

SPONTANEOUS COMBUSTION

ADDITIONAL CLAUSE

1 Perils Covered

The property covered by the fire policy to which this endorsement is attached, is insured up to the Sum Insured as indicated in the Specification against physical loss or damage as a consequence of Spontaneous Combustion.

2 EXCLUSIONS

IN NO CASE SHALL THIS COMPANY BE LIABLE FOR LOSS OR DAMAGE AS A RESULT OF THE PERISHABLE NATURE OR INHERENT VICE OF THE PROPERTY COVERED, IF THE OUTCOME IS NOT THE SPONTANEOUS COMBUSTION ORIGINATING FROM BURNING FUEL AND/OR CARBONIZED MATERIAL WHICH MAY CAUSE FIRE. FURTHERMORE, THE PROPERTY NOT SUBJECT TO SUCH PERIL AND STORED IN THE OPEN IS EXCLUDED HEREUNDER.

3 Insured's Contribution

It is a basic condition for the granting of the coverage established under this endorsement that the Insured pays **20%** of all loss or damage caused to the property covered hereunder.

Should Clause 4 of the General Conditions of the Policy apply as the value of the property covered be greater than the value declared, at the time of the occurrence of the loss, the indemnity shall be reduced proportionally. Due to the participation in the loss charged to the Insured, the premium shall be calculated at **80%** on the declared value for the covered property.

Should other insurance exist, the indemnity shall be limited to a proportion of **80%** of the loss or damage corresponding to all insurances in force, at such time.

4 Deductible

In case of indemnity, the deductible established in the Specification of the Policy shall be applied to the actual cash value of the affected property at the time of loss. This deductible shall be applied after deducting the Insured's participation.

Should the insurance cover two or more items, warehouses, silos or sheds, the deductible shall be applied separately to each item.

5 Definitions:

Spontaneous combustion.- is not originated by any external calorific mean but by a chemical or biochemical process producing carbonous solid residue which may produce fire when there is sufficient oxygen.

Perishable nature of property or inherent vice is understood as the decomposition, destruction or alteration of the original cellular and chemical structure caused by intrinsic chemical and biochemical phenomena which do not leave carbonous or ash residue.