

Tourist Auto Insurance Policy General Conditions



***In the Event of a Loss or Accident, Assistance Services or Legal Assist,
Immediately Please Call The Following Toll-Free Number in Mexico:***

01-800-00-113-00

In MEXICO CITY:

5488-4723

5488-4724

5575-1812

FROM THE USA :

(011) (52) 55-5488- 4723

No Drivers under the age of 21 years old or over the age of 65 years old are allowed.

**No Vehicles older than 10 years old are allowed for Full Coverage.
No Vehicles older than 20 years old are allowed for Liability Only Coverage.**

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GENERAL CONDITIONS

PRELIMINARY

AIG Mexico SA de CV hereinafter called the Company, and the policy holder, hereinafter called the Insured, do hereby agree on the Coverage, sums insured and limits of liability shown on the declaration page as contracted for, and acknowledge that one or several of the Coverage may be chosen.

These General Conditions are an integral part of the insurance policy which specifies the Coverage contracted, the Limits of Liability chosen, the Insured Unit as well as the Policy Term.

For the purpose of this contract, vehicle means the automotive unit described on the declaration page including all the parts originally adapted by the carmaker on every model delivered into the market. Any other part, accessory, emblem, conversion or fitting installed additionally by the owner or buyer, will be deemed as Special Equipment and will require specific coverage.

The perils that can be covered under this policy are defined within the various sections of the coverage description that follows, and the contracting therefore is indicated in the corresponding information on the declaration page, subject to the maximum limits of liability declared thereon.

COVERAGE DESCRIPTION

SECTION I - DAMAGE TO THE INSURED VEHICLE.

COVERAGE A: COLLISION

Covers loss or damage sustained by the insured vehicle as a consequence of the following perils:

- a) Upset or impact with another vehicle or object including animals.
- b) Glass breakage.

COVERAGE B: TOTAL THEFT AND COMPREHENSIVE

Covers the total theft of the vehicle plus loss or damage sustained by the vehicle as a consequence of such total theft. Also covered hereunder is loss or material damage to the insured vehicle arising out of the following perils:

- a) Fire, lightning and explosion.
- b) Natural disasters such as cyclones, hurricanes, hail, earthquake, volcanic eruption, avalanches, flood (overflowing of rivers, lakes, or inlets with the exception of sea water), land and rock slides, collapse of constructions, buildings, structures, and similar objects, collapsed of trees and branches.
- c) Strikes and Riots: Actions of persons taking part in lockouts, strikes, labor disturbances, meetings, social uprising or by malicious mischief in the course of such actions or by the control measures taken by the legally recognized authorities in the performance of their duties. **Damage caused by malicious mischief or vandalism is expressly excluded.**
- d) Damages caused during ferrying or transport: Sinking, burning, explosion, collision, overturning, fall or derailling of the carrier on which the insured vehicle is being transported on land, air or sea; collapse or fall of the vehicle while loading, transferring and unloading operations, as well as general average or salvage charges.

The protection under both Coverage (A and B) will operate even when the cause of the loss is considered a breach of trust, **except when such an offense is committed by the Insured or a member of the Insured's family.**

Trailers and Boats

Trailers and Boats may be insured if their characteristics, their individual insurance premiums, as well as the Actual Cash Value of each and total limit of liability, are expressly included on the declaration page.

The Trailer is covered for the same perils and period of time as contracted in the policy of the insured vehicle, even when not hitched to the insured vehicle.

The Boat is covered for the same perils and period of time as contracted in the policy of the insured vehicle, and is covered only while the boat is adequately fastened / fitted to the trailer in the process of being towed and / or stationary while on the trailer.

Special Equipment

Special Equipment consists of any part, accessory, emblem, conversion or fitting installed expressly by the owner or buyer in addition to all the parts originally adapted by the car maker on every model delivered into the market.

The Special Equipment of the insured vehicle is covered by adding the Actual Cash Value of it to the value of the insured vehicle, thus resulting in the total limit of liability as specified on the declaration page. A description of the Special Equipment must be specified on the declaration page.

Deductible

The Coverage available under Section I (A and B covering the insured vehicle, trailers, boats and special equipment) are subject to a deductible contribution by the Insured in each and every loss. The deductible amount will be specified on the declaration page.

In case of a claim arising out of glass breakage, the Insured shall pay 20% of the value of the affected glass, as its deductible contribution.

Liability Limits

The maximum limit of liability for the Company for the Coverage under Section I (Insured vehicle, trailer, boat and special equipment) are specified on the declaration page.

The maximum limit of liability of the Company for this section, will be the lowest of the following amounts:

1. The actual cash value of the damaged or stolen property, or
2. The value necessary to repair or replace the damaged or stolen property, or
3. The actual cash value of the vehicle, as shown on the declaration page, or
4. The purchase or acquisition value of the insured vehicle.

If the damage caused to the insured vehicle requires spare-parts not available within the Mexican or the US market, the limit of liability for the Company will not exceed the retail price of such parts, lighter in Mexico or the US wherever.

If the Company allows the unit to be repaired in the US, our limit of liability for such repairs will be adjusted to the customary cost within the Mexican border zone, without exceeding a rate of US \$ 34.00 per hour/labor.

At our option we may, subject to the limits of liability and deductibles:

- a) Pay for the repair of the loss to the insured vehicle; or
- b) Repair and return to you the insured vehicle; or
- c) Replace all or part of the insured vehicle; or
- d) Declare a total loss and pay our limit of liability, less and agreed value for the salvage of the insured vehicle, without taking title nor possession of all or part of the insured vehicle; or
- e) Declare a total loss and pay our limit of liability, subject to receiving from you possession of the insured vehicle or its salvage in the USA, with clear title in our favor; or
- f) In case of the theft of an insured vehicle that is not recovered in 30 days, pay our limit of liability, subject to receiving from you in the USA, clear title for the insured vehicle in our favor; or
- g) Settle the claim either with you or the owner of the insured vehicle.

EXCLUSIONS - Perils Not Covered Under Section I

In no event shall this policy cover loss or damage sustained by the insured vehicle:

- a) As a consequence of breakage, mechanical or electrical breakdown, lack of resistance of any part of the vehicle as a result of the use thereof, unless directly caused by any of the perils covered herein.**
- b) In its lower parts or undercarriage as a result of driving in unconventional roads or trails or through impassable roads.**
- c) Due to natural wear and tear of the insured vehicle or any of its components thereof, including the depreciation the vehicle suffers.**
- d) Caused by its own cargo, unless directly caused by any of the perils herein covered.**
- e) Theft of parts and accessories unless as a direct result of total theft of the insured vehicle.**
- f) As a result of damages caused by the boat while the loading or unloading operation of the trailer or platform is taking place.**

SECTION II - THIRD PARTY LIABILITY

COVERAGE C: BODILY INJURY

This coverage insures the civil liability of the Insured or any other person operating the insured vehicle with the express or tacit consent of the Insured, and arising out of the use of the insured vehicle causing bodily injury to or death of a third party, excluding the passengers of the insured vehicle, subject to applicable laws pertaining to civil liability in force in Mexico.

COVERAGE D: PROPERTY DAMAGE

This coverage insures the legal liability of the Insured or any other person operating the insured vehicle with the express or tacit consent of the Insured, and arising out of the use of the insured vehicle causing damage to any tangible property not owned by the Insured, the driver, their relatives or members of their household, subject to applicable laws pertaining to civil liability in force in Mexico.

Liability Limits

The maximum limit of liability for the Company for each Coverage under the present section is shown on the Declaration Page.

EXCLUSIONS - Perils Not Covered Under Section II

In no event shall this policy cover the Insured's liability for damage caused to:

- a) Property under the insured's care, custody, and control or responsibility.**
- b) Property owned by any persons legally dependent upon the Insured.**
- c) Property owned by the Insured's employees, agents, representatives, while being within the Insured's premises.**
- d) Property within the insured vehicle.**
- e) In no event shall this section cover the Insured's civil liability for bodily injury to or death of relatives or members of the household of the Insured or any other person legally dependent upon the Insured or employed by him at the time of the occurrence of the loss, or to any individual while an occupant of the insured vehicle.**
- f) Legal assistance cost and fees, including attorney's fees, expenses for legal defense of the Insured, any driver of the insured vehicle or the owner of the insured vehicle arising from penal, civil or criminal procedures resulting from any occurrence, nor the cost of bail or bonds of any kind, fines or assessments of any kind, as well as sanctions and any other obligation different from the repair of the property damage on account of the Insured and his liability.**
- g) The civil liability caused by the insured vehicle as a consequence of damage caused by the cargo, in accidents occurring when the vehicle is not in service or during operations of loading or unloading operations.**
- h) Damage caused by the insured vehicle when it is being used to tow a trailer or boat, unless expressly set forth on the declaration page or if the trailer or boat is specifically covered hereunder.**
- i) The expenses to be paid by the Insured for accidents sustained by the occupants of the vehicle from which obligations for liability, penal or worker's compensation may arise.**
- j) The civil liability for bodily injury or property damage intentionally caused by the Insured or any other person operating the insured vehicle with express or tacit consent of the Insured.**

SECTION III - MEDICALEXPENSES

COVERAGE E: MEDICAL EXPENSES - OCCUPANTS

Covers the payment of medical payments, up to the limits specified in the declaration page for this part, the expenses incurred within the first 30 days from the date of the accident by an insured person or on behalf of an insured person, for necessary medical and funeral services as a result of bodily injury caused by an accident and sustained by an insured person under this part while occupying any insured vehicle.

Liability Limits

Regardless of the number of vehicles described in the declarations, number of persons insured, number of claims, number of policies or number of vehicles involved in the accident. The Company will pay no more than the limits of liability shown on the declaration page, for each accident, subject to the limit for each person injured in anyone accident. The Company will not pay more than US\$ 2,000.00 for anyone person for funeral service expenses.

Duties - Medical Reports - Medical Examinations.

In addition to fulfilling the required reporting duties and verification of expenses, any insured person making claim shall, at our request, execute authorizations enabling to the Company to obtain medical records. The injured person shall also, at the Company request, submit to physical examination by physicians select by the Company.

EXCLUSIONS

In no event shall this policy cover to medical or funeral expenses because of bodily injury:

- a) Sustained while occupying any vehicle while parked for use as a residence or premises;
- b) Sustained by any person when occupying an insured automobile while used for carrying persons or property for a charge; or while used for driving or functioning lessons or any other instructional purpose for a charge;
- c) If benefits therefore are in whole or in part either payable or required to be provided under any worker's compensation or similar law;
- d) Sustained while occupying any insured automobile operated in any race or speed contest;
- e) Due to war, civil war, insurrection, rebellion, revolution, nuclear reaction or any consequence of an of these;
- f) Sustained while occupying any insured automobile without the permission or consent or without reasonable belief of permission or consent of the owner.
- g) Sustained while occupying any utility trailer, even trough the utility trailer is insured under this policy.

SECTION IV - ASSISTANCE SERVICE, LEGAL DEFENSE AND BAILD BOND

COVERAGE F: ASSISTANCE SERVICE

GLOSARY OF TERMS

Definitions

1.- Assistance Services: The assistance services provided by the Company to the Member according to the terms of this Agreement.

2.- Beneficiary: The person who purchases the services of the Company, whether for his or her own use or for that of another person. This individual may be the owner and/or driver of the vehicle, and is entitled to the rights, and bears the responsibilities, set forth in this Agreement.

3.- Accident: Any incident resulting in physical damages to the Member caused solely and directly by and external source and which occurs during the term of this Agreement.

4.- Assistance Event: Any accident, illness or loss of life the Member within the terms and limitations of this Agreement, as well as any other stipulated events which give the Member the right to receive assistance.

5.- Breakdown: Any damage, breakage, or loss of operation of the insured vehicle, not caused by traffic incident, which prevents it from operating under its own power during the term of the Agreement.

Automobile Hotline.

The Company's medical team will not make a prognosis, but will have the means available to obtain one, upon the Beneficiary's request and financial responsibility. This can take place through a personal visitor through an appointment with a doctor, or at a hospital. The Beneficiary will be responsible for these expenses.

The Company will inform the Beneficiaries of the rates and locations of Toll- Booths along the main highways in Mexico, the shortest routes between two cities, and the location of gas stations (diesel and gasoline). The Company will also provide the contact information (telephone number and address) of vehicle deposits (sites where vehicles are towed to), and of Municipality offices in Mexico.

Tourist Hotline

The Company will provide worldwide tourist information to the Beneficiaries over the telephone, such as:

- a) Travel Agencies
- b) Weather
- c) Exchange Rate
- d) Main Holidays
- e) Sport Activities
- f) Tickets
- g) Attractions
- h) Shopping Centers
- i) Exhibitions
- j) Hotels & Restaurants
- k) Museums and Galleries
- l) Night Life
- m) Practical Tips

The Company will also aid the Beneficiaries in creating leisure travel plans both in Mexico

Communication with Embassies and Consulates.

At the Beneficiary's request, the Company will coordinate a liaison with Embassies and Consulates in Mexico.

Towing Services

In the event of a breakdown, and upon the Beneficiary's request, the Company will organize towing service of their insured vehicle that is described on the Policy's Cover Note, and cover up to US \$ 300.00 per event, of the cost of towing the insured vehicle to the closest repair shop or site, in case the Insured Vehicle is immobilized or cannot be repaired in the location when it was disabled. There is a limit of two events. The Beneficiary or the Beneficiary's Agent must accompany the tow truck during the entire trip.

Medical References

The Company will have the following services available throughout Mexico for the Beneficiaries, 24 hours a day, 365 days a year.

- a) Names of doctors, with addresses, phone numbers and area of specialty.

- b) Names and addresses of clinics, hospitals, drug stores and laboratories.
- c) Suggestions and tips on doctors, hospitals and drug stores. .
- d) Organization of national or international emergency medical services and programmed medical services.

Roadside Assistance

In the event the insured vehicle requires a flat tire has to be changed, requires fuel delivery service or requires a battery jump, and upon request of the Beneficiary, the Company will organize and be responsible for the costs of sending a service provider to solve the aforementioned troubles, in such a way that the insured vehicle can move by itself. The services will be rendered as follows:

a) Fuel Delivery Service

Should the insured vehicle run out of fuel, due to negligence, the Company will organize and pay for enough fuel so the Beneficiary can get to the closets gasoline station. The Beneficiary will be responsible for the cost of the fuel.

b) Changing Tires or Putting Air into the Tires

In the event the insured vehicle experiences a flat tire or deflated/low tire and, therefore, cannot continue moving on its own, the Company will organize and pay for the service to have the tire changed for the spare tire, or will inflate the tire, if it is low on air.

c) Jump-Starting a Vehicle

In the event the insured vehicle experiences a dead battery, and therefore, cannot continue working, the Company will organize and pay for the service and send a service provider to jumpstart the insured vehicle so it can continue driving on its own, to the closest repair shop. The Company will not be held liable for any damages that the insured vehicle suffers on account of not having sufficient electricity. In all cases, the Beneficiary has to accompany the service provider.

Lodging in Case the Insured Vehicle is Stolen or Suffers mechanical breakdown

In the event the insured vehicle is stolen or breaks down, and cannot be repaired and used within the first 24 hours, or cannot be recovered in the 48 hours after the occurrence, the Company will cover up to US \$ 50.00 per day, totaling US \$150.00 per event, for lodging expenses. Maximum of Two Events per Year.

Ground Ambulance Service

In the event the Beneficiary suffers an accident, or falls ill during the time this Agreement is in effect, the Company will organize and cover for transportation to the most appropriate hospital, depending on the diagnosis the treating doctor of The Company's medical team makes, and according to the nature of the injury or disease. Transportation will be provided in a ground ambulance.

Emergency Contact Service

In the event of an emergency, the Company will maintain the family, the doctor or the company informed about the state of the patient. The Company will cover all communication costs. **Under no circumstance will The Company be responsible for the contents or the factual basis of the information, nor for the manner in which the information is transmitted.**

Trip Cancellation or Trip Continuation due to Insured Vehicle Breakdown

In the event the insured vehicle suffers mechanical failure, the Company will organize and pay for transportation expenses for the Beneficiary and accompanying members (total of four people, not counting the Beneficiary), to the Beneficiary's place of residence, paying for a return economy ticket in either ground transportation or airline transportation or airline transportation that is available in the place where the

mechanical failure occurs, or will cover the expenses of continuing the trip to the place originally intended, as long as the total amount is not more than the amount that has to be covered to return the Beneficiary to his permanent place of residence.

Fund Transfer

In the event the Beneficiary experiences an accident or disease, the Company will transfer funds, of up to US \$ 3,000.00. The Beneficiary is required to request said fund transfer, and the amount has to be previously deposited in our offices or with one of the previously authorized representatives. **This service in no way entails a loan of money; it is only a service rendered to help the Beneficiary to transfer his money from one place to another.**

Car Rental on Account of Vehicle Theft

In the event the insured vehicle is stolen, and after the proper complaint has been filed with the correct authorities, if the vehicle cannot be recovered and used within the first 36 hours after the robbery, the Company will organize and cover for a mid-sized vehicle rental, for up to two days, per event, not to exceed two events. Vehicle rental is subject to the leasing company's acceptance policy.

Administrative Assistance

In the event the Beneficiary's documents or property is lost or stolen, the Company will advise the Beneficiary on how to report the incident and will help the Beneficiary to locate the missing/stolen property. If the objects are recovered, The Company will cover the costs of sending them to the place where the Beneficiary is, or to his permanent place of residency.

Medical Transport by Air Ambulance

In the event the Beneficiary should experience an accident or disease during the time this Agreement is in effect, The Company will organize and cover the costs for transportation by air ambulance, to the most appropriate hospital, according to the diagnosis of the treating physician and the Company's medical team, according to the nature of the wounds or disease. Maximum of one event per year.

OBLIGATIONS OF THE BENEFICIARY

Request for Assistance

In the event assistance services are required, and prior to taking any action, the Beneficiary must call the toll-free number or call the Company's Call Center collect fund in the policy declaration page with the following information:

- a) Location and a phone number where The Company can contact the Beneficiary or the Beneficiary's agent, plus any other information the operator at the help desk might request.
- b) Name, policy number and term of duration.
- c) Detailed description of the problem and type of aid needed.
- e) Do not make any arrangements or disbursements if you have not consulted with the Company.

General Standards

a) Safety Measures and Precautions.

The Beneficiary has the responsibility of doing everything possible to diminish the situations of assistance.

b) Claims.

Any claim made for a situation where help is needed must take place within 90 calendar days after the date when the occurrence took place.

EXCLUSIONS

- a) **Any assistance that takes place during a trip or vacation that goes against medical prescription or advice, does not give the Beneficiary the right to assistance services.**
- b) **When the Beneficiary does not provide truthful and timely information, and therefore, the Company cannot render the proper help.**
- c) **The Beneficiary cannot claim reimbursement for any services the Beneficiary requested directly.**
- d) **When the Beneficiary fails to prove his right as a policyholder.**
- e) **When the Beneficiary does not comply with his responsibilities and obligations as detailed under the General Conditions of this Agreement.**
- f) **When the party driving the Insured Vehicle does not identify himself as user and/or owner of the vehicle.**
- g) **When the user and/or owner of the Insured Vehicle is not at the place where the incident took place.**
- h) **When an Insured Vehicle has been introduced illegally into Mexico.**

The Services are also excluded when the following situations take place directly or indirectly:

- i) **Strikes, war, invasion from foreign enemies, hostilities (whether war has been declared or not), rebellion, civil war, insurrection, terrorism, pronouncements, manifestations, people movements, radio activity or any other Act of God.**
- j) **Self-injury, suicide intent, suicide, or participation of the user and/or of the Insured Vehicle in criminal acts.**
- k) **Psychiatric pathology, psychological pathology or mental alienation.**
- l) **Pathological effects on account of consuming any form of toxic substances, drugs, lesser or major pharmaceutical products, either legally ingested or in excess, (unless under medical prescription), or illegal substances.**
- m) **Vehicles that have changes made that differ from the original factory settings, if they bear a direct influence on the accident or on the repair.**
- n) **Any intentional mishap, as well as the participation of the Insured Vehicle in criminal acts.**
- o) **Maintenance, revision, repair of the insured vehicle that the user made directly or through a third party if it influenced the accident directly, or the breakdown of the insured vehicle.**
- p) **The Insured Vehicle will not be towed with a load nor with injured people, nor will it be hauled out of pot holes, muddy places or ravines, cliffs, etc., nor any type of maneuver will be made.**

- q) **Pregnant women will not receive ground medical transportation during the last ninety days before the delivery date.**
- r) **Any type of accidents, injury or disease that are the outcome of sport-professional activities, or official competitions.**
- s) **If the user flees from the place of incident.**
- t) **Direct violations made to the driving permits or driver's license.**

COVERAGE F: LEGAL DEFENSE AND BAIL BOND

Description

This coverage will provide the driver of the insured vehicle or the policy holder with the service of professional attorneys, 24 hours a day while the policy is in force, for his legal assistance and representation before Mexican Authorities, as well as a bail bond or guarantee deposit of up to \$ 250,000.00 Mexican Pesos. The legal service herein covered will be provided by PROLIBER, S.A. de C.V.

In order to bind this coverage, it is mandatory to have contracted both Coverage under Section II. Civil Liability coverage C: Bodily Injury and coverage D: Property Damage.

Legal Defense

For this service, PROLIBER will provide the Insured, upon request, the service of professional attorneys appointed by PROLIBER, 24 hours a day while the policy is in force, for his legal assistance and representation before Mexican Competent Authorities, as a consequence of traffic mishap, from the time the Insured is arrested or declared at the disposal of some Competent Authority, and to the conclusion of the matter. PROLIBER will cover the procedural expenses incurred that are necessary for the defense of the Insured.

In the event that due to distance and/or the local attorney is unavailable, the Insured will have the authority, with previous notification to PROLIBER, to hire the service of an independent attorney for his defense up to a limit equivalent to 60 days of the General Minimum Wage in Force in Mexico City.

As a result of this service, PROLIBER binds itself to:

- 1) Negotiate, if it is the case, release of the Insured from the hands of any Competent Authority, according to the applicable laws.
- 2) Carry out the proceeding necessary for the return of the insured vehicle.
- 3) Guarantee the repair of damages and possible pecuniary sanctions against negligence.

All this negotiation and proceeding will be carried out at the premises of the recognized authority or before the local judge.

The Legal Defense does not guarantee:

- 1.- The driver's freedom with respect to the Agent of the Public Prosecutor's Office if he was under the influence of alcohol or drugs or if he abandons the injured parties.**
- 2.- The driver's freedom if the offenses committed are considered as serious crimes, according to Mexican Legislation.**

Bail Bond

PROLIBER will post a Bond or deposit the guarantee necessary to obtain the benefits specified in points 1), 2), and 3) of the Legal Defense up to a maximum amount of \$250,000.00 Mexican Pesos combined single limit per event with automatic reinstatement.

To obtain this service, it will be necessary for the Insured to name who will be designated by PROLIBER as his attorney before the Competent Authorities.

If at the time of the accident, the Insured does not have, or due to any of the exclusions of the insurance policy, coverage for Civil Liability for Property Damages and Bodily Injury to Third Parties and/or the freight and/or occupants, the Insured will be responsible for repairing the damages and paying possible pecuniary sanctions so that the guarantee referred to in points 1) and 2) of the Legal Defense may apply.

Exclusions and Situations Not Covered Under this Section.

Service will not be provided in the following cases:

- a) **When the insured vehicle has been illegally introduced into the country.**
- b) **When the accident or injury results from an intentional act of the Insured.**
- c) **When the driver of the insured vehicle does not identify himself as an authorized user or owner of the insured vehicle.**

The Legal Defense service will not be provided:

- a) **When the driver does not wish to present himself before the Competent Authorities.**
- b) **If at the time of the accident the policy premium has not been paid.**

PROLIBER in no case will pay or reimburse any gratification, gift, donation, photocopying, or any other unauthorized expense herein specified. Also, PROLIBER will not pay any payment that the driver of the insured vehicle may have made in behalf of PROLIBER without previous written authorization of PROLIBER.

The Company and PROLIBER obligations will be expunged if the Insured or his representative, with the intention of forcing PROLIBER to make a mistake:

- a) **Dissimulates or inaccurately declares facts that might be the cause of the traffic accident.**
- b) **If in the event of a traffic accident exists fraud or bad faith.**
- c) **Does not promptly submit the information or documentation related to the traffic accident requested by PROLIBER or the competent authorities.**

EXCLUSIONS - PERILS NOT COVERED UNDER THIS POLICY

In no event this policy covers loss or damage sustained or caused by the insured vehicle:

- a) **When it is being used for the purpose of driver's or operator's training.**
- b) **As a consequence of using the vehicle for purposes different from those indicated in the policy that result in an increase in hazard.**

- c) In the course of participating in any speed race or any other speed or resistance contest or test.
- d) Damages sustained or caused by the insured vehicle while being driven by a person without a driver's license issued by the proper legal authorities equivalent to those used within Mexican territory, unless the driver cannot be charged with blame, unskillfulness or gross negligence in the course of an accident. For the purpose of the contract, driving permits will be deemed as a driver's license.
- e) Damages sustained or caused by the insured vehicle while being driven by a person under the influence of alcohol or drugs, unless the driver cannot be charged with blame, unskillfulness or gross negligence in the course of an accident.
- f) Loss or damage sustained or caused by the insured vehicle as a direct or indirect consequence of war, warlike operations (whether declared or not), whether arising out of foreign or civil war, insurrection, rebellion, expropriation, requisition, confiscation or detention by legal Mexican authorities involved in the performance of their duties. Likewise, this policy does not cover loss or damage sustained or caused by the insured vehicle when being used by or for any military service, with or without the consent of the Insured, acts of war, insurrection, rebellion or revolution as well as intentional illegal acts in which the Insured directly participates.
- g) Loss or damage sustained or caused by the insured vehicle due to overloaded or while subjected to excessive traction with respect to its resistance, or capacity thereof. In these cases, the Company shall not be liable for damage caused to viaducts, bridges, scales or any thoroughfare and underground installation, whether due to vibration of the vehicle or the cargo thereof.
- h) Loss or damage caused by the normal action of the tide, even when it produces flooding.
- i) Loss or damage caused by nuclear pollution.
- j) Any indirect loss incurred by the Insured or any occupant of the insured vehicle arising out of the occurrence of an accident, such as room and board, lodging, meals, transportation, telephone calls, car rental reimbursement, or loss of use of the insured vehicle.
- k) Loss or damage sustained or caused by terrorism.
- l) Loss or damage while being used to transport people or goods for commercial purposes.

CLAUSES

JURISDICTION

The coverage provided under this policy shall be applicable only to accidents occurring within the limits of the United States of Mexico and for residents outside Mexico. No coverage is afforded outside the boundaries of Mexico.

LANGUAGE

The English translation of the General Conditions of the present contract is a courtesy only. In case of controversy, the Spanish version of this document and the Mexican Jurisdiction shall in all cases prevail.

REINSTATEMENT OF SUMS INSURED

The sums insured of all Coverage contracted under this policy will be reinstated automatically in case of being reduced by any claim payment made by the Company during the policy term.

PREMIUM PAYMENT

The premium is due and must be paid upon issuance of the policy and payment must be made against the corresponding policy declaration page issued by the Company.

The minimum net premium charged and retained by the Company in all cases will be US \$ 7.50 plus administrative and issuance fees and taxes.

GENERAL DUTIES OF THE INSURED

a) Upon the occurrence of an accident or in the event of a loss, it shall be binding on the Insured to:

1.-Notice of loss. Immediately notify the Company as soon as he or she is aware of the occurrence, except when such notification is rendered impossible by reasons beyond the reasonable control of the Insured, in which case, he or she still must notify the Company as soon as circumstances allow and prior to leaving the Mexican Republic.

2.-Precautions. Take all necessary precautions advisable under the circumstances to prevent further damages; the Insured shall not abandon the insured vehicle unless required to do so by reasons beyond his or her reasonable control.

Noncompliance with the foregoing shall result in the reduction of the indemnity payable under this policy to the amount which would have been payable had the Insured complied with both obligations.

3.-Notice to the Authorities. Submit formal claim advisement or accusation before proper Mexican authorities in the event of theft or any other felony that may give rise to coverage under the provision of the policy, and cooperate with the Company in order to recover the vehicle or the amount of the damage sustained, to provide Powers of Attorney in favor of the attorneys appointed by the Company to represent him in civil procedures when he is not able to take part directly in all steps of such procedures.

b) The Insured is obligated, at the Company's expense, in all civil procedures that may be made against him or her, due to the civil liability covered by the policy:

1.- To provide the necessary data and proofs required by the Company for his defense, at the Company's expense, whenever needed or in case the Insured does not appear before court.

2.- To exercise and make effective all actions and defenses that may legally proceed.

3.- To appear in court at all civil procedures.

Noncompliance with this obligation by the Insured shall release the Company from paying the indemnity corresponding to the coverage affected by the occurrence.

It shall be binding on the Insured to immediately notify the Company, in writing, of the existence of other insurance contracted or that would have been contracted with another company for the same perils and interest, giving the name of the insurer, plus the sums insured and the Coverage.

If more than one policy applies to your insured vehicle the Company will pay the portion of the loss that the limits of this policy bear to the combined limits of all collectible policies that apply to the loss.

LOSS INDEMNITY

1.-If the Insured has complied with the **Notice of Loss** obligation mentioned in the contract, and the insured vehicle is free from detention, attachment, confiscation or any similar situation due to an order of the legally recognized Mexican authorities, who due to their duties intervene in such acts, it shall be binding on the Company to begin the valuation of the damage without delay.

2.- If the Company does not begin the valuation of the damage sustained by the vehicle within the first 72 hours after the notice of loss, and provided that the assumption in the above paragraph are complied with, the Insured shall have the right to repair the damage and to demand payment thereof from the Company in the terms and conditions of the policy, except when the valuation cannot be made due to causes attributable to the Insured.

3.- Except when the above paragraph applies, the Company shall not recognize the damage sustained by the vehicle when the repair thereof is made before the Company has made the valuation of the damage.

4.- When the valuation is finished and the Company accepts its responsibility, without prejudice to that stated in Art. 71 of the Law of Insurance Contract, the Company must indemnify the Insured for the amount of the damage sustained on the date of the loss.

5.-The indemnity for partial loss shall comprise the invoice price on parts and labor, plus the corresponding taxes. In any case, the valuation of the loss will take into consideration the retail price of parts or accessories on the date of the loss.

6.- In case of a total loss of the vehicle resulting from any peril covered under Coverage A: Collision or Coverage B: Total Theft and Comprehensive, it shall be binding on the Company to pay an indemnity according to that established on the declaration based on that stated in Limits of Liability of Section I: Damage to the insured vehicle, being established that no return premium will apply for those Coverage not affected.

7.-In the case that the Company and the Insured agree on an indemnity at Actual Cash Value at the moment of the loss, the indemnity will be established based on CCC Information Services Inc, or N.A.D.A. Official Used Guide, or Official Older Used Car Guide or Auto Blue Book or Older Car Blue Book.

8.-The intervention of the Company in any valuation of damage or any assistance rendered to the Insured or third parties by the Company or its representatives shall not imply an acceptance of liability by the Company with respect to the loss.

9.- For effective compliance with Art. 71 of the Law of Insurance Contracts, it is understood that the Insured has fulfilled his duty by submitting to the Company all documentation specified for each case in the instruction booklet which will be delivered with the policy as an attachment to it.

10.-Towing Expenses. In case of a loss that merits indemnity under the terms of this policy, the Company will take charge of the handling and related expenses to put the insured vehicle in conditions for towing as well as the cost implied thereby. If the Insured decides to take the vehicle to a place other than that designated by the Company, the Company will only be responsible for an amount equivalent to one month of the minimum salary in force in Mexico City at the time the loss occurs.

In case that the Insured decides to transport the vehicle to its point of origin, the Company will pay up to US\$500.00, of the necessary transportation and labor expenses incurred to take it to the corresponding border zone in Mexico.

11.-Moratory Interest. In the event that the Company, notwithstanding the fact that it has received all documents and complete information on the claim, does not pay the indemnity, capital or income under the terms of Art. 71 of the Law of Insurance Contracts, instead of the legal interest applicable, the Company will pay the Insured, the beneficiary or damaged third party, an annual moratory interest equivalent to the highest interest rate among all financial instruments held by Nacional Financiera S.N.C., in that currency of the policy, and in case where there is not one in that currency, it will be that in U.S. Dollars. This interest will be calculated from the day following the 30-days period specified in the aforementioned. In case of lawsuits or arbitration under the terms of Art. 13S Bis of the General Law of Insurance Institutions and Mutual Societies, the interest in arrears will be calculated as established therein.

LOSS OF RIGHT TO INDEMNITY

Without prejudice to each and every other exclusion as stated herein, if a claim presented by the Insured is determined by the Company to be erroneous, fraudulent, deceptive, inexact, in bad faith or with intent to make the Company pay in error or under false pretenses, the Insured shall lose all rights to coverage under this policy.

SUBROGATION

In the terms of the applicable Law, upon the payment of the corresponding indemnity, the Company shall be subrogated up to the amount paid in the Insured's right, as well as his corresponding proceeding against the perpetrators or parties responsible for the loss. If the Company should so require it, and at the Company's expense, the Insured shall confirm such subrogation in writing before a Public Notary. If subrogation is totally prevented due to any act or omission on the part of the Insured, the Company shall be released from its obligations.

If damage sustained was only partially indemnified, the Insured and the Company do hereby agree to exercise their rights in the corresponding proportion.

STATUTE OF LIMITATIONS

All claims under this policy will prescribe within two years from the date of the occurrence giving rise thereto pursuant to the terms of Art.81 of the Law of Insurance Contracts, with the exceptions of the cases stipulated in Art. 82 of the same Law.

The statute of limitations shall be interrupted not only by ordinary causes, but also by the appointment of an expert or through the beginning of the process set forth in the Law for the Protection and Defense of the User of Financial Services.

TERMINATION OF THE CONTRACT

The parties hereto do expressly agree that this contract may be terminated at any moment before the expiration date thereof by means of written notification one to the other.

If the Insured terminates the contract, the Company shall have the right to that part of the premium corresponding to the period the policy was in force. The return premium will be calculated as follows:

- 1.- The premium corresponding to the actual term of the policy will be calculated, from the inception date of the policy until its cancellation.
- 2.-The corresponding discount will be applied to the actual policy term, according to the long term discount table of the rate in force.
- 3.- The premium calculated for the actual term will be subtracted from the premium originally charged thereby resulting in return premium.

If the Company terminates the contract, it will give written notice thereof to the Insured, and the cancellation of the insurance shall be effective (15) fifteen days after the corresponding notice has been made. The Company shall refund to the Insured the total of the unearned premium at the same date of the notice, otherwise it will be considered as not done. The unearned premium to be refunded shall be calculated pro rata.

COMPETENCE

In the event of controversy, the plaintiff shall appear before the National Commission for the Protection and Defense of the Users of Financial Services (CONDUSEF) at its main office or its regional offices, pursuant to the terms of the applicable law, and if said organization is not designated as the arbitrator, the plaintiff may occur to the courts corresponding to the domicile of the Company.

ARTICLE 25 OF THE LAW GOVERNING INSURANCE CONTRACTS

If the content of this policy or its modifications does not agree with the offer, the Insured may request a correction thereto within thirty days following the day on which the policy was received. After this thirty day period has elapsed, the stipulations of the policy or its modifications shall be considered as accepted.