

## **GENERAL CONDITIONS FOR THE TOURIST AUTOMOBILE POLICY SPECIFICATIONS, TERMS, CONDITIONS AND EXCLUSIONS**

### **INTRODUCTION**

Qualitas Compañía de Seguros, S.A. de C.V, hereinafter known as the "Company" and the policyholder, hereinafter known as the "Insured", have agreed on the coverages and sums insured that appear on the face of the policy as being contracted, it being understood that one or several of the basic coverages may be selected and in addition if it is so desired, one or several of the additional coverages may be contracted.

### **DEFINITIONS**

For the purpose of the present contract, the interested parties agree on the following definitions:

**Insured:** It is any person whomsoever who drives the vehicle described on the face of the policy with the expressed or tacit consent of the owner.

**Vehicle:** It is an automotive unit described on the face of this policy, including its special equipment such as signs, advertisements, radio, clock, fog and search lights, exterior mirrors, visors and other accessories that are different than those that the manufacturer installs as original equipment.

**Boat:** It is the boat specified on the face of the policy and the platform or trailer on which the boat is mounted as if it were a single unit.

**Trailer:** It is a house trailer that includes equipment that is attached to the same, excluding household belongings and personal items.

### **CLAUSE 1ª. SPECIFICATIONS OF RISKS**

#### **SECTION 1. MATERIAL DAMAGE**

a) Collision, turnover and plate glass - Loss or material damage that the insured automobile may suffer as a result of a collision, turnover and plate glass breakage are covered by this item a) shall be paid by the Company only in excess of the deductible mentioned on the face of the policy and for which the Insured shall always be liable for the amount of the deductible. The before mentioned deductible shall be applied to each accident that is to be indemnified in accordance with the terms and conditions of this section.

b) Transportation. Material damage to the insured vehicle caused by grounding, sinking, fire, explosion, collision, turnover or derailment of the means of transportation used when being transported by land, air or water, as well as by the insured vehicle falling into the sea during loading, unloading maneuvers or transshipment, including the contribution of the Insured to general or particular

average, including the salvage charges for which the Insured may be held liable.

c) Towing Expenses: In the event of an accident that is to be indemnified under the terms of this policy, the Company shall pay the towing expenses necessary to tow the insured vehicle anywhere within the limits of the Republic of Mexico, to the place where the Company decides the vehicle is to be repaired, as well as pay for the expenses up to a limit of \$500.00 US DLLS that are necessary to put the vehicle into condition to be towed.

Maximum limits of liability.

The maximum limit of responsibility of the Company for this cover settles down in the title page of the policy.

Deductible.

The coverage for Section 1, Physical Damage, is contracted with the invariable application to each accident of an amount to be paid by the Insured known as a deductible. The amount of this deductible is determined by applying the percentage that appears on the face of the policy to the sum insured that is in force, subject to the minimum amounts specified thereon.

## **SECTION 2. TOTAL THEFT AND MATERIAL DAMAGE.**

a) Total Theft of the Vehicle - Total theft of the insured vehicle, as well as the loss or damage that may occur as a result of such total loss.

b) Fire, Lightning and/or Explosion.- Material damage that the vehicle may suffer as a consequence of fire, lightning and/or explosion.

c) Strikes and Civil Commotion - Material damage that the vehicle may suffer by the acts of third parties involved in work stoppages, strikes, labor disturbances, political meetings, mutiny or popular uprisings; or by malicious mischief committed during the time such acts are being carried out; or material damage caused by measures of suppression taken by legally constituted Authorities in the performance of their duties. Damage resulting from vandalism is excluded.

d) Natural phenomena - Material damage that the insured vehicle may suffer as a result of cyclone, hurricane, hail, earthquake or volcanic eruption, avalanches, flood (caused by the overflow of rivers, lakes or inlets, with the exception of salt water), land or rock slides, the fall or collapse of constructions, buildings, structures or other similar objects, including falling trees and branches.

Maximum limits of liability.

The maximum limit of responsibility of the Company for this cover settles down in the title page of the policy.

Deductible.

The coverage for Section 2, are contracted with the invariable application of an amount to be paid by the Insured known as a deductible. The amount of this deductible is determined by applying the percentage that appears on the face of the policy to the sum insured that is in force, subject to the minimum amounts specified thereon.

In connection with Sections 1 and 2, coverage is also included for the special equipment that is installed in the insured automobile by adding the cost of said special equipment to the value of the automobile and thus it forms part of the sum insured. It is hereby understood that for the effects of this contract, special equipment consists of lettering, signs, radio, clocks, fog and spot lights, outside mirrors, visors and other similar accessories.

### **SECTION 3. CIVIL LIABILITY FOR PROPERTY DAMAGE AND BODILY INJURY TO THIRD PARTIES.**

Coverage is in effect, for property damage and/or bodily injury, in accordance with the current legislation applicable in the Republic of Mexico on the subject of legal civil liability of the Insured or of any person that is driving the vehicle with the expressed or tacit consent and as a consequence of said use, may cause damage to property that does not belong to the Insured or to persons related to the Insured, the driver or his representatives or relatives. Also, the bodily injury or death to third parties is covered.

Without exceeding the sums insured that are shown on the face of the policy, the payments that the Insured makes shall be subject to the following concepts:

- a) Damage to property belonging to third parties.
- b) Medical expenses incurred while administering first aid.
- c) Medical and/or burial expenses, as the case may be to third parties that are injured by the vehicle insured.
- d) The legal indemnity that has to be paid for death, total or partial disability, be it permanent or temporary.
- e) The expenses and court expenses that the Insured or the driver is sentenced to pay arising out of a suit for civil liability brought against the Insured.

Maximum limits of liability.

The maximum limit of responsibility of the Company for this cover settles down in the title page of the policy.

Deductible.

This cover applies without the application of deductible

Exclusions.

Punitive damages are specifically excluded, the corporal damages are excluded, injuries and the death specifically that undergo the occupants of the assured vehicle.

#### **SECTION 4. MEDICAL EXPENSES FOR OCCUPANTS**

The payment of medical expenses that are incurred within the Republic of Mexico for the concept of hospitalization, medical attention, nurses, ambulance service and funeral expenses as a result of bodily injury suffered by the Insured or by any of the occupants of the vehicle insured in a traffic accident or by fire, explosion, or meteorological phenomena while traveling in a compartment, cover or cabin designed for the purpose of transporting passengers.

Medical expenses covered under this policy are:

- a) Hospitalization.- Room and board in the hospital, physiotherapy, expenses inherent to hospitalization, drugs and medicines in general that are prescribed by a Doctor that is legally authorized to practice medicine.
- b) Medical Attention - The medical services required that are provided by professionals legally authorized to practice their profession.
- c) Nurses - The cost of the services of nurses that are legally authorized to practice their profession for a maximum period of 30 days.
- d) Ambulance Service - The expense incurred for ambulance service, when this is considered indispensable.
- e) Funeral expenses - The expenses incurred for this concept are covered up to a maximum amount of 50% of the sum insured per passenger and shall be reimbursed upon the presentation of the corresponding documents.

In the event that at the time of the accident, the number of passengers injured is in excess of the number of persons insured, the limit of liability per person shall be paid in a proportional manner.

The Company shall pay the above mentioned expenses up to the time as the sum insured for each person is exhausted. The obligation of the Company shall automatically cease when the effects of the injury disappear or when the doctor releases the patient or when the medical or funeral expenses incurred have been paid.

Maximum limits of liability.

The maximum limit of responsibility of the Company for this cover settles down in the title page of the policy.

Deductible.

This cover applies without the application of deductible

Specific exclusions for Medical Expenses for Occupants.

This insurance in no way covers:

- a) The payment of expenses incurred abroad for hospitalization, medical attention, nurses and ambulance service.
- b) Expenses incurred for general physical exams for the purpose of determining the state of health known as a "CHECKUP" and that are performed after the Insured joins the plan
- c) The difference in the diagnostic services, laboratory tests and X-rays that were performed abroad.
- d) Expense for a hospital room when it is different from the standard room, as well as meals for the room companion.
- e) Orthodontic treatments and plastic surgery.

## **SECTION 5. LEGAL EXPENSES**

The Company agrees with the Insured that by means of the obligation to pay the corresponding premiums, it agrees to cover the legal fees of Lawyers, expenses inherent to a criminal trial as well as the immediate issuance of a bond through a Surety company in order to obtain the temporary freedom of the driver and the release of the vehicle involved and/or cover the amount of the bond for the same purposes when so required at the time that the Insured is requested to cover as a result of an accident in which the vehicle property of the Insured is involved in an accident covered in this policy.

The coverage that is issued is subject to the following:

1. The Company agrees to cover the legal expenses that the Insured has to pay as a result of an automobile accident. The Insured shall have the right to request that the Company pay the expenses that are hereinafter described up to the limits that are mentioned herein:

I. The professional services received of a judicial nature by the Insured in dealing with the penal or administrative problem that occurred.

The Company shall pay for the professional services as a maximum an amount equivalent to 2,000 Dlls.

II. The expenses inherent to the criminal trial as a direct result of the accident. For the expenses incurred in the penal process of the accident as a whole, the Company shall pay as a maximum an amount equivalent to 750 Dlls.

III. In the event that the Judicial Authority were to establish an amount for the provisional freedom of the driver and the release of the automotive unit, the

Company agrees to submit a surety bond for a combined single limit per event up to a maximum amount of 25,000 Dlls.

In every instance, the Insured agrees to comply with the requirements that for this purpose the Company needs.

IV. In the event that the Judicial Authority establishes an amount for obtaining the provisional freedom of the driver and the release of the vehicle, the Company shall cover the amount of premium for said bond, up to a maximum amount equivalent to 6,000 Dlls and the Estado de México to a maximum amount equivalent to 8,700 Dlls.

2. The obligation of the Company to pay the legal fees is circumscribed to the limits of the amounts that appear in item 1 of this coverage. Said limits of the amounts issued shall be automatically reinstated when they are reduced due to any payment made by the Company during the term of the policy.

If the Company builds with negligence in the determination or direction of the defense, the responsibility as far as the amount of the expenses of this defense will not be subject to any limit.

3. Once the bond has been issued, the Insured agrees to comply with each and every one of the provisions that are established in the Penal Code in order to avoid the cancellation of the provisions freedom of the driver that is under indictment and to avoid that the Judicial Authority may call in the bond or guarantee.

In the event that the bond or guarantee is called in for reasons that are imputable to the trial or to the Insured, the latter shall reimburse the Company the amount of the premium of the bond or guarantee that for this reason had been paid.

4. In the event of a loss, the Insured agrees to comply with the following requirements:

a) At the time of the accident the insured shall give immediate notice within the 24 hours following the accident be it by the insured or by a third party; this notification shall be given to the offices of the Company that are close to the scene of the accident or to the Head Office.

b) The Insured shall select amongst the lawyers that are included in the list that for this purpose the adjuster of the Company shall provide; the lawyers selected shall represent the Insured and will handle all of the legal matters that arise as a result of the traffic accidents that may occur.

c) The insured agrees to attend all proceedings of a penal, civil and administrative nature that require his presence

5. The Company shall not be obligated to make any payment under this coverage, in the following cases:

a) The Company shall not pay any expense made as a result of civil liability.

b) If in the opinion of the Judicial Authorities, the accident was caused by the Insured in an intentional manner.

c) When the traffic accident occurs' the premium has to have been paid.

d) The Company shall not pay or reimburse under any circumstance, bribes, gratification's, expenses incurred for copies or for any other concept that is not contemplated in the terms and conditions stated herein.

6. The terms, conditions and exclusion listed on the policy are ratified only if not opposed to the above described terms.

Maximum limits of liability.

The maximum limit of responsibility of the Company subject to the amounts limits above indicated.

Deductible.

This cover applies without the application of deductible

## **6. ROAD ATTENDANCE QUALITAS.**

The Company agrees with the Insured by means of the hiring of the cover serving for Attendance in Trip to the conductor and Automobile who circulate in the Mexican Republic in quality of tourists, in the occasion of an automobile accident or damages.

The cover is hold to serve the following attendance services:

1. Road Aid. In case of lack of gasoline, flat tires or discharged battery that prevent the independent circulation of the Automobile, the Company will manage the shipment of the most suitable supplier, considering the type of presented/displayed eventuality.

In order to solve such eventualities, the Company will consider as maximum limit equivalent in dollars to the amount of \$200,00 MN by Automobile and event in city, maximum two events per year and equivalent in dollars to the amount of \$800,00 MN by Automobile and event in highway, maximum two events per year, of such form that the vehicle can be mobilized by its own means.

The Company will consider a maximum of 10 dlls by concept of repair of tires and gasoline, the excess to this assured sum will be paid by the beneficiary directly to whom serves according to the effective tariffs of this one, at the moment at which the lender of the service therefore asks for the Beneficiary.

In all the cases, the Beneficiary will have to be present at the time of the accomplishment of the service.

Beneficiary. The driver of the Automobile.

Exclusions

In no case, under the terms and conditions of this cover, the Company protects the expenses in which the Beneficiary by concept incurs of:

- a) Spare parts
- b) Oils
- c) Storage cells and/or tires
- d) Fines of any type that are imposed by the authorities.

## 2. Shipment and Payment of Crane.

In case of Failure that does not allow the independent circulation of the Automobile, the Company will become position of its transfer to the garage or nearer population. Also, this service still operates in case of automobile accident that it does not allow the independent circulation of the Automobile, and when coverage 1. Material Damages has not been contracted.

It is understood that the transfer of the Automobile, will take place as long as it is not confiscated, seized or lengthy on the part of the legally recognized authorities in the occasion of his functions and in exercise of them.

The Company will only be responsible for the expenses distributed in the transfer from the Automobile to the garage or nearer population with a maximum limit of \$150 U.S. DLLS by event, maximum 2 (two) events per year.

The cost that exceeds \$150 U.S. DLLS will be paid by the Beneficiary directly to whom serves.

Beneficiary. The Driver of the Automobile.

## Exclusions.

The Company will not send crane in the case of flat tires, lack of gasoline, storage cells damaged or in badly been, as well as the expenses which incur the Beneficiary by concept of:

- v Fines of any type imposed by the authorities.

3. Medical transfer in case of automobile accident to the closest Hospital Center. If as a result of an automobile accident of the assured vehicle, the conductor and/or occupants have been hospitalized and by his medical condition they require of the transfer in ambulance to another hospital center within the Mexican Republic, according to the criterion of the doctor that is making the treatment and the doctor of the Company, the Company will manage and assume the cost of this transfer.

In no circumstance the medical or hospital expenses and transfers done outside the Mexican Republic will be covered.

Beneficiary. The Driver and/or the occupants of the Automobile.

## 4. Shipment and Payment of Locksmith.

In case that the Beneficiary by nonintentional negligence has forgotten the keys

within his Automobile when closing it, the Company will manage the shipment of a locksmith, and will assume the cost of the opening of the Automobile.

In order to be able to grant this service, in all the cases it will be necessary that the Beneficiary identifies itself with the locksmith before he provides the service.

This service will be provided as much to request of the Beneficiary and without responsibility of no type for the Company as for the lender of the same one.

In no case duplicates of keys will be done.

Beneficiary. The driver of the Automobile.

#### 5. Expenses of Hotel by Convalescence.

In case of automobile accident, the Company will manage the necessary expenses for the prolongation of the stay in a hotel within the Mexican Republic, from the beneficiary and/or the occupants of Automobile immediately assured after being given of hospital discharge document, if this prolongation has been prescribed by the local doctor and the doctor of the Company. This benefit is limited \$75 daily USD with a maximum limit of \$375 USD dollars by Automobile and event.

Beneficiary. The driver and/or the occupants of the automobile.

### **CLAUSE 2<sup>a</sup>. RISKS THAT ARE NOT COVERED BY THE CONTRACT BUT THAT CAN BE COVERED BY SPECIFIC AGREEMENT.**

#### Trailers and Boats:

Trailers and boats shall be insured if they are specifically included on the face of the policy, along with the description, sum insured and with the corresponding premium for the same.

The trailers and boats are covered against the same risks that appear in Section 1 and/or Section 2 that were have contracted in the policy for the vehicle that hauls them, even though the tow is uncoupled of the motor or parked vehicle, and for the same period of time, provided that the trailer is attached to the main unit. The trailers and boats are subject to a deductible per unit and is applicable only to Section 1 and/or 2.

With regards to the Section 3 in the tows or boats it is protected within the same sum assured contracted for the vehicle, as long as the tow is hooked to the motor unit

#### Exclusions

1) Medical expenses of the passenger for injuries suffered or for death that occurs within the trailer or boat.

The liability of the Company shall cease at the moment that the trailer is separated from the vehicle, as well as the damage to the boat may suffer or cause during loading and unloading maneuvers onto or off the trailer or platform.

2) To use the vehicle for purposes other than those specified in the policy.

3) To participate either directly or indirectly with the vehicle in races or in safety,

endurance or speed tests.

4) Utilize the vehicle for the purpose of teaching or for giving instructions as to the way it handles or as to how it functions.

**CLAUSE 3<sup>a</sup>. RISKS THAT ARE NOT COVERED BY THE CONTRACT.**

This insurance will in no event cover:

- a) Civil liability resulting from death or bodily injury that the driver of the car insured or any other occupant of said car may suffer, unless medical expenses are covered in the section for medical expenses. In addition, liability resulting from intentional felonious acts in which the owner or the driver participate, are not covered.
- b) Civil liability as a result of having run over persons that are relatives of the Insured or persons that are in the employment of the Insured.
- c) Expenses and fees incurred in the legal defense of the driver, the Insured or owner of the vehicle that is described resulting from criminal proceedings as a consequence of any accident, nor does this coverage contemplate the cost of bonds, fines or bonds of any type, as well as any penalty or any other obligation that is different to the reimbursement of the loss.
- d) Loss or material damage to the insured vehicle resulting from being driven off conventional roads used for vehicles (including beaches) or when these are found not suitable for driving.
- e) When the vehicle is participating in safety, endurance or speed competitions or tests, unless otherwise agreed to.
- f) Damage that the insured vehicle may suffer or cause during the time it is being used for the purpose of giving driving lessons or instructions as to its operation, unless otherwise agreed to
- g) Damage that the insured vehicle may suffer or cause during the time it is being used to haul trailers or boats, unless otherwise agreed to.
- h) Damage that the insured vehicle may suffer or cause during the time it is being driven by a person that does not have a valid license of the type that is required for driving and issued by the corresponding authorities in accordance with the law or when the vehicle is being driven by a person who is under the influence of alcohol or drugs that were not prescribed and serious fault, imprecision or negligence in the accomplishment of the claim.
- i) Theft of parts and accessories, unless it is as a direct consequence of the total theft of the vehicle that is insured.

j) Any consequential loss suffered by the Insured and/or by any occupant of the vehicle, as well expenses that are incurred as a result of the accident, such as: hotel room and board, transportation, telephone calls, car rental or by not being able to use the insured vehicle.

k) The material damages that undergo the vehicle assured by lack of loss or oil in the motor, transmission, box of speeds, etc., or by lack or loss of water in the radiator.

l) The rupture or mechanical breakdown or failure of any part of the insured vehicle as result of use, unless it was caused as a direct result of any of the risks covered in this policy

m) Material damage that the insured vehicle may suffer due to normal wear and tear of the automobile or of its parts, as well as the depreciation value wise.

n) Loss or damage that the insured vehicle suffers as a consequence of acts of war, be they the result of a foreign invasion or civil war that is declared, confiscation, insurrection, rebellion, expropriation, requisition, confiscation, seizure or detention by legally constituted Authorities in the performance of their duties or for any other similar reason. Loss or damage to the insured vehicle is also not covered when it is being used for any military purpose, with or without the consent of the Insured.

o) Loss or damage to the insured automobile when exposed to the normal action of the tide, including when a flood occurs.

p) Loss or damage to the insured vehicle caused from being overloaded or when being subjected to excessive traction in relation to its resistance or capacity.

q) In addition, the Company shall not be liable for any damage caused to viaducts, bridges, scales, or to any public thoroughfare and to objects and installations below the level of the ground, be they caused by vibrations or due to the weight of the vehicle or of the load it is hauling.

r) Malicious mischief, vandalism and theft of contents and/or partial theft of any accessory belonging to the automobile, boat or trailer.

s) Any general damages, including pain and suffering, any economic or incidental losses (other than "Medical Expenses" as defined in section 4 herein), or any damages arising out of loss of use of the insured vehicle by the insured or any occupant or other passengers of the insured vehicle; for losses related to other damages to any persons arising out of injuries sustained by another person.

#### **CLAUSE 4<sup>a</sup>. PAYMENT OF PREMIUMS.**

The premium is due on the date the policy is put into effect and payment shall be made with the Company providing a signed receipt or a stamp as proof of having received the money. There shall be a \$10.00 US DLLS minimum issuing fee charged.

## COMMISSIONS

During the use of the policy, the Insured or Contractor will be able to ask by written that the Company informs the premium percentage, by concept of commission or direct compensation, corresponds to the intermediary or moral person by her intervention in the celebration of this contract, the Institution will provide this information, by written or by electronic means, in a term that will not exceed ten (10) working days later to the date of reception of the request.

### **CLAUSE 5ª. SUMS INSURED AND LIMITS OF LIABILITY.**

The liability of the Company shall not exceed the actual cash value of the damage that was caused on the date of the loss to the parts of the vehicle insured, plus the cost of installation.

Under no circumstances shall the amount exceed the value insured of said vehicle.

For this purpose, the following clause shall be taken into account:

Being vehicles that have rescue character, the maximum limit of responsibility of the Company will be the value that has a unit which has not been previously rescue at the time of the wreck, less a depreciation of 25%. It is obligation of the insured to declare to the Company, at the time of acquiring his insurance policy of tourist automobiles, that the vehicle has rescue character.

### **CLAUSE 6ª. REDUCTION AND REINSTATEMENT OF SUM INSURED.**

Any indemnity paid by the Company shall reduce the amount of the sum insured by the same amount and this can be reinstated at the request of the Insured, who shall pay the corresponding additional premium.

If the policy were to cover several vehicles, the reduction or reinstatement shall only be applied to the vehicle or vehicles that suffered a loss.

### **CLAUSE 7ª. OBLIGATIONS OF THE INSURED.**

#### a) Precautions.

At the time of a loss, the Insured should take all of the necessary precautions in accordance with the circumstances surrounding the accident in order to avoid that the loss becomes greater and consequently, the Insured should not abandon the vehicle, unless it is a result of an unforeseen circumstance or force majeure.

If the Insured does not comply with the obligations indicated in the above mentioned paragraph, the Company shall have the right to limit the indemnity to be paid to the Insured for the damage it suffered up to the value to which the damage would have been increased if the Insured would have complied with said obligations.

#### b) Notice of Loss.

At the time of an accident that is covered under the present policy, the Insured shall have the obligation to notify the Company in a term nongreater to 5 days or as soon as it has knowledge of the accident, with the exception of unforeseen circumstances

or force majeure and then, it should be given as soon as possible and provide the cost of one or the other before leaving the Republic of Mexico. The delay in providing prompt notice, could result in the indemnity being for less than it would have been if the Company would have been given prompt notice of the same.

c) Notification of the Existence of any other Insurance.

The Insured shall have the obligation to immediately notify the Company in writing of any insurance that is being contracted or that has been contracted with another Company insuring the same vehicle, risks and exposures as appear in the present policy, providing the name of the Company and coverages in force

d) Cooperation and Assistance.

The Insured shall cooperate with the Company and shall attend all of the administrative and judicial hearings to which it has been subpoenaed by the authorities in connection with any loss that was the reason for the suit against the Company.

e) Notification of Claims.

The Insured is obligated to inform the Company as soon as it has knowledge of any suit, trial, subpoena, requisitions in regards to any suit due a possible liability that is covered by insurance.

The Company shall not be obligated to pay any debt, transactions or any other legal acts of a similar nature, deeds or agreements that were arrived at without its consent. The material confession of an act cannot be accepted as the recognition of a liability for the Company.

f) For the purposes of payment of any damages and/or the insured shall have the vehicle released from any charge imposed by any and all authorities.

### **CLAUSE 8<sup>a</sup>. CLAIMS**

a) Once the Insured has given notified the Company about the loss, the latter shall have the obligation to commence with the valuation of the damage within a period of time that does not exceed 72 hours, counted as of the moment the Insured placed the vehicle in the care of the Company and that it be totally released by the authorities, if the latter were the case.

b) The fact that the Company does not initiate the valuation of the loss within the period of time mentioned in the previous paragraph, shall empower the Insured to proceed with the repair of the vehicle and it shall have the right to demand payment from the Company in accordance with the terms of this policy, unless for causes imputable to the Insured, the valuation could not be carried out.

c) Once the valuation of the damage to the vehicle is finished and its liability accepted, the Company shall proceed to liquidate the Insured in cash for the amount

of the indemnity for the loss or damage that is to be repaired.

In the event of total loss or theft of the vehicle, the Company has the option to substitute it to the satisfaction of the Insured or to pay in cash the actual value of the vehicle on the date of the loss, but without exceeding the sum insured in force. Once the indemnity is paid, the Company shall not have any further obligation and the insurance shall be considered automatically canceled.

In the event that the vehicle suffers damage and the repair requires parts that are not available in the market, at the moment the indemnity is paid for in cash, the liability of the Company shall be limited to paying the Insured for the value of said parts in accordance with what is determined between the Company and the Insured or, if the parties would not agree, the value shall be established by an arbiter.

Damaged bases of depreciation of the parts and components.

For the indemnification of the affected parts of the vehicles in the protected risks, it will not be considered the depreciation of the parts and components damaged like a payment that must cover the insured in addition to the deductible.

d) With exception being made in the event that the Company does not commence with the valuation within the term of 72 hours that is referred to in item a) of this clause, the Company shall not accept the damage suffered or caused if the repair process has begun without the written authorization of the Company, inasmuch as this keeps the latter from knowing the existence or magnitude of the loss and the circumstances that caused or had an influence in the loss taking place.

e) In the event of theft or other felonies that can be the basis for presenting a claim under this policy, the Insured shall notify the corresponding Authorities immediately and shall cooperate with the Company in obtaining the release of the vehicle or of the amount of the damage that it suffered.

In any case, the Company shall accept or deny its liability within 30 days following the date in which it received all of the documents that are required.

f) If it is so required by the Company, the Insured shall grant as soon as possible a power of attorney to the Company or to the representative it may select, in order to permit it to proceed and to negotiate for its account in the name of the Insured, the defense or agreement for any claim or lawsuit, and to continue in the name of the Insured and for its own account to follow any claim for the indemnity of a loss or for any other reason against third parties.

g) The Company shall have the right to proceed with the trial or with the negotiations of any claim and the Insured shall provide all of the information and assistance that is necessary.

h) Any assistance that the Company gives the Insured or third parties shall not be construed as an acceptance of the origin of the claim.

i) Moratorium Interests.

If the Company does not perform its duty of payment within the 30 following days to the date in which it has received the documents and information that allow him to know the foundation the claim, it will pay to a moratorium interest calculated in

agreement with the article 135 BIS from the "Ley General de Instituciones y Sociedades Mutulistas de Seguros".

#### **CLAUSE 9<sup>a</sup>. ADJUSTMENT AND ACCEPTANCE OF LIABILITY.**

The Company, in order to proceed with the adjustment of the losses suffered by the vehicle that is insured, should call the Insured in order that with its participation the value of the damage can be determined. If the Insured were not to participate, it shall lose its right to participate, without prejudicing its right to name an arbiter in the event of controversy.

The participation of the Company in the claim shall not imply the acceptance of any liability in regards to the claim. In any event, the Company shall either accept or deny the claim within 30 days following the date it has received the documents and information that is required.

#### **CLAUSE 10<sup>a</sup>. ARBITRATION**

In the event of disagreement between the Insured or beneficiary and the Company concerning the amount of any loss or damage, the dispute shall be submitted to an arbiter that has been named in writing with the consent of both parties, but if there is no agreement in the naming of only one arbiter, two shall be named, one for each party. This shall be done within a period of 10 days as of the date in which one of the parties concerned has so been requested by the other in writing. Before undertaking the assignment, the two arbiters shall name a third arbiter in the event of disagreement.

If one of the parties concerned were to refuse naming an arbiter or simply would not do it when so requested by the other, or if the arbiters could not reach an agreement as to the naming of the third arbiter, it shall be up to the Judicial Authority, acting at the request of either of the parties, to name the arbiter, the third arbiter, or both if necessary; however, the National Commission for Insurance and Bonds could designate the arbiter, or the third arbiter if so requested by the parties in question.

The death or one of the parties if a person or the dissolution in case of a company, were to occur during the period of arbitration, shall not nullify or affect the power or attributions of the arbitrator or of the arbitrators of the parties concerned, or if one of the arbiters or the third arbiter were to die before the report was rendered, another one shall be designated as a substitute by the party concerned (the parties, the arbitrators, the Judicial Authority or the National Commission for Insurance and Bond).

The expenses and fees that are incurred because of the arbitration, shall be for the account of the Company and the Insured in equal parts, but each party shall cover the fees of its own arbiter.

The arbitration referred to in this clause does not signify the acceptance of the claim on the part of the Company, it shall only determine the amount of the loss that the Company shall be eventually obligated to pay, thus leaving the parties at liberty to exercise their right to take the necessary actions that may be deemed necessary and make known its opposition.

#### **CLAUSE 11<sup>a</sup>. RESCUE.**

It is hereby specifically agreed that in the event that the Company does pay the real value of the vehicle on the date of the loss, but without exceeding the sum insured, the salvage or any other recovery shall become its property in the proportion that corresponds to it.

**CLAUSE 12<sup>a</sup>. LOSS OF THE RIGHT TO BE INDEMNIFIED.**

The obligation of the Company shall be canceled:

1. If it is determined that the Insured, the driver, beneficiary or its representatives, for the purpose of making the Company incur in an error, disguises or declares inaccurate facts in an attempt to exclude or restrict said obligations.
2. If in the loss it was found that a fraud was committed or bad faith were shown on the part of the Insured, the beneficiary or its respective successors.
3. If it is determined that the Insured, the driver, beneficiary or its representatives, for the purpose of making the Company incur in an error, does not provide on time the information that the Company requests about the facts related to the loss and from which the circumstances that led to the loss and to the consequences thereof can be determined.
4. If a preferred beneficiary has been designated, the Insured will not be able to give by finished the Contract without the written consent of the preferred Beneficiary.

**CLAUSE 13<sup>a</sup>. SUBROGATION.**

In the terms of the Law, once paid the corresponding indemnification, the Company shall have the right of subrogation up to the amount paid, as well as to the corresponding actions, against the perpetrators or parties responsible for the loss. If the Company so requests and at its own expense, the Insured shall officially put the right of subrogation in writing. If through errors or omissions, the Insured were to impede totally the right of subrogation, the Company shall be released of all or part of its obligation.

If damage were only partially indemnified, the Insured and the Company shall agree to participate proportionally in the corresponding actions.

The right to the subrogation will not come in the case when the Insured has conjugal relationship or kinship by consanguinity or affinity until the second degree or civilian, with the person who has caused the damage to him, or if he is civilly responsible for the same one.

**CLAUSE 14<sup>a</sup>. EARLY TERMINATION OF THE CONTRACT.**

The parties specifically agree that this contract may be canceled in advance by means of prior notification in writing and the Company will have the obligation to return that proportion of the unearned premium.

**CLAUSE 15<sup>a</sup>. JURISDICTION.**

In case of controversy, the plaintiff will be able to make its complaint before the Comisión Nacional para la Protección y defensa de los usuarios de servicios financieros (CONDUSEF), in its central offices or the delegation of the same one that are nearer to the address of the Insured or in the specialized unit of attention of consultations and claims of the own institution of insurances, in the terms of articles 50 bis and 65 of the Ley de Protección y Defensa al Usuario de Servicios Financieros, and within the counted term of two years as of which the fact who gave origin, or in its case is provoked, to start off of the refusal of the Financial Institution to satisfy the pretensions with the User.

The competition by territory to demand in the matter of insurances will be determined, by election of the plaintiff, in regard to the address of anyone of the delegations of the Comisión Nacional para la Protección y Defensa de los Usuarios de Servicios Financieros. (CONDUSEF) Also the Judge of the address of this delegation will be competent.

It is prerogative of the Insured to go before the administrative instances to the Ley de Protección y Defensa del Usuario de servicios financieros talks about or to go directly before the competent Courts, according to established by the article 136 of the Ley General de Instituciones y Sociedades Mutualistas de Seguros.

#### **CLAUSE 16<sup>a</sup>. PRESCRIPTION.**

All the actions that emanate from this insurance contract shall expire in two years, computed in the terms of Article 81 of the Law of the Insurance Contract from the date of the event that gave origin, except for the briefed cases of exception in Article 82 of the same law, which indicates that the term of Article 81 will not run in case of omission, false or inexact declarations on the run risk, but that this term will run as of the day in which the company has had knowledge of him; and if one is the accomplishment of the wreck, from the day in which it has arrived at knowledge from the interested ones, that will have to demonstrate that until then they ignored this accomplishment. Of same way the prescription will be suspended by the presentation of complaints made in law terms before the Specialized Unit of Attention of Consultations and Claims of this Insurer; thus also the prescription by the presentation of the claim will be interrupted, that reunites the requirements demanded by the law, before the Comisión Nacional para la Protección y Defensa de los Usuarios de Servicios Financieros.

#### **CLAUSE 17<sup>a</sup>. ACCEPTANCE OF THE CONTRACT**

Article 25 of the Insurance contract Law. If the contents of the Policy or its modifications do not agree with what was offered, the Insured may request the corresponding changes within thirty (30) days following the day it receives Policy. Once this period of time has expired, the stipulations as well as the modifications to the policy shall be considered as accepted.

For the interpretation of the conditions of this policy, the text in Spanish shall prevail.

**IN ALL CASES OF DISCREPANCIES BETWEEN THE SPANISH AND ENGLISH VERSIONS OF THE POLICY, THE SPANISH VERSION OF THE POLICY SHALL GOVERN.**

**CLAUSE 18<sup>a</sup>. GEOGRAPHICAL LIMITS.**

The coverages insured under this policy, shall apply only to accidents that occur within the Republic of Mexico.

**GLOSSARY OF TERMS APPLICABLE TO THE COVER 6. ROAD ATTENDANC.**

For effects of this cover, the next defined terms will have the following meaning.

- 1, Automobile: Vehicle motorized of four wheels in two axes, until a maximum of 2,5 (two and a half) tons of weight, model up to fifteen years of antiquity, use and service particular and that has a policy of "Insurance of Tourist Automobiles", valid and effective emitted by QUALITAS.
2. The holder of the Policy: The physical person whose name appears in the title page of the Insurance policy of the Automobile Tourist. In the case of moral people it will be the person who drives the vehicle described in the title page of the policy at the time of the Automobile Accident and/or Failure.
- 3, Driver: Any physical person who drives the vehicle described in the title page of the policy, as long as he is greater than 18 years and has an Automobile drive license described in the title page of the policy, at the time of taking place the Automobile Accident.
- 4, Representative: Any person, is or nonaccompanying of the Beneficiary who makes any management to make possible the benefit of the Services of Attendance.
5. Beneficiary: For aims of this Contract it will be defined in each of the Services of Attendance of the present Particular Conditions of the "Road Attendance".
- 6, Occupants: All physical person who travels in the Automobile described in the title page of the policy at the time of taking place an Automobile Accident. The maximum number of occupants will be stipulated in the card of circulation of the Automobile the personal use, except the people who travel of "Aventón or Autostop" that they will not have right to the Services of Attendance.
- 7, Accident: All event that causes corporal damages to a physical person, caused only and directly by an external, violent fortuitous and evident cause, and that it happens during the use of the Insurance policy of Tourist Automobiles.
8. Automobile Accident: All event that causes physical damages to an personal use Automobile , caused only and directly by an external, violent, fortuitous and evident cause, that it happens to an Automobile personal use during the use of the Insurance policy of Tourist Automobiles.
9. Failure: All damage plows and/or fortuitous deterioration, that prevents the independent circulation of the Automobile described in the title page of the policy,

during a trip and the use of this contract, as long as it is not as a result of an Automobile Accident.

10. Medical Staff: The Appropriate medical and welfare personnel who is managing the Services of Attendance to the Beneficiary.

11, Services of Attendance: The services that the Company manages to the Automobile/Personal Use Pick-up, Insured and to the Beneficiaries, in the terms of the present particular Conditions of "Road Attendance", for the cases of a Situation of Attendance.

12. Attendance Situation: All Automobile Accident or Failure happened to the Automobile, personal use Pick-up in the terms and with the limitations established in the present particular Conditions of the "Road Attendance", as well as the other situations that they give right to the management of the Services of Attendance

13. Technical Staff: The Appropriate Technical and welfare personnel who are managing the Services of Attendance on behalf of the Company for the Automobile described in the title page of the policy.

The contractual documentation and the Technical Note that integrate this product, are registered in the Comisión Nacional de Seguros y Fianzas, in accordance with the arranged by the articles 36, 36-A, 36-B and 36-D of the "Ley General de Instituciones y Sociedades Mutualistas de Seguros" under the registry number CNSF-S0046-0676-2005 date February 8th, 2006.

**Quálitas, Compañía de Seguros, S.A. de C.V.**