Company and issued in accordance with the provisions of Section 50 of the Insurance code.

NOTICE OF CLAIM

In the event of loss recoverable under this policy, a written notice of claim must be given to the Company within thirty (30) days or as soon as reasonably possible. The notice may be given by or on the half of the Insured or the Beneficiary provided there is sufficient information to identify the Insured. Said notice may be forwarded directly to the Company or any authorized agent of the Company.

CLAIM FORMS

The Company will furnish the Insured with claim forms necessary for filing proofs of loss upon receipt of a notice of claim. The Insured is required to return such forms to the Company within fifteen (15) days. If, however, after fifteen (15) days the Insured fails to submit such forms, the Insured shall be deemed to have complied with the policy requirement for filing proofs of loss upon submission within the period allowed as stated in Submission of Proofs of Loss section below. Written proofs of loss must include notarized documentation covering the occurrence, the character and the extent of the loss for which the claim is made.

SUBMISSION OF PROOF OF LOSS

Written proofs of loss must be submitted to the Company within ninety (90) days from the date of accident. With respect to claims for Medical Reimbursement, such proof must be furnished the Company within the policy period or within ninety (90) days after determination of the policy. Failure to submit written proof within the required time will not invalidate nor reduce any claim if it was not reasonably possible to do so within such time. The Insured however is required to submit such proof as soon as reasonably possible, but in no event

later than one year from the time such proof is required except in the absence of legal capacity.

TIME OF PAYMENT OF CLAIMS

Indemnities payable under this policy will be paid immediately upon receipt of due written proof of such loss.

PAYMENT OF CLAIMS

Indemnity for all losses covered under this policy, except for loss of life, shall be payable to the Insured. For loss of life, Indemnity will be paid in accordance with the beneficiary designation and the conditions stated in the policy, which are in effect at the time of payment. If no such designation or provision is then effective, such indemnity shall be payable to the estate of the Insured. At the Company's option, any other accrued indemnity unpaid after the Insured's death shall be paid to his beneficiary or estate.

PHYSICAL EXAMINATION AND AUTOPSY

The Company has the right to examine the Insured at any time, at its own expense and as often as it may reasonably require during the pendency of a claim. In the event of death, such an examination may include an autopsy where it is not prohibited by law.

ACTION AGAINST THE COMPANY

"If a claim be made and rejected and an action or suit be not commenced either in the Insurance Commission or any court of competent jurisdiction within twelve (12) months from receipt of notice of such rejection or in case of arbitration taking place as provided herein, within twelve (12) months after due notice of the award made by the arbitrator or arbitrators or umpire, then the claim shall for all purposes be deemed to have abandoned and shall not thereafter be recoverable hereunder."

CHANGE OF BENEFICIARY

The Insured has the right to assign or change his designated beneficiary or beneficiaries. It is also the right of the Insured to make valid changes in this policy without the consent of said beneficiary or beneficiaries.

SETTLEMENT OF CLAIM CLAUSE

The amount of any injury or loss for which the Company may be liable under this Policy shall be paid within thirty (30) days after proof of such loss is received by the Company and ascertainment of the injury or loss is made either by agreement between the Insured and Company or by arbitration; but if such ascertainment is not had or made within sixty (60) days after such receipt by the Company of the proof of loss then the injury or loss shall be paid within ninety (90) days after such receipt.