

CONTRACTOR'S EQUIPMENT ALL RISK INSURANCE

PARTICULAR CONDITIONS

CLAUSE 1. PROPERTY COVERED

All machinery or equipment, as described in the specification of this policy, whilst they are transported from the place of storage to the final place of operation, and within the limits established in the specification of this Policy and/or while they are unloaded and assembled in such place and/or once they are in start-up conditions and/or during the performance of such works and/or they are disassembled for the purpose of cleaning or reconditioning and/or in the course of the following disassembly and whilst they are transported to their place of storage once normal activities have ceased, and until they are unloaded in such place of storage.

CLAUSE 2. PERILS COVERED

This Policy covers the physical loss or damage caused to the property covered, whilst they are within the geographic region described in the specification of this Policy, as a consequence of an accidental, sudden and unforeseen loss arising from whatever cause, except for those expressly excluded, in such a way that demand their repair or replacement.

The Company shall pay to the Insured for such loss or damage in the manner and up to the limits stipulated in the policy specification, and up to the amount established for each concept. The indemnity shall not exceed the total sum insured or that mentioned for each concept.

CLAUSE 3. ADDITIONAL COVERAGES

When specified in the Policy and by means of the obligation of the additional premium payment, this insurance may be extended to cover:

- a) Extra charges incurred due to a compensable loss to expedite the repair of the covered property for the concept of overtime, night work, or work on public holidays, fees and express freight, with an additional maximum of 30.00% of the indemnity amount included in the sum insured resulting in favor of the Insured.
- b) Earthquake, tremor and volcanic eruption

It is understood and agreed that the Company shall indemnify loss and/or damage to the covered property, resulting from earthquake, tremor and volcanic eruption.

CLAUSE 4. EXCLUSIONS

THE COMPANY SHALL NOT BE LIABLE FOR ANY CAUSE WHATSOEVER:

- A. LOSS OR DAMAGE CAUSED BY EXCEEDING THE CARGO CAPACITY OF LAND OR FLUVIAL VEHICLES ON WHICH THE COVERED PROPERTY IS TRANSPORTED AND/OR DUE TO THE USE OF VEHICLES OR VESSELS NOT PROPERLY DESIGNED TO TRANSPORT THE COVERED PROPERTY.**
- B. LOSS OR DAMAGE CAUSED BY OVERLOADING OR HAULING EXCEEDING THE CAPACITY AUTHORIZED BY THE MANUFACTURER FOR ANY OPERATION, TRANSPORTATION OR LIFTING OF ANY LOAD.**
- C. LOSS OR DAMAGE CAUSED TO THE COVERED PROPERTY WHEN USED IN WORKS FOR WHICH IT WAS NOT DESIGNED.**
- D. LOSS OR DAMAGE EXISTING AT THE TIME OF CONTRACTING THIS INSURANCE, EVEN THOUGH THE INSURED OR HIS REPRESENTATIVES OR EMPLOYEES OR OPERATORS HAVE NO KNOWLEDGE THEREOF.**
- E. IT IS UNDERSTOOD AND AGREED THAT IN NO EVENT SHALL THE COMPANY BE LIABLE FOR LOSS OR DAMAGE CAUSED BY:**
 - a) HOSTILE OR WARLIKE ACTION IN TIME OF PEACE OR WAR, INCLUDING ACTION IN HINDERING, COMBATING OR DEFENDING AGAINST AN ACTUAL, IMPENDING OR EXPECTED ATTACK BY ANY:**
 - i. DOMESTIC OR FOREIGN AUTHORITY, GOVERNMENT OR SOVEREIGN POWER (DE JURE OR DE FACTO); OR**
 - ii. MILITARY, LAND, NAVAL, OR AIR FORCE.**
 - b) REBELLION, REVOLUTION, CIVIL WAR, USURPED POWER, INSURRECTION, MILITARY RISING, UPRISING, SUSPENSION OF GUARANTEES.**
 - c) NATIONALIZATION, CONFISCATION, REQUISITION, SEIZURE, CONFISCATION OR DETENTION OF PROPERTY BY AUTHORITIES LEGALLY RECOGNIZED AS PART OF THEIR FUNCTIONS.**
 - f) SEIZURE OR DESTRUCTION UNDER QUARANTINE OR PUBLIC OR LOCAL AUTHORITY, EXCEPT SEIZURE OR DESTRUCTION BY ORDER OF SUCH AUTHORITY TO PREVENT THE SPREAD OR REACTION OR TO CONTROL OR MINIMIZE A FIRE, EXPLOSION OR ANY OTHER PERIL COVERED BY THIS POLICY.**
 - g) TERRORISM AND/OR:**
 - i. MEASURES TAKEN IN PREVENTING, SUPPRESSING, CONTROLLING OR MINIMIZING THE CONSEQUENCES DERIVED FROM ANY ACT OF TERRORISM AND/OR**

- ii. ANY CONSEQUENTIAL DAMAGE DERIVED FROM ANY ACT OF TERRORISM.
 - b. ANY WEAPON EMPLOYING ATOMIC FISSION OR FUSION OR RADIOACTIVE FORCE, WHETHER IN TIME OF PEACE OR WAR.
- F. LOSS OR DAMAGE AS A DIRECT CONSEQUENCE OF ORDINARY USE OR OPERATION, FOR EXAMPLE: GRADUAL WEAR AND TEAR, CORROSION, INCRUSTATION, RUST AND OTHER ATMOSPHERIC CONDITIONS.
- G. CONSEQUENTIAL LOSS DUE TO WORK STOPPAGE, DELAY, LOSS OF MARKET, SHUTDOWN OR PARALYZATION OF OPERATIONS, BUSINESS INTERRUPTION, FINES OR PENALTIES IMPOSED BY AUTHORITIES LEGALLY RECOGNIZED FOR THEIR FUNCTIONS, SANCTIONS DUE TO BREACH OF CONTRACT, CLAIMS ARISING FROM LOSS OR DAMAGE SUSTAINED BY THIRD PARTIES' PROPERTY DAMAGE AND/OR BODILY INJURY, AND OTHER INDIRECT LOSS.
- H. LOSS OR DAMAGE CAUSED BY GROSS NEGLIGENCE OR FRAUDULENT ACTS DIRECTLY ATTRIBUTABLE TO THE INSURED OR TO ANY PERSON ACTING ON HIS BEHALF IN THE DIRECTION OF THE COMPANY OR TO THE PERSON LIABLE FOR THE TECHNICAL DIRECTION, OR EMPLOYEES OR OPERATORS.
- I. LOSS OR DAMAGE WHEN THE LEGAL OR CONTRACTUAL LIABILITY FALLS UPON THE MANUFACTURER OR SELLER OF THE COVERED PROPERTY.
- J. SHORTAGES DISCLOSED AT THE TIME OF TAKING PHYSICAL INVENTORY OR CONTROL INSPECTIONS, PROVIDED THAT SUCH ARE NOT A PROVEN CONSEQUENCE OF ILLEGAL ACTS AND FACTS.
- K. LOSS OR DAMAGE DUE TO TOTAL OR PARTIAL IMMERSION IN WATER, IN TIDAL ZONES, AND AS A CONSEQUENCE THEREOF.
- L. ANY PROVISIONAL REPAIR, AND DAMAGE SUSTAINED BY THE PROPERTY COVERED, AS A CONSEQUENCE THEREOF, EXCEPT FOR PROVISIONS IN CLAUSE 8, ITEM d).
- M. PARTIAL THEFT OF USEFUL PARTS OR ACCESSORIES.
- N. LOSS OR DAMAGE SUSTAINED BY THE PROPERTY COVERED DURING THE MARITIME TRANSPORTATION OR COASTAL SHIPPING, INCLUDING LOADING AND UNLOADING OPERATIONS. THIS EXCLUSION DOES NOT APPLY TO FLUVIAL TRANSSHIPMENT OF REGULAR SERVICE.
- O. DAMAGE CAUSED BY EARTHQUAKE AND/OR VOLCANIC ERUPTION, UNLESS EXPRESSLY CONTRACTED AND PLACED ON RECORD IN THE SPECIFICATION OF THE POLICY.

CLAUSE 5. UNINSURABLE PROPERTY AND PARTS

- A. PROPERTY OPERATING OVER OR UNDER WATER.**
- B. FUELS, LUBRICANTS, REFRIGERATION SYSTEMS, CONCRETE, ASPHALT, CONSTRUCTION MATERIAL, SOIL, MINERALS, AND ANY OTHER MATERIAL CONTAINED IN THE PROPERTY COVERED, BUT NOT BEING PART THEREOF.**
- C. THE CARGO TO BE TRANSPORTED BY THE COVERED PROPERTY.**
- D. VEHICLES NORMALLY TRAVELLING ON PUBLIC HIGHWAYS WHICH NORMALLY REQUIRE LICENSE PLATES, LICENSE OR PERMISSION TO TRAVEL, EVEN THOUGH THEY ARE INCLUDED IN THE DESCRIPTION OF PROPERTY OF THIS POLICY.**
- E. ANY TYPE OF TOOLS, DRILLING TUBES, AND WELL CASINGS.**
- F. PORTABLE EQUIPMENT FOR PHOTOGRAPHY, MEASUREMENT OR TOPOGRAPHY, UNLESS THE LATTER FORM PART OF THE SPECIFICATION OF PROPERTY OF THIS POLICY.**
- G. EQUIPMENT FOR THE DRILLING OF GAS OIL, SULPHUR OR GEOTHERMIC WELLS, IN LAND OR OFF SHORE.**
- H. RUBBER TIRES AND RUBBER BELTS, STEEL CABLES AND CHAINS, AND OTHER WORN PIECES.**

CLAUSE 6. SUM INSURED

a) Sum Insured

The Insured shall request and maintain the sum insured, during the term of insurance, equivalent to the replacement cost.

In case that the sum insured does not correspond to the replacement cost of the covered property, Clause 4. "Proportional Rule" of the General Conditions of the Policy shall be applied hereunder.

b) Replacement Cost

For the purposes of this Policy, replacement cost is understood as the necessary amount to acquire new property of like kind and capacity, including the cost of transportation, assembly, taxes and customs duties, if any.

c) Actual Cash Value

For the purposes of this Policy, actual cash value of the covered property is understood as the replacement cost thereof, minus the corresponding depreciation, but including the cost of transportation, assembly, taxes and customs duties, if any.

CLAUSE 7. INSURED'S PARTICIPATION

In all such losses meriting indemnity, the Insured shall be charged the amount resulting from applying the percentage shown in the specification of the Policy over the sum insured of the damaged property.

CLAUSE 8. COMPANY'S LIABILITY FOR DAMAGE TO COVERED PROPERTY

Partial Loss

In case of Partial Loss, the claim shall include the expenses necessarily incurred in order to render the property in its normal operating conditions, existing immediately prior to the occurrence of a loss.

Such expenses shall be:

- a) The repair cost, including the cost of disassembling, re-assembling, ordinary freights, taxes and customs duties, if any. The Company agrees also to pay the cost corresponding to the insurances that cover the transportation of the property, subject to repair, when it is necessary to transfer it to and from the workshop, or wherever the repair is to take place.
- b) When such repair or part thereof is carried out in the Insured's workshop, the expenses shall be the amount of material and labour expenses incurred in the repair, plus a maximum percentage of 30% to cover the fixed general expenses of such workshop.
- c) The extra charges for "express" freight, overtime, and work carried out on Sundays and public holidays shall be paid only when they are covered specifically, as per item a) of Clause 3.
- d) The cost of any provisional repair shall be borne by the Insured, unless such costs constitute part of the final repair or upon the Company's written authorization.
- e) The cost of any alteration, modification or improvement carried out but not deemed necessary for the damage repair shall be borne by the Insured.
- f) In this type of partial loss, the Company shall not make deductions for depreciation.

Total Loss.

- a) In case of total destruction or theft of the covered property, the claim shall include the actual cash value of such property, less the salvage value, if any. In the event of agreement between the parties, the Company may keep the salvaged property, paying the Insured the actual cash value thereof.
- b) When the repair cost of the covered property is equal or greater than its actual cash value, it shall be considered as a total loss.

CLAUSE 9. REPAIR

If after a damage the covered property is provisionally repaired by the Insured, and continues operating, the Company shall not be liable for any subsequent damage sustained thereto, unless the Company has given authorization in writing for such provisional repairs or when the repair is carried out in a definitive manner.

The Insured shall be obliged to notify the Company of any provisional repair, indicating details thereof. **If at the Company's opinion, the provisional repair represents an increase of hazard, the Company has the right to suspend totally the insurance of the affected unit.**

GENERAL CONDITIONS

CLAUSE 1. PREMIUM

- 1.1. The premium charged to the Insured becomes due at the time of issuing of the contract, and any subsequent agreement that may affect the Policy, which gives rise to the payment of any such additional premiums.
- 1.2. Should the Insured choose to make installment payments of the premium, the installments shall be payable in equal periods no less than a month, and the installments shall be due at the inception of each period thereto agreed upon. The financial rate of the premium shall be applied to the installment payment in force at the time of issuance or renewal of the Policy, which shall be made known to the Insured in writing.
- 1.3. The time for the payment of premium or any installment may not be greater than 30 (thirty) calendar days following the expiry date of the premium. The effects of this contract shall automatically end at the 12:00 (twelve) noon on the last day of this period. The hours shown in this item shall be the local official time in the place whereby the corresponding insurance policies are issued.
- 1.4. The agreed premium shall be paid in the Company's offices upon delivery of the corresponding receipt thereof.
- 1.5. In the event of loss, the Company shall deduct from the indemnity the total premium pending or outstanding installments not paid, until the total premium corresponding to the period of insurance contracted is completed.

CLAUSE 2. REINSTATEMENT

Notwithstanding the provisions in Clause 1 "Premium" of these General Conditions, the Insured may, within the 15 (fifteen) days following the last day of the aforementioned grace period, pay the premium for this insurance or the corresponding part should installment payments have been agreed upon. In this case, upon making such payment, the effects of this insurance shall be reinstated as of the hour and day shown in the payment voucher, and the Company shall refund at pro rata, at the time of receiving the payment, the corresponding premium to the period during which the effects of this insurance ended, in accordance with provisions in Article 40 of the Insurance Contract Law.

Moreover, if the Insured requests in writing at the time of making such payment, that the insurance term is to be extended, this shall be automatically accepted by the Company, and extended for a period equal to that comprised between the last day of such grace period and the hour and date in which such reinstatement becomes effective.

In the event that the hour is not clearly shown in the payment voucher, it shall be understood that the insurance is reinstated at midnight on the date of payment. The hours shown in this item shall be the official local time in the place whereby the corresponding insurance policies are issued

The reinstatement referred to in this Clause shall be registered by the Company on the receipt issued for the corresponding payment for administrative purposes, and in any subsequent document issued.

IN NO EVENT SHALL THE COMPANY BE LIABLE FOR LOSSES OCCURRED DURING THE PERIOD COMPRISED BETWEEN THE EXPIRY OF SUCH GRACE PERIOD AND THE HOUR AND DAY OF SUCH PAYMENT REFERRED TO IN THIS CLAUSE.

CLAUSE 3. INSPECTION

The Company shall have at all times the right to inspect, during the term of this insurance, the property covered, at any working hours and by duly authorized persons thereby.

The Insured is obliged to furnish the Company's surveyor with all necessary details and information for the appraisal of the risk.

In case the inspection discloses an essential increase of hazard in any covered property, the Company shall request in writing to the Insured the elimination of such increase of hazard. If whereby the Insured fails to comply with these change notifications during a period stipulated therein, the Company shall not be liable for loss or damage caused by such increase of hazard, if such fact is a direct contribution to the occurrence of the loss.

CLAUSE 4. PROPORTIONAL RULE

The Sum Insured has been fixed by the Insured, and such shall be neither a proof of existence of nor the value of the property. The sum represents exclusively the basis to limit the maximum liability of the Company.

If, at the time of the occurrence of a loss, the property has a total value greater than the amount covered, the Company shall only be liable proportionally for the damage caused. Should the policy include various items, this provision shall be applied separately to each item.

CLAUSE 5. PROCEDURE IN THE EVENT OF LOSS

Should the covered property be damaged by a peril not excluded, the Company shall indemnify the Insured for the value of such property, or at its option, may choose to replace or repair to the Insured's satisfaction, or pay in cash the value of such property; within the limits or sublimits of liability together with the terms and conditions set forth in this Policy.

5.1. Protection and Recovery Measures

When the Insured has knowledge of any such loss caused by any of the covered risks by this Policy, he is obliged to take action to lessen and avoid further damage. If delay is not considered dangerous, the Insured shall request and adhere to instructions given by the Company.

Expenses borne by the Insured and not considered inappropriate shall be covered by the Company, if and when they are given in writing and thereafter anticipate such expenses.

Should the Insured omit to give such advice or provoke an essential increase of hazard, the Company's obligations shall thereafter terminate, thus affecting the Insured's rights in the terms of the Insurance Contract Law (Article 52).

5.2. Notice of Loss

Upon the occurrence of a loss giving rise to an indemnity, in accordance with this insurance, the Insured or loss payee shall have a maximum period of 5 (five) days to give such notice in writing, such period starts when the Insured or loss payees have knowledge thereof, except in the case of an act of God or force majeure, which notice may be given as soon as ends one or other cause.

Failure to give prompt notice may result in a reduction to the amount of the original indemnity, if however the Company had received prompt notice thereof.

5.3. Transfer of Property

Should the Insured, with the purpose to safeguard the property from loss or damage, transfer such property to any building, property or premises not mentioned in the Policy, in order to continue cover in the new location, he shall give written notice within the following 5 (five) working days.

5.4. Documents, data, and information that the Insured shall render to the Company

The Insured shall prove the exactness of his claim and other details thereof. The Company shall have the right to demand from the Insured or loss payee, all information concerning any event related to the loss, by which the circumstances and consequences may be determined. The Insured shall deliver to the Company, as soon as possible, the following documents and data:

- 5.4.A. An original statement addressed to the Insurance Company and signed by the Insured formalizing his claim.
- 5.4.B. A statement of the damage caused by the loss indicating in the most detailed and exact manner what property was destroyed or damaged, together with the amount of the corresponding loss, taking into consideration the value of said property at the time of loss.
- 5.4.C. Estimate for the repair of damage.
- 5.4.D. A detailed list of all existing insurances of the property.
- 5.4.E. All plans, projects, books, receipts, invoices, railway guides, supporting documents, records and any other accounting-fiscal document that sustains legal possession of the property whereby giving support to such claim.
- 5.4.F. All data with respect to the origin and cause of the loss, including the circumstances giving rise thereto. At the Company's request, and at its expense, supply certified copies of investigations carried out by the Public Prosecutor or Fire Brigade, or by any other authority pursuing the investigation of the loss or facts related thereto.
- 5.4.G. Prompt notice of stock salvage, if any.
- 5.4.H. Any other information or documents required by the Company.
- 5.4.I. Penal Report.

Without prejudice to the aforementioned documents and information, in the event of unlawful cases, the Insured shall render the penal report, the confirmation thereof, and evidence of ownership and pre-existence.

The prompt advice, the information provided by the Insured to the Company or their representatives, together with the assistance that the Company may give to the Insured for determining the loss; in no event whatsoever shall be construed as an acceptance of liability by the Company.

In no case, the Company may demand that the loss is proven in lawsuit, according to provisions in Article 71 of the Insurance Contract Law.

CLAUSE 6. MEASURES THAT THE COMPANY MAY TAKE IN THE EVENT OF LOSS

In all cases of loss that destroys or damages the property or whilst the amount of the corresponding indemnity has not been fixed definitely, the Company may:

- 6.1. Enter the buildings or locations where the loss occurred in order to determine the cause and consequence thereof.

6.2. Examine, classify and appraise the property wherever so located.

In no event shall the Company be compelled to undertake the sale or settlement of the property or remnants thereof, or shall the Insured be entitled to abandon such property to the Company.

CLAUSE 7. ARBITRATION

In the event of dispute between the Insured and the Company as to the amount of any loss or damage, the matter shall be given over in writing to an Arbitrator of mutual agreement; however, in such cases where no single Arbitrator can be agreed upon, two such arbitrators shall be named; one for each party, within a period of 10 (ten) days from the date on which either of the parties has required the other to do so in writing. Moreover, before commencement of arbitration, the two arbitrators shall name an umpire in case of further disagreement.

If either of the parties shall refuse or simply neglect to designate his arbitrator at the request of the other, or if the arbitrators do not agree upon the umpire, then the judicial authority shall, at the request of either of the parties, make the appointment of the arbitrator or the umpire, or both if necessary.

The death of any party, if an individual; or the dissolution, if a corporation, during the arbitration process shall not cancel or affect the authority or powers of the arbitrator, or arbitrators or umpire, as the case may be; or in the event of the death of an arbitrator or umpire of either of the parties die before a decision is made, another shall be appointed by such respective (party, arbitrator, judicial Authority) as a substitution thereof.

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

The arbitration referred to in this Clause shall not be construed as an admission of liability by the Company; it shall only determine the amount of the loss which shall eventually be payable by the Company, and while giving both parties liberty to exercise the corresponding objections.

CLAUSE 8. PLACE AND PAYMENT OF INDEMNITY

The Company shall pay any indemnity at its office, within the 30 (thirty) days following the date of receipt of the documents and information, which are the fundamental base of the claim, in the terms of Clause 5 "Procedures in the Event of Loss" of the General Conditions of the Policy.

CLAUSE 9. REDUCTION AND REINSTATEMENT OF THE SUM INSURED IN THE EVENT OF LOSS

All indemnities paid by the Company shall be reduced in the same amount as the insured sum; however, this may be reinstated upon previous acceptance of the Company, and at the request of the Insured, who shall be obliged to pay the corresponding additional premium of this Policy.

Should the Policy consist of various limits and sublimits, the reduction or reinstatement shall apply to such affected limits and sublimits.

CLAUSE 10. SUBROGATION OF RIGHTS

In all terms of Law, the Company shall be subrogated, up to the amount paid, to the Insured's rights, together with the corresponding actions against those liable or responsible for the loss. Should the Company so request, at its expense, the Insured shall place in record such subrogation in notarized documents. If due to acts or omissions of

the Insured, such subrogation is inhibited, the Company shall be wholly or in part released from its obligations forthwith.

If only a part of the damage is paid, the Insured and the Company agree to exercise their rights in the same corresponding proportion.

There shall be no subrogation of rights in case the Insured has a marital or blood relationship or kinship up to the second degree with the person(s) that are known to have committed the damage or if the Insured may be civilly liable for the such person.

CLAUSE 11. FRAUD, DECEIT, BAD FAITH OR GROSS NEGLIGENCE

THE COMPANY'S OBLIGATIONS SHALL TERMINATE:

11.1 IF THE INSURED, LOSS PAYEE OR THEIR REPRESENTATIVES WITH THE OBJECT OF INDUCING THE COMPANY TO COMMIT AN ERROR, DISSIMULATE OR MAKE INEXACT DECLARATIONS, WHEREBY EXCLUDING OR RESTRICTING SUCH OBLIGATIONS.

11.2 MOREOVER, IF WITH THE SAME INTENTION THEY DO NOT FURNISH, IN DUE TIME, TO THE COMPANY THE DOCUMENTS NECESSARY FOR THE CORRECT PROCEDURE OF THE PAYMENT OF THE LOSS (BASED ON PROVISIONS IN CLAUSE 5 "PROCEDURE IN THE EVENT OF LOSS" OF THE GENERAL CONDITIONS OF THE POLICY).

18.3 DECEIT OR GROSS NEGLIGENCE ON THE PART OF THE INSURED OR LOSS PAYEE OR ASSIGNEES OR ATTORNEYS, HIS REPRESENTATIVES OR PERSONS LIABLE FOR THE TECHNICAL DIRECTION; IF AND WHEN SUCH ACT OR NEGLIGENCE IS DIRECTLY ATTRIBUTABLE TO SUCH PERSONS

CLAUSE 12. INCREASE OF HAZARD

When the premium has been fixed in accordance with the characteristics of the risk, described in this Policy, the Insured shall advise the Company of any essential increase of hazard during the validity of this insurance, within a period of 24 (twenty four) hours upon having such knowledge thereof. **SHOULD THE INSURED OMIT TO GIVE SUCH ADVICE OR PROVOKE AN ESSENTIAL INCREASE OF HAZARD, THE COMPANY'S OBLIGATIONS SHALL TERMINATE HEREINAFTER.**

CLAUSE 13. ADVANCE TERMINATION OF CONTRACT

Notwithstanding the term of the Policy, the parties agree that such Policy may be terminated by means of written notice.

When the Insured terminates the Policy, the Company shall have the right to retain that part of the premium corresponding to the time during which the insurance had been in force, in accordance with the following short term tariff (percentage of the annual premium):

SHORT TERM TARIFF	
Up to 7 days	10%
Up to 15 days	15%
Up to 1 month	25%
Up to 2 months	35%
Up to 3 months	45%
Up to 4 months	55%
Up to 5 months	65%
Up to 6 months	70%
Up to 7 months	75%
Up to 8 months	80%
Up to 9 months	85%
Up to 10 months	90%
Up to 11 months	95%
Up to 12 months	100%

When the Company requests the termination of the contract, such shall be by means of written notice to the Insured. The insurance termination shall become effective 15 (fifteen) days after the corresponding notice; and the Company shall return such part of the premium in proportion to the unexpired term, at the moment when giving such notice. Consequently, the cancellation shall not be effective without such herefore stated requirement.

CLAUSE 14. STATUTE OF LIMITATIONS

All actions derived from this insurance contract shall prescribe in **2 (two) years**, in the terms of Article 81 of the Insurance Contract Law, as of the date of the occurrence thereof, unless exceptions consigned in Article 82 of the same law.

The prescription shall be interrupted not only by ordinary causes, but also by those referred to in the **Ley de Proteccion y Defensa al Usuario de Servicios Financieros (CONDUSEF) Law of Protection and Defense of Financial Services Users**.

Article 81 and 82 of the Insurance Contract Law:

Article 81: All actions derived from an insurance contract shall prescribe in two years, as of the date of the occurrence giving rise thereto.

Article 82: The term referred to in the previous article shall not be effective in case of omission, false or inexact declarations of the risk. However, in such case, where loss has occurred it shall be effective when the interested parties have proven that they had no previous knowledge of such loss occurrence taking place but on such date when the company has knowledge thereof. With respect to third party loss payees, they should also be aware of the vested rights in their favour.

CLAUSE 15. NOTIFICATIONS

Any declaration or notification in respect to this contract shall be submitted in writing to the Company's registered address indicated in the Specification of this Policy.

In all such cases where the address of the offices of the Insurance Company is different from such indicated in the issued Policy, the Company shall advise the Insured the new address in the Republic of Mexico for all requests and notifications that should be sent to the Insurance Company for any legal effect.

The requirements and notifications that the Insurance Company shall make to the Insured or his assignees shall be valid to the last known address given to the Insurer.

CLAUSE 16. OTHER INSURANCE

If the covered property is insured, wholly or in part, by other insurance covering the same peril, whether acquired on the same date or another, the Insured is under the obligation to declare such immediately in writing to the Company and/or this should be mentioned in the Policy or enclosure thereto; also indicating the name of the insurance companies and the sums insured.

Should the Insured intentionally omit to give such notice referred to in this Clause, or acquire other insurance in order to obtain an illicit gain, the Company shall be released from its obligations.

When the Company has been duly notified that the same covered interests by this Policy are insured by other companies, the Company is obliged to pay the full value of the damage sustained within the limits of the Sum Insured, and thereafter shall be repeated proportionally against other companies which have issued coverage for the amount insured.

CLAUSE 17. BENEFITS FOR THE INSURED

If during the period of the insurance, the General Conditions are modified in similar contracts, the Insured shall have the right to request in writing to the Company the corresponding modifications in his Policy in order that the new conditions are applied thereto, but if such modifications grant higher benefits for the Company, the Insured is obliged to cover the equivalent increase in the corresponding premium.

CLAUSE 18. JURISDICTION

All information and claims arising from claims made to the company may be effected before the specialized unit for the assistance of information and claims of the users in the insurance company or before the National Commission for the Protection and Defense of Financial Services Users in its main office or branches thereof.

In the event of controversy, the plaintiff may go before the National Commission for the Protection and Defense of Financial Services Users, whether in its main office or branches thereof, or directly before the competent courts, in accordance with provisions in article 136 of the General Law of Insurance Institutions and Mutual Societies.

CLAUSE 19. ARREARS INTEREST

In the event that the Company, even though it has received the documents and information with reference to the basis for the claim made, does not fulfil the obligation of paying the indemnity, capital or rent, in the terms of Article 71 of the Insurance Contract Law, then, by fault of paying the legal interest applicable, the Company is obliged to pay the Insured, loss payee or third party sustaining damage, an arrears interest under the terms provided in Article 135 Bis of the General Law of Insurance Institutions and Mutual Societies, covering the delay period. Such interest shall be calculated as of the following day in which such obligation is so demanded.

CLAUSE 20. BEGINNING AND TERMINATION OF TERM

The policy term shall begin and terminate in the dates indicated therein at twelve hours in the place where the covered property is located.

CLAUSE 21. TERRITORY LIMIT

This Policy has been contracted in accordance with Mexican Laws and to cover damage and/or loss occurred within the territory of the Mexican republic.

CLAUSE 22. CURRENCY

Both the payment of the premium and indemnity, if any under this Policy, are payable according to the terms of the Monetary Law in force at the date of payment.

CLAUSE 23. ERRORS OR OMISSIONS

Subject to the General Conditions of the Policy, it is understood and agreed upon that any accidental error or omission in the description of the covered property shall not prejudice the Insured's interest, as the sole intention of this document is to grant full protection at all times, but not exceeding the limits established in the Policy and without considering any additional coverage or location. Henceforth, any accidental error or omission shall be corrected when discovered, and the corresponding adjustment to the premium shall be effected, if any, subject to the tariff approved by the National Insurance and Bonding Commission.

CLAUSE 24. ARTICLE 25 OF THE INSURANCE CONTRACT LAW

"In case the Policy contents or its amendments does not agree with the offer, the Insured may request the necessary amendment within the 30 (thirty) days following receipt thereof. After this expiry period, the provisions or amendments of the Policy shall be considered as accepted".