

ING Comercial América

Tourist Vehicle Insurance Policy

General Conditions

Preliminary

Seguros Comercial América, S.A. de C.V., hereinafter called "the Company" and the policyholder, hereinafter called "the Insured", do hereby agree on the coverages, insured amounts and limits of liability shown on the face of the policy as contracted for, and are aware that one or several of the basic coverages may be chosen and, in addition (if so desired), one or several of the optional coverages.

For the purpose of this contract, vehicle means the automotive unit described on the face of the policy, including parts and accessories originally, installed by the maker on every model and type delivered to the market.

Any other part, accessory, emblem, conversion or fitting installed additionally by the buyer or owner, will require specific coverage.

The perils that can be covered in the policy are defined in the specification of coverages that follows and the contracting thereof is indicated in the corresponding annotations on the policy face, subject to the maximum limits of liability declared therein.

Clause 1. Specification of Coverages.

1. **Collision.** Covers loss or damage sustained by the vehicle as a consequence of the following perils:
 - a) Collisions and upsets.
 - b) Glass breakage.

It is understood that loss or physical damage sustained by the vehicle as a consequence of the perils mentioned above will be covered even when such vehicle has been the object of a breach of trust, except when the Insured's family commits such an offense.

2. **Comprehensive (Total Theft, Fire & Natural Disasters).** Covers loss or damage sustained by the vehicle as a consequence of the following perils:
 - a) Covered hereunder is the total theft of the vehicle and loss or physical damage sustained as a consequence of such total theft
 - b) Fire, lightning and explosion.
 - c) Cyclone, hurricane, hail, earthquake, volcanic eruption, avalanche, land or rockslide, collapse or fall of constructions, buildings, structures or other objects, falling trees or their branches, and flood.
 - d) Acts of persons taking part in lockouts, strikes, meetings, popular riots, insurrection, or ill intentioned persons during such acts, or by the acts, of legally recognized authorities when trying to control such situations.
 - e) Transportation. Running aground, sinking, fire, explosion, collision, upset, derailment or collapse of the carrier on which the vehicle is transported; fall of the vehicle during loading, transferring and unloading operations, as well as contribution to gross averages or salvage charges.

This coverage will operate even when the cause of the loss is considered as a breach of trust, except when the Insured's family commits such an offense.

Deductibles

- a) Collision and Comprehensive coverages are contracted for with the invariable application on each claim of an amount to be paid by the Insured, called a deductible. In case of losses affecting coverages Collision, including glass breakage, Comprehensive or Trailers, Recreational Vehicles and/or Boats, the amount to be paid by the Insured will be determined by applying the selected percentage on the insured amount of the vehicle at the time of the loss. We establish minimum limits for the deductibles applying to the coverages under Collision, including glass breakage and
- b) Comprehensive, for automobiles, trucks and trailers. The amounts, percentages and minimum deductibles shall be shown in the face of the policy.

With respect to Comprehensive coverage, if there should be recovery after the total theft, the contracted deductible shall only apply when the Company makes payment for loss or damage sustained by the insured vehicle.

Trailers, Campers and/or Boats.

Trailers, campers and/or boats may be insured only if their characteristics are expressly included on the face of the policy, as well as the insured amount and the corresponding premium.

"Trailer" is understood to mean a unit generally used for the transportation of machinery or equipment and/or merchandise which is attached to, and transported by another motor vehicle; "Recreational vehicle" is understood to mean a house trailer which includes the fixed equipment attached thereto, excluding household articles and personal belongings; "Boat" is understood to mean the vessel specified on the policy face and the platform or trailer on which it is transported as a single unit.

Trailers, recreational vehicles and/or boats are covered for the same perils and duration as contracted for in the policy of the vehicle towing them, only when hitched to the insured vehicle; however the trailer will be insured under Collision and Comprehensive coverages, while parked, even when not coupled to the vehicle.

Deductible.

Amount to be paid by the Insured, on each claim, equal to the percentage chosen by the Insured and specified on the policy face for Collision and/or Comprehensive. Trailers, campers and/or boats are subject to a deductible per unit, per claim applicable to Collision and Comprehensive coverages.

Particular Exclusions on Trailers, Recreational Vehicles and/or Boats.

- a) This coverage does not cover medical expenses for occupants due to injuries sustained while inside the trailer, recreational vehicle or boat.
- b) A boat is only covered while on land and on a towing platform, with the same coverages and duration contracted for in the policy of the motor vehicle, and the Company's liability shall cease at the moment the boat is separated from the vehicle. This insurance shall not cover damage sustained or caused by the boat during loading or unloading operations of the trailer or platform.
- c) With respect to civil liability coverage (Third Party Liability, Property Damage & Bodily Injury), it does not mean an increase of the insured amounts, but only the extension of the coverage provided to the vehicle pulling them.

Special Equipment

Special Equipment is any part, accessory or emblem installed in the vehicle by the buyer or owner, in addition to the parts or accessories with which the manufacturer originally delivers each model and specific type of vehicle to the market, considering them as part of the vehicle in case of loss and corresponding deductible charge.

Coverage.

The perils covered hereunder are divided under the following sections:

- a) Physical damage sustained by Special Equipment installed in the vehicle, as a consequence of the perils described in Collision coverage.
- b) Theft, damage or loss of Special Equipment as a consequence of the total theft of the vehicle and physical damage or loss insured in the Comprehensive coverage.

The insured amount will be indicated in the face of the policy, providing coverage for Collision and/or Comprehensive as specified on the policy.

Deductible.

Amount to be paid by the Insured, on each claim, equal to the percentage chosen by the Insured and specified on the policy face for Collision and/or Comprehensive.

3. **Third Party Liability. (Property Damage & Bodily Injury.)**

This coverage insures the legal liability of the Insured or any person who uses the insured vehicle with the Insured's express or tacit permission, and as a consequence of such use, causes third party property damage, bodily injury or death, including indemnity for moral damage when legally applicable, according to Mexican laws in force at the time of the loss.

In the case of a trailer truck, the only legal liability covered will be that corresponding to the first trailer whenever it is towed by the truck. Unless there is a special agreement between the parties, the second trailer will not be covered.

In addition to and up to an amount equal to the maximum limit of liability, this coverage is extended to cover the costs and expenses that the Insured or any person who uses the insured vehicle with the Insured's express or tacit permission may be sentenced to pay in a civil trial before Mexican authorities due to his legal liability, according to Mexican laws.

The maximum limit of liability of the Company for this coverage is shown on the policy face and is to be considered as the single insured amount for the different perils covered therein.

4. **Medical Expenses - Occupants.**

This section covers the payment of Medical Expenses for hospitalization, medicine, medical care, nurses, ambulance service and funeral expenses originating from bodily injury that the Insured or any other occupant of the vehicle sustains in an accident occurring while they are within the compartment or cabin assigned for the transportation of persons.

The maximum liability limit of the company for this coverage is established on the policy face, and operates as a single insured sum on the various perils covered in this section.

When an automobile accident occurs, the liability limit per person for this coverage will be determined proportionally among the number of injured occupants, without exceeding the insured amount contracted for each event.

If the amount of the medical expenses of one or more occupants exceeds the liability limit per person shown on the policy face, and if there is an insured amount to be distributed due to medical discharges of the other injured parties with settled claims; or if such should be the case, settled funeral expenses, the limit per person for the injured parties who so require it, will be increased. Such limit will be determined based on the initial insured amount per injured occupant extending the rest of the insured amount of those injured occupants whose indemnity did not exceed the limit initially established and until the insured amount per event indicated on the policy face is exhausted.

In no event shall the indemnity exceed the insured amount agreed upon per event.

Medical expenses - occupants covered by the policy are as follows:

- a) Hospitalization:
Meals and hospital room, physiotherapy, expenses inherent to hospitalization and in general, drugs and medicines prescribed by a physician.
- b) Medical attention:
The services of doctors, surgeons, osteopaths or physiotherapists who are legally authorized to practice their respective professions.
- c) Nurses:
The cost of the service of nurses who hold an academic degree or have a license to practice.
- d) Ambulance services:
The expenses for ambulance services, when absolutely necessary.
- e) Funeral expenses:
In the event of death of any occupant or occupants of the insured vehicle, the funeral expenses will be covered without exceeding the maximum limit of liability per injured occupant, as specified on the policy face under Medical Expenses per occupant, and will be refunded upon receipt of the corresponding substantiating documents.

5. **Legal Assistance & Bail Bond.**

Legal Assistance

This coverage provides the driver of the vehicle or policyholder with the professional services of lawyers, 24 hours a day during the policy term for legal assistance and representation before the corresponding Mexican authorities, as a consequence of a traffic accident, from the time of the driver's arrest until the matter is concluded; the Company will cover the legal expenses necessary for the legal defense, as well as a bail bond up to an amount equal to that described for Third Party Liability on the face of the policy, under the assumption that, due to a traffic accident, the driver of the vehicle or the policyholder is involved in the commission of criminal negligence offenses such as bodily injuries, manslaughter, third party property damage, damage to public means of communication or any combination thereof.

Obligations of the Company:

- a) To take necessary steps before the corresponding authorities to gain the freedom of the driver, in accordance with applicable laws in Mexican territory.
- b) To take the necessary steps to obtain the release of the vehicle.
- c) Guarantee the repair of the damage or possible pecuniary penalties derived from the offense.

This coverage only protects the insured vehicle and the person who drives it, who may not necessarily be the policyholder.

Legal Assistance does not guarantee:

- a) The driver's freedom with respect to the Agent of the Public Prosecutor's Office if the driver was under the influence of alcohol or drugs or if the driver abandons the injured parties.
- b) The driver's freedom if the offenses committed are considered as serious crimes, according to Mexican legislation.
- c) Legal Assistance shall in no event pay: fines, violations, donations, gratuities, towing service, storage or cost of copies, nor will they pay expenses incurred by the driver in his /her defense without previous authorization in writing from Defensa Legal Comercial América.

Also, the Company will provide the policyholder, if a person with the following:

- d) Legal telephone counseling by attorneys, specialists in the different areas of law; with respect to the penal charges, the service will be provided 24 hours a day during the policy term; all other charges will be covered during working hours and days.
- e) Due to the above, the Insured must report to the Defensa Legal Comercial América telephone numbers, giving a detailed explanation of his situation and presenting, when relevant, the required documentation.
- f) Legal defense and assessment in the branch of penal law when the Insured incurs or sustains direct actions by the possession or use of the insured vehicle producing fraudulent offenses, except in the case of premeditated offenses.

Special Exclusions for Legal Assistance.

Legal Assistance Service will not be provided:

- a) In any offense different from a traffic accident.
- b) When the accident is not reported to Defensa Legal Comercial América within 24 hours from the occurrence thereof.
- c) When the driver makes any arrangements or payments without consulting Defensa Legal Comercial América.
- d) When the driver's vehicle is damaged and he does not provide sufficient information in order to locate the responsible party.
- e) When the driver refuses to appear before the authorities at the hearing or when he does not accept the services of the attorney assigned by Defensa Legal Comercial América.
- f) When the vehicle is of greater capacity or tonnage than that appearing on the policy face.

Bail Bond

The bail bond provided to the driver will be for an amount of up that shown on the policy face. The bail bond will be submitted to the Office of the Attorney General of the Mexican Republic, the Office of the Attorney General in the Federal District or various states of Mexico, in order to guarantee the driver's provisional, administrative or guaranteed freedom on bail.

The bail bond guarantees the release or return of the protected vehicle, which will be at the driver's disposition, unless it has illegally entered in Mexico, has been stolen or involved in the commission of any other offense, and the driver of the covered vehicle shall be, in all cases, the trustee thereof.

Once the driver obtains his/her freedoms and the release of the vehicle, he/she must appear before the Agent of the Public Prosecutor who has knowledge of the preliminary inquiry corresponding to the traffic accident, as many times as required.

In the event that the driver, after being notified, does not appear before the Agent of the Public Prosecutor or the corresponding penal judge within a period not greater than five working days, the fixed amount of the bail or bond to obtain his freedom will be requested by said authorities as of the date of notification of the claim.

In the event that the Company has paid the amount of the bail or bond in the terms of the previous paragraph, the driver shall be obligated to reimburse such amount to the Company paying interest in arrears equivalent to 1.15 times the average percentage cost of deposit in force at the time payment is made.

The effects of the bond will terminate:

- a) Before the Public Prosecutor: When the preliminary inquiry is concluded because it has been determined that there is no penal action to take or that the driver was not responsible for the accident, or because the corresponding file is being held pending.
- b) Before the Judicial Authority: When liberty has been guaranteed due to the fact no penal responsibility has been proven against the driver.
- c) When the offenses committed are judged as serious crimes, according to Mexican Legislation.
- d) When the vehicle has been stolen or has entered Mexico illegally or been involved in the commission of any unlawful act.

In the event of accidents occurring in states where the Public Prosecutor does not accept the bond, then the necessary bail will be granted to guarantee the liberty of the driver, up to an amount equivalent to the maximum limit of the bond.

The bond shall not take effect:

- a) When the driver has no driver's license or driving permit of the proper kind issued by the corresponding authority at the time the automobile accident occurs.
- b) When the driver fails to appear before the Public Prosecutor.
- c) When the driver abandons the victim(s).
- d) When the driver, at the time of the accident, is under the influence of alcohol or drugs.

Clause 2. Perils not Covered Under the Contract but that may be Insured by Means of Express Agreement.

1. Damage sustained or caused by the vehicle as a consequence of using the vehicle to tow a trailer. With respect to tractor trucks, the towing system for the second trailer (dolly) neither the second trailer.
2. Legal Assistance costs of the driver of the vehicle as a result of the penal procedures originated by any accident and the payment of bail or bonds or any kind, as well as sanctions, damages or any other obligation different from the repair of the physical damage for the account of the Insured, resulting from his liability, but not in detriment to that contained in Clause 6, Item 1-Section "a" (General Obligations of the Insured) and not in detriment to that outlined in Coverage 3 Third Party Liability.

Clause 3. Perils Excluded from the Contract.

The insurance policy shall in no event cover:

1. Damages sustained or caused by the vehicle as a consequence of:
 - a) Using the vehicle for a purpose different from that indicated in the policy that involves an increase of hazard.
 - b) Using the vehicle for teaching purposes or instruction on how to drive it or how it functions.
 - c) Participating directly or indirectly in races or safety, endurance, or speed trials.
2. Damage sustained or caused by the vehicle when being driven by a person without a driver's license equivalent to those used within Mexican territory, of a type appropriate to the kind of the insured vehicle, issued by competent authorities, unless the driver cannot be charged with blame, unskillfulness or gross negligence in the occurrence of the accident. For the effects of the policy, driving permits will be considered as driver's licenses.
3. Loss or damage sustained or caused by the vehicle as a direct or indirect consequence of:
 - a) Warlike operations, caused by a foreign or a civil war (whether declared or not), insurrection, overthrow, rebellion, expropriation, requisition, confiscation, attachment or arrest by legal Mexican authorities involved in such actions as part of their duties. Coverage is not provided on loss or damage sustained or caused by the vehicle when utilized or used for any military service, with or without the Insured's consent, acts of war, insurrection, rebellion or revolution, as well as intentional illegal acts in which the Insured directly participates and fights when provoked by the driver of the vehicle.
 - b) Acts of terrorism and/or vandalism performed by one or several persons acting anonymously or in the name of or by assignment of or related to any organization.

For the effects of the previous paragraph, terrorism is understood to mean the use of force with political objectives, including all types of force and violence directed to influence the public sector or a part thereof by terrorist or violent actions producing dread or fear.

4. Any indirect pecuniary loss, expense, loss or damage sustained by the Insured, including the impossibility of using the vehicle.
5. Breakage, mechanical breakdown or lack of resistance of any part of the vehicle as a result of the use thereof, unless these are caused by any of the covered perils.
6. Loss or damage caused by natural wear and tear of the vehicle or the parts thereof, depreciation in value, as well as physical damage sustained by the vehicle and caused by its own cargo, unless caused by any of the covered perils.
7. Loss or damage caused by the normal action of the tide, even when it produces flooding.
8. The damage sustained or caused by the vehicle due to being overloaded or subjected to excessive traction with respect to the resistance, or capacity thereof or number of passengers. In these cases, the Company shall not be liable for damage caused to viaducts, bridges, scales or any thoroughfare and subterranean installations, whether due to vibration of the vehicle or the cargo thereof.
9. Car rental reimbursement or substitute automobile.
10. The Insured's civil liability for physical damage to:
 - a) Property in his custody or under his responsibility.
 - b) Property of persons legally dependent on the Insured.
 - c) Property of the Insured's employees, agents or representatives, all while within the Insured's premises.
 - d) Property within the insured vehicle.
11. Civil liability for third party bodily injury to persons legally dependent on the Insured or employed by him at the time of the occurrence or, when they are occupants of the vehicle.
12. Loss or damage caused to the lower parts of the vehicle as a result of driving off the road or on impassable roads.
13. The expenses to be paid by the Insured for accidents sustained by the occupants of the vehicle, from which obligations for penal liability or Workers' Compensations may arise.
14. 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 loading or unloading operations.
15. Damage sustained by the vehicle when being driven by a person under the influence of alcohol, unless the driver cannot be charged with blame, unskillfulness or serious negligence in the occurrence of the accident, or under the influence of drugs, if these circumstances directly influenced the accident that caused the damage.
16. The Insured's civil liability for third party property or bodily injury, caused by the cargo transported by the vehicle, when it has dangerous features such as, but not limited to: heavy machinery, vehicles aboard trucks, logs or pieces of wood, paper rolls, industrial cable or wire, posts, rods, girders and materials, parts or modules for the construction industry, livestock, or highly dangerous or polluting goods, such as toxic, corrosive, inflammable or explosive substances or products or any other type of similar cargo.

Clause 4. Premium and Payment Obligations.

The premium is due and must be paid upon issuance of the policy, unless otherwise agreed upon and payment must be made upon delivery of the corresponding policy face issued by the Company. The term of the policy is specified on the policy face.

Clause 5. Insured Amounts and Limits of Liability.

The maximum limit of liability of the Company for Trailers, Recreational Vehicles and/or Boats, Special Equipment, Third Party Liability (Property Damage & Bodily Injury) and Medical Expenses for Occupants of the Vehicle are specified on the face of the policy; the limit for Legal Assistance will be the same as that for Third Party Liability. The maximum limit of liability of the Company for Collision and Comprehensive coverages will be established according to the following definitions:

ACV Actual Cash Value or Commercial Value.

For the effects of this contract, commercial value is understood to be the market value of the vehicle in the country of origin, according to, among other sources, the publication known as the "Kelly Blue Book" (suggested retail value) and the guide "N.A.D.A." in force at the time loss occurs. This commercial value can be assigned to both new and used vehicles.

Agreed Value.

For the effects of this contract, agreed value is understood to be that agreed upon by the Company and the Insured.

Invoice Value.

For the effects of this Contract, invoice value is understood to be the invoice price of the vehicle including tax; such value in no event includes financing, transfer or any other expenses different from the real cost of the vehicle. Invoice value can be assigned to new vehicles only.

If the insured has declared a value less than the commercial value of the vehicle, the Company's maximum liability will be limited to the value declared by the Insured.

Clause 6. General Obligations of the Insured.

1. In the event of loss, it shall be binding on the Insured to:
 - a) **Precautions:**

Perform all the actions that tend to avoid or reduce the damage. If delay of such actions is not dangerous, the Insured may request instructions from the Company, and will then follow them. The expenses incurred by the Insured, if they are not clearly inadmissible, will be borne by the Company and should it so instruct, they will be paid in advance.

If the Insured does not comply with the obligations mentioned in the above paragraph, the Company shall have the right to reduce or limit the indemnity to the amount which would have been payable had the Insured complied with such obligations.
 - b) **Notice of loss:**

The Insured shall notify the Company as soon as he is aware of the occurrence, except when such notification is impossible due to causes beyond his control, in which case he must notify the Company as soon as circumstances allow.

Noncompliance with the foregoing shall result in the reduction of the indemnity to the amount which would have been payable had the Company been promptly advised of the occurrence.
 - c) **Notice to the authorities:**

The Insured shall submit a formal claim or accusation before the corresponding Mexican authorities in the event of theft or any other criminal act that may be the reason for claim under the provisions of the policy, and cooperate with the Company in order to recover the vehicle or the amount of the damage sustained.
2. In the event of claims made by the Insured as a result of an occurrence affecting coverages 1, 2, 3, 4, 5 or the coverages contracted for under special agreement, the Insured is obligated to provide:
 - a) **Notice of claim:**

It shall be binding on the Insured to notify the Company as soon as he has knowledge of the claims or accusations received by him or his representatives, and to send such documents or the copies thereof to the Company.

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

The Company shall not be obligated to recognize any debt, transaction or any other similar legal proceeding made or agreed upon without its consent. The admission of a fact is not to be considered as an acceptance of liability by the Company.
 - b) **Cooperation and assistance of the Insured to the Company:**

It shall be binding on the Insured to cooperate with and assist the Company, at the Company's expense, in all civil procedures that may be made against him, due to the liability covered by the insurance and:

 1. • To provide the necessary data and proofs required by the Company for his defense, at the Company's expense, when this is necessary, or when the Insured does not appear in court.
 2. • To exercise and make effective all the actions and defenses that may legally proceed.
 3. • To appear in court at all civil procedures.
 4. • 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.
3. It shall be binding on the Insured to notify the Company of the existence of all other insurance.

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

Clause 7. Basis of Valuation and Indemnity of Damage.

1. If the Insured has complied with the obligation mentioned in Clause 6, Item 1, Section b) (Notice of loss) and the 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 assumptions in the above paragraph are complied with, the Insured shall have the right to repair the damage and to demand the payment thereof from the Company in the terms of the policy, except when the valuation cannot be made due to causes attributable to the Insured.

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.
3. When the valuation is done and the Company accepts responsibility, without prejudice to that stated in Article 71 of the Law of Insurance Contracts, the Company must indemnify the insured for the amount of the damage sustained on the date of loss.
4. The indemnity for partial losses 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.
5. When the cost of the repair of the damage is greater than 50% of the value established on the policy face at the time immediately prior to the occurrence, the Insured may request that the loss be considered as a total loss. Unless agreed to the contrary, if the mentioned cost is greater than 75% of that value, it shall always be considered as a total loss.
6. In case of total loss affecting 1. Collision or 2. Comprehensive coverages, it shall be binding on the Company to pay an indemnity according to that established on the policy face, based on that stated in Clause 5. Insured Amounts and Maximum Liability, being established that no return premium will apply for those coverages not affected.
7. The intervention of the Company in the 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.
8. Contracts for effective compliance with Article 71 of the Law of Insurance Contracts, it is understood that the insured has fulfilled his duty by submitting to the Company the documentation specified for each case.
9. Transportation expenses.

Should the loss merit indemnity under the policy terms, the Company will take charge of the handling and corresponding expenses to put the insured vehicle in condition for towing, as well as the costs 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 loss occurs.
10. Interest in arrears.

In the event that the Company, notwithstanding the fact that they have received all of the documents and complete information on the claim, does not pay the indemnity, capital or income under the terms of Article 71 of the Law of Insurance Contracts, instead of the legal interest applicable, they will pay the Insured, the beneficiary or damaged third party, interest in arrears calculated at an annual rate equal to the average percentage cost of deposit published monthly by the Bank of Mexico, during the period of delay. This interest will be calculated from the day following the 30-day period specified in the aforementioned ruling.

In the event of lawsuits or arbitration under the terms of Article 135, Section IV bis and Article 136, Section II, of the General Law of Institutions and Mutual Insurance Societies, the interest in

arrears will be calculated as established therein.

Clause 8. Alternative Dispute Resolution.

In the event of controversy between the Insured or beneficiary and the Company with respect to any loss or damage, the issue will be submitted to the opinion of an expert appointed by written agreement of both parties, but if there is no agreement in the appointment of one single expert, two will be made, one by each party; this to be done within a period of ten days from the date in which one of the parties is required in writing by the other to do so. Before the beginning of this task, the two experts shall appoint a third in case of disagreement.

If one of the parties refuses to appoint his expert or simply does not do so when required by the other, or the experts disagree about the third expert, the Mexican judicial authority will designate, upon the request of any of the parties, the expert, the third expert or both if necessary; nevertheless, the National Insurance and Bonding/Surety Commission may appoint the third expert if both parties agree to request it.

The death of one of the parties, if an individual, or the dissolution, if a corporation, during the arbitration shall not cancel or affect the powers or attributes of the arbitrator or the arbitrators or the umpire, as the case may be, or if one of the arbitrators of parties or umpire should die before a decision is made, another shall be designated in substitution thereof by the respective parties, the arbitrators, the judicial authorities or the National Insurance and Surety/Bonding Commission.

Expenses and fees originated by the arbitration shall be divided equally between the Insurance and the Company, but each party shall pay the fees of his own arbitrator.

The arbitration referred to above shall not be construed as an admission of liability by the Company; it shall only determine the amount of the loss which will eventually be payable by the Company, and both parties are at liberty to exercise the actions and oppose the corresponding exceptions.

Clause 9. Territoriality.

The coverages insured in the policy shall be applicable only to accidents occurring within the territory of the United States of Mexico, and in accordance to Mexican Jurisdiction and/or laws.

Clause 10. Salvage.

In the event that the Company pays the insured value of the vehicle at the time of the accident, the Company will have the right to dispose of the salvage in the proportion corresponding any recovery with the exception of special equipment and modifications to the vehicle that were not insured.

In view of the fact that the part for the account of the Insured refers to the deductible, the amount of the recovery will be applied first to cover the amount paid by the Company and the remainder, if any, will correspond to the Insured.

Clause 11. Loss of Right to Indemnity.

The obligations of the Company shall terminate:

1. If it can be shown that the Insured, the driver, the beneficiary or the representatives thereof, dissemble or make incorrect statements about facts that would exclude or could restrict such obligations, for the purpose of making the Company incur in error, the responsibility for a loss; or
2. If the loss should involve fraud or malicious intent by the Insured, the driver, the beneficiary or their assignees; or
3. If it can be shown that the Insured, the driver, the beneficiary or the representatives thereof, do not provide timely information required by the Company on facts related to the accident and, by means of which the circumstances and consequences of the occurrence could be determined, for the purpose of making the Company incur in error, the responsibility for a loss.

Clause 12. Advance Termination of the Contract.

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

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 corresponding premium will be estimated to the actual term, from the beginning of the contract until the date of cancellation.
2. • The corresponding discount will be applied to the actual term, according to the long-term discounts of the tariff in force.
3. • The premium calculated for the actual term will be subtracted from the premium charged originally thereby obtaining the 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 the total of the unearned premium calculated at pro rata to the Insured.

Clause 13. Statute of Limitations.

All proceedings derived from this insurance contract shall become invalid within two years, counted in the terms of Article 81 of the Law of Insurance Contract, from the date of the occurrence giving rise thereto, except the cases specified in Article 82 of the same Law.

The statute of limitations may be interrupted not only by ordinary causes, but also for the appointment of an expert or the beginning of the process set forth in Article 135 of the General Law of Insurance Institutions and Mutual Societies in Mexico.

Clause 14. Jurisdiction.

In the event of controversy, the plaintiff shall appeal before the National Insurance and Bonding/Surety Commission at its main office or its branch offices, pursuant the terms of Article 135 of the General Law of Insurance Institutions and Mutual Societies, in Mexico and if said organization is not designated as the arbitrator, the plaintiff may appeal to the Mexican courts corresponding to the Mexican domicile of the Company.

Clause 15. Subrogation.

In the terms of the law, upon the payment of the corresponding indemnity, the Company shall be subrogated up to the amount paid in the Insured's rights, as well as his/her corresponding legal proceedings against the perpetrators or parties responsible for the loss. If the Company should so require it, and at their own cost, the Insured shall confirm such subrogation in writing before a Notary Public. 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.

Clause 16. Language.

This English translation is a courtesy only. In case of controversy, the Spanish version of this document and Mexican jurisdiction shall in all cases prevail.

Clause 17. Acceptance of the Contract.

(Article 25 of the Law of Insurance Contract)

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