

SPECIAL AUTOMOBILE AND TRUCK POLICY FOR TOURISTS

GENERAL INSURING CONDITIONS

The Company and the Insured have agreed on the coverage and the insurance sums that are stated on the cover of the policy. One or more basic liabilities, and if wanted, one or more accessory liabilities can be chosen.

For the effects of the present contract, the concept of automobile is the motor vehicle described on the cover of the policy. This includes the parts or accessories that the manufacturer originally adapts to each model and specific type in the market.

The coverage limit is determined on the cover of the policy, in such a way that the payments the company makes will never exceed the amount stated on the cover of the policy for one or more covered losses.

The Company agrees that, within the terms, insuring agreements, exclusions and conditions of this policy, any compensation that has to be paid to the Insured will be settled once the damage suffered or caused by the described vehicle has been proven.

Under Clause 1 points 1 and 2, joint or separate, the responsibility of the Company will be limited to the real value of the vehicle at the time of the loss without exceeding the amount stated on the cover of the policy.

CLAUSE 1.- SPECIFICATION OF COVERAGES

1.- MATERIAL DAMAGE

Damage and material losses suffered by the vehicle as a result of the following risks:

- a) COLLISION AND UPSET
- b) BROKEN GLASS.- Windshield, sides.
- c) TRANSPORTATION.- The damage suffered by the vehicle described due to: going aground, sinking, fire, explosion, collision, overturn or derailling of the transport in which the vehicle is being transported by land, air or water; dunking of the vehicle in the sea during loading, transshipment or unloading maneuvers with the participation of the Insured to the general breakdown and the salvage charges for which he may be responsible.
- d) TOWING.- In the event of an occurrence that merits indemnification under the terms of this policy, the Company shall bear the expenses of taking the insured vehicle within the limits of the Mexican Republic, to the place where the Company considers best to repair the vehicle, as well as the corresponding expenses necessary to put the vehicle in condition to be towed up to a limit of \$500.00 U.S. dollars.
- e) FIRE, LIGHTING AND EXPLOSION
- f) STRIKES AND POPULAR UPRISINGS.- Material loss or damage caused to the insured vehicle by strikers, locked out workmen, or people taking part in labor disturbances or popular uprisings.

g) METEOROLOGICAL AND OTHER EVENTS.- The damage caused to the vehicle described by cyclone, hurricane, hail, earthquake, volcanic eruption, landslide, flood (overflowing of rivers, lakes or estuaries) or collapse.

Under Clause 1 points 1 and 2 hereof, any special equipment installed in the insured vehicle is likewise covered; the term «special equipment» shall be taken to mean placards, signs, radio, clock, fog and search lights, mirrors, visors and other extra accessories.

2.- THEFT

Covers the theft of entire described vehicle, as well as any damage or material loss suffered by the vehicle as a consequence of said theft. In addition, when physical damage coverage has not been acquired, the damage caused by the risks of points e, f, and g that are mentioned in point 1 of this Clause, will be covered.

Deductibles

The physical damage and theft of the entire car coverage are contracted with the invariable application in each loss of a payment made by the Insured, called the deductible, this amount of money results from the percentage indicated on the cover of the policy applied to the insurance sum on the date of the loss or accident.

In physical damage claims, the minimum deductible charge will be \$100 USD for automobiles, and \$200 USD for any other type of vehicle.

In theft of entire car claims, the minimum deductible charge will be \$200 USD for automobiles, and \$400 USD for any other type of vehicle.

In claims by crystal breakage, it will be solely in charge of the Insured, the amount that corresponds to 20% of the value of affected crystals.

3.- PROPERTY DAMAGE

The Insured's public liability for property damage (property owned by persons other than the Insured, his drivers or relatives thereof or property not in the care or custody of said persons or their employees or representatives) resulting from the use of the insured vehicle.

4.- BODILY INJURIES

The Insured's public liability for death or injuries resulting from the use of the insured vehicle as follows:

- a) Medical expenses incurred as a result of First Aid.
- b) The Insured's legal liability for death, or total or partial permanent disability or temporary disability.
- c) Medical or funeral expenses as the case may be, incurred by the persons injured by the insured vehicle.
- d) Expenses or costs which the Insured or his driver might be obligated to pay in the event of suits brought against him and/or his driver by any claimant, liability for bodily injuries sustained by third parties riding aboard the insured vehicle are not covered under this section.

5.- MEDICAL EXPENSES OF THE PASSENGERS

The expenses incurred by the Insured or any occupant of the vehicle described, for corporal injuries suffered while aboard the same vehicle, due to fire, collision or overturn of the vehicle described on this policy.

The Company shall pay the above expenses as herein indicated up to the maximum sum insured, until the insurance sum on the cover of the policy is exhausted, it being understood however that the Company's liability shall cease as of the moment in which the effects of said injuries disappear either through the recovery or death of such injured party.

- a) Hospitalization.- Food and room at the hospital, expenses inherent to hospitalization, including drugs, medicines and physical therapy.
- b) Medical Attention.- Services rendered by legally authorized physicians, surgeons, osteopaths and physiotherapists.
- c) Nursing Care.- Services rendered by legally authorized nurses.
- d) Ambulance Service.- Expenses incurred for the use of an ambulance when same is necessary.
- e) Burial Expenses.- The Burial expenses up to 25% of the amount insured stipulated on the cover page of the policy.

CLAUSE 2.- EXCEPTIONS

This insurance shall in no event cover:

I.- Damage sustained or caused by the insured vehicle when the same is being used for the purpose of driving or maintenance instruction.

II.- The damage that the vehicle described suffers or causes when driven by a person not holding a proper license to operate said vehicle issued by the applicable legal authority or when driven under the influence of drugs or alcohol, unless the Insured demonstrates that he acted with sufficient diligence so that no culpability may be imputed upon him on the happening of the occurrence.

III.- Legal expenses for the defense of the driver of the insured vehicle incurred during proceedings originating from any accident as well as the cost of bonds of any kind or sanctions or any other obligations other than the repair of any damages.

IV.- The theft of parts or accessories unless they happen as a direct consequence of the theft of the whole vehicle.

V.- Loss or damage to the insured vehicle resulting from warlike operations, whether originated by foreign or civil war, insurrection, rebellion, expropriation, requisition, confiscation, seizure or detention by the authorities or any other similar cause. Moreover this insurance is warranted free from loss or damage caused by the insured vehicle while being used for any type of military service, with or without the Insured's consent.

VI.- The public liability for running over a dependent of the Insured or persons that are in his employ at the moment of the occurrence.

VII.- The public responsibility for the death or injuries suffered by the driver of the vehicle described or any other occupant of the same, with the exception of the medical expenses covered under item 5 of Clause 1, as well as the liabilities arising from international crimes that may be charged against the owner or the driver of the described vehicle.

VIII.- Any indirect loss sustained by the Insured, including loss of use of the insured vehicle.

IX.- Breakage or mechanical failures or lack of resistance of any parts of the insured vehicle resulting from the use thereof, unless directly caused by one or more of the risks covered by this policy.

X.- Loss or damage due to natural wear and tear of the insured vehicle or parts thereof as well as any depreciation in their value.

XI.- Loss or damage to underparts of the insured vehicle occurring while the same is being driven over roads in poor condition or through paths, woods or any other place off the highways, unless such parts are damaged as a result of one or more of the risks covered thereunder.

XII.- The damage that the described vehicle causes or suffers, as well as public liability, while the vehicle participates directly in races, safety, resistance or speed tests.

XIII.- Damage sustained or caused by the Insured due to over-loading or excessive strain on the resistance or capacity thereof in these cases the Company shall not be responsible for damage to viaducts, bridges, scales or to any public roads or other objects or underground installations, whether due to vibration or the weight of the insured vehicle or its load.

XIV.- Damages suffered or caused by the vehicle when used for any purpose other than one indicate herein or towing trailers or boats, unless such trailer or boat is specifically covered by express agreement.

XV.- Damage suffered or caused by the vehicle when the events that originate the accident or loss are in any way related to a breach of trust.

XVI.- The liability coverage of the Insured in bodily injury and property damage, caused by any type of cargo that the vehicle moves.

CLAUSE 3.- TRAILERS AND BOATS

For the purposes hereof, «trailer» shall mean a house trailer, however, all such household goods and personal belongings are excluded. «Boat» shall mean the vessel specified on the cover of the policy and the platform or trailer on which the vessel is being conveyed, considering them as a one single unit.

Subject to the General Conditions hereof, the trailers and boats are covered under Clause 1 points 1, 2, 3 and 4 of the Coverage Specifications, only while being hitched to the insured vehicle. However, they remain covered under Clause 1 point 1 points e, f, g and point 2 when parked, even if there are not hitched to the vehicle. This insurance shall not cover medical expenses due to injuries sustained while traveling in the trailer or the boat.

Trailers and boats are subject to a deductible, applicable only to collision, overturn, glass breakage or entire theft of the described trailer or boat.

The boat shall be covered only while being ashore and the liability of the Company shall finish upon unfastening it from the vehicle. Concerning the boat, the damages suffered or caused while loading or unloading it from the trailer or platform, are hereby excluded.

As to the civil liability (Clause 1 points 3 and 4) it shall not mean an increase in the insured amount, only extension of the amounts covered by the policy.

CLAUSE 4.- ADVANCE TERMINATION OF THE CONTRACT

Notwithstanding the term of the contract, both parties agree that either one of them may terminate the contract before the end of the term, and the Company agrees to refund immediately the portion of the premium not accrued.

CLAUSE 5.- PREMIUM PAYMENT

The Premium is payable on the date of issuance hereof; such payment must be acknowledged by an official receipt issued by the Company.

CLAUSE 6.- PRECAUTIONS IN CASE OF LOSS

Upon occurrence of any loss, the Insured must take all those precautions adequate to the situation to avoid further damages or loss; consequently the Insured may not abandon the insured vehicle unless obliged to do so by reasons beyond his control.

If the Insured does not meet his obligations mentioned in the above paragraph, the liability of the Company shall be limited to indemnify the Insured up to the value of the damage that would have resulted if the Insured had met such obligations.

CLAUSE 7.- LOSSES

In the event of any loss covered in the policy, the Insured must advise the Company immediately upon knowledge of said loss, unless said advisory is impossible due to circumstances beyond control, in which case the Insured must notify the Company as soon as said circumstances are resolved. Lack of such notice shall result in the reduction of the indemnity to that sum which the original damage would have amounted to had the Company been given prompt notice thereof.

One notice of loss has been submitted to the Company, the same shall be obliged to adjust such loss within a period not exceed 72 hours as of the moment in which the Insured hands the insured vehicle over to the Company. Upon termination of the adjustment and once liability has been accepted for the loss, the Company shall pay the indemnity or have the damages repaired. In the event that the Company should decide to have the repairs made, the same shall be effected to the Insured's satisfaction; if such repairs are not made to the Insured's satisfaction, the opinion of appraisers shall be requested according to the terms of Clause 9 hereof.

In the event that the Company should not adjust a loss within the 72 hour period as specified above, the Insured shall be entitled to proceed with the repairs of the insured vehicle and demand payment thereof from the Company according to the terms hereof.

If after the adjustment has been made the Company does not have the insured vehicle repaired, the Insured shall be entitled to demand cash payment thereof according the terms of the Insurance Contracts Law (Ley sobre el Contrato de Seguro).

The Company shall not be liable for damage sustained or caused by the insured vehicle if repairs thereof are initiated without the Company's previous written consent as the same would prevent knowledge of the loss and the facts thereof, unless the Company does not adjust said loss within the specified period of 72 hours.

In the event of total loss or total theft of the insured vehicle, the Company may replace the same, to the Insured's satisfaction, or it may effect a cash settlement equivalent to the actual cash value thereof but never in excess of the insured amount in force. Upon payment of the cash settlement as stated, the Company shall not be obligated in any other way and this insurance shall be automatically terminated, the Insured surrendering this policy to the Company.

The Insured must cooperate by attending all administrative proceedings to which he may be summoned by competent authorities relative to any loss for which a claim has been submitted to the Company. Noncompliance with the previous shall relieve the Company of its obligations relative to the Insured public liability if: A) because of such noncompliance the Insured should be declared guilty B) and otherwise he would not have been so declared.

In cases of public liability, the Insured must forward to the Company immediately upon receipt thereof, all correspondence, demands, claims, judicial orders, summons or requisitions relative to any claim covered by the policy.

The Company shall not be obliged to recognize any debts, transactions, or other judicial acts of a similar nature effected or agreed to without the Company's previous consent. Material confession of an act shall not be deemed an acceptance of liability.

In the event of theft or other criminal acts constituting a claim, the Insured shall immediately notify the proper authorities and cooperate with the Company in the recovery of the vehicle or the amount equivalent to the damage sustained.

If so required and as soon as possible, the Insured shall grant the Company full power of attorney or to the person designated thereby, so that the defense of the Insured, settlement of a claim may be effected, or a claim for damages or against third parties be followed up in the name of the Insured or for its own benefit. The Company shall be at liberty to conduct proceedings or make arrangements for the settlement of any claim and the Insured will shall be obliged to supply any information, documents and help that may be necessary.

Any assistance rendered to the Insured or third parties by the Company or its agents shall no be construed as acceptance of liability.

CLAUSE 8.- ADJUSTMENT AND ACKNOWLEDGMENT OF LIABILITY

In order to adjust losses sustained by the insured vehicle, the Company together with the Insured shall determine and assess all damages. Noncompliance by the Insured shall forfeit his rights to any intervention in the adjustment of damages but without losing his rights to designate an appraiser in the event of a disagreement.

The Company's intervention in the adjustment shall not signify acceptance of liability with respect to the loss.

In all events, the Company shall accept or deny its liability within 30 days following the date on which the corresponding documents or information is received.

CLAUSE 9.- APPRAISAL

In case of disagreement arising between the Insured and the Company as to the amount of any loss or damage, the case shall be submitted to the judgment of an appraiser appointed in writing by both parties; if no agreement can be reached as to the appointment of a single appraiser, the case shall be submitted to the judgment of two, one appointed by each party, within one month of the day written request to do so is received. Prior to the initiation of their duties as such, the appraisers shall designate an umpire to act in case of disagreement.

In the event that one of the parties should refuse or fail to appoint his appraiser when so requested by the other party or if the appraiser should fail to agree on the designation of the umpire, upon request by either of the parties, the judicial authorities shall appoint the appraiser or umpire or both if necessary. The National Insurance Commission may however appoint the appraisers or umpire as the case may be, if both parties so desire. Death of one of the parties or the dissolution of a corporation if this should be the case, during the appraisal shall not annul or affect the powers of the appraiser, or both appraiser or the umpire as the case may be; in the event that either of the appraisers or the umpire should die before judgment is handed down, a new appraiser or umpire shall be appointed (by the parties, the judicial authorities or the National Insurance Commission, as the case may be) in substitution.

Expenses and costs of the appraisal shall be born equally by the Insured and the Company; each party shall however pay the fees of its own appraiser.

The appraisal mentioned herein shall not imply acceptance of a claim by the Company; it shall merely determine the indemnity which the Company would be obliged to pay in case of acceptance, both parties being free to execute any actions and oppose the corresponding exceptions.

CLAUSE 10.- SALVAGE

It is expressly agreed that in the event that the Company should decide to pay the insured amount in force or in lieu thereof, replace the insured vehicle, any salvage or recovery shall become the Company's property in the respective proportion.

CLAUSE 11.- LOSS OF RIGHT TO INDEMNITY

In the event that the claim for damages submitted to the Company by the Insured should prove to be fraudulent in any respect, the Insured shall forfeit all rights to indemnity.

CLAUSE 12.- LIMIT OF LIABILITY

The Company's liability shall in no event exceed the actual cash value of damages sustained on the date of the loss, by the different parts of the insured vehicle, plus reasonable labor costs but in no event shall it exceed the insured value of said vehicle, which in turn is subject to the following Clause.

CLAUSE 13.- REDUCTION AND REINSTATEMENT OF INSURED AMOUNT

Each and every payment made by the Company for indemnities shall reduce the insured amount in a like sum, but such insured amount may be reinstated at the Insured's request and subject to the payment of the corresponding premium. If the policy should include several items, the reductions or reinstatement shall apply to the item or items affected.

CLAUSE 14.- SUBROGATION

The Company will subrogate, up to the amount paid on the rights of the Insured as well as on the corresponding actions against those responsible for the occurrence. If the Company so requests, at its expense, the Insured shall declare and put the subrogation on record in public document; if the subrogation is not made due to acts or omissions of the Insured, the Company shall be freed of its obligations. If the damage has been indemnified in part only, the Insured and the Company will agree to assert their rights in the corresponding proportions.

CLAUSE 15.- OBLIGATION TO NOTICE OF THE EXISTENCE OF OTHER INSURANCE

The Insured has the obligation to notify the Company immediately in writing of any other insurance contracted with another company covering the same good against the same risks, naming the insurance company and the amount insured; if the Insured intentionally omits such notice or if she/he contracts several insurance policies to obtain illicit gains, the Company shall be freed of its obligations.

In the event that there are one or more insurance contracts covering the same goods against the same risks, each insurance institution shall pay proportionally to the limits of the corresponding liability.

CLAUSE 16.- COMPETENCE

In the event of a disagreement, the unsatisfied party may request the intervention of the National Insurance Commission (Comisión Nacional de Seguros y Fianzas) according to the terms of Article 135 of the General Insurance Institutions Law (Ley sobre el contrato de Seguro). General Law on Insurance Institutions and Mutualistic Societies (Ley sobre el contrato de Seguro), and if such body does not designate itself umpire, somebody may indicate that case be brought before the competent courts having jurisdiction over the Company's home office or that branch which issued the Policy.

CLAUSE 17.- EXPIRATION

The rights derived from this policy shall expire two years from the date of the event excluding the exceptions found in the article 82 of the General Insurance Institutions Law (Ley sobre el contrato de Seguro). The expiration shall be interrupted not only by ordinary causes, but also by named appraisals or by the initiation of the process found in the article 125 of the General Institutions and Mutualist Insurance Societies General Law (la Ley General de Instituciones y Sociedades Mutualistas de Seguros).

CLAUSE 18.- LANGUAGE

In all events the Spanish text shall apply for the interpretation of the conditions hereof.

CLAUSE 19.- CESSATION OF THE POLICY EFFECTS DUE TO LACK OF PAYMENT

If the premium has not been paid within the 30 natural days following the date due, the effects of this policy shall terminate automatically at 12:00 (noon) on the last day of the waiting period.

CLAUSE 20.- CLAUSE OF REINSTATEMENT

Despite the previous Clause, the Insured, within the next 30 days from the last day of the grace period pointed out in such Clause, can pay the premium of this policy or the corresponding part of it, in case of fractional payment. In such case, the effects of this policy will be reinstatement from the hour and day indicated on the receipt and the original life of the policy will be extended automatically for the remainder day of the period of grace and the hour and day which the reinstatement enters in force.

However, if at last, when the payment is made the Insured requests, in writing, that this policy maintain its original period of life, the Company will adjust and if necessary, will immediately prorate the corresponding premium to the period during which the effects were ceased in accordance to the Article 40 of the Law about the Insurance Contract (Ley sobre el contrato de Seguro), whose initial and final moments are indicated in the last part of the previous paragraph.

If the hour is not stated on the payment receipt, it will be understood that the reinstatement begins at the 0:00 hr. of the day of payment.

Without loss of its automatic effects, the reinstatement mentioned in this clause must be stated by the Company for administrative purposes, on the emitted receipt for the corresponding payment and in any other document emitted after such payment.

CLAUSE 21.- ACCEPTANCE OF CONTRACT (Art. 25 of the Insurance Contract Law)

«If the content of the policy or its modifications do not match with the offered, the Insured will be able to ask for the respective correction or modification within the next thirty days after the policy has been received. Past this period the stipulations or modifications of the policy will be considered accepted.»

CLAUSE 22.- TERRITORIAL LIMITS

The contracted coverage applies on accidental events occurred exclusively within the geographic limits of the Mexican Republic.

CLAUSE 23.- INTEREST FROM MORATORIUM OF PAYMENT (Foreign Currency)

In the event that the Company, in spite of having received the document and/or information that would permit them to know the principal grounds for the claim that has been presented in the terms of Article 71 of the Law about Insurance Contracts (Ley sobre el Contrato de Seguro) the Company will be obligated to pay the Insured, beneficiary, or affected third party an annual moratorium interest equivalent to the highest interest rate among the Financial Instruments or Securities found in the National Financiera, S.N.C., in the appropriate foreign currency and in the event of unavailability of said currency, US dollars will be the currency used. Said interest will begin accruing on the day after the indicated 30-day period indicated herein.

In case of Judgments and Arbitrations under the terms in Article 135 fraction IV and Article 136 fraction II of Institutions and Mutualist Insurance Societies General Law (la Ley General de Instituciones y Sociedades Mutualistas de Seguros) the Moratorium Interest will be calculated in accordance to said Judgments or Arbitrations.