

The background consists of several overlapping geometric shapes. A large green triangle is on the right side, pointing upwards. A smaller red triangle is nested within it, pointing downwards. A grey triangle is on the left side, pointing downwards. The bottom-left corner is a dark green area.

General Conditions
**Boilers and Pressure-Undered
Container Insurance**

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Dear Insured:

This document includes the General Conditions of your “*Boilers and Pressured-Undered Containers Insurance*”, which will govern the rights and obligations between you and *HDI SEGUROS*.

It is very important that you ask your insurance agent to explain the scope of these General Conditions, as well as the other terms that appear in your Policy.

FIRST PART: DEFINITIONS

Accessories

Mechanical parts or assemblies that are mounted on the protected asset to transform it or simply to increase its performance, facilitate its handling, or make it more regular or safe, **without considering the structures or supports.**

Appraisal

Document prepared by experts or professionals specializing in the branch or area in question, who have the corresponding licenses and records from the authority to carry out this activity, to determine and/or estimate the value in monetary figures of an asset, clearly indicating therein all the characteristics and information that determine the corresponding valuation, such as the description, year, serial number, currency, name of author or manufacturer, quality and value of materials, special components, among other.

Bad Faith

Action or conducting those results in damage or harm, which is carried out consciously and showing full will.

Beneficiary

Person designated in the Policy by the Insured or Contracting Party, as the holder of the compensation rights.

Boiler or Steam Generator

Closed container in which water or other liquid is heated or evaporated by means of heat generated by any combustion process or by electricity. The boiler or steam generator and all auxiliary or complementary equipment of the steam cycle, such as steam superheaters, reheaters, economizers and air preheaters, which are located within the steam generator in the path of the hot gases from the boiler to the discharge in the chimney, are an integral part of the boiler or steam generator. In case of fire-tube or water-tube package boilers, all auxiliary devices and equipment, such as instrumentation, safety or control devices, fuel preheaters, chimney and forced draft fans, are considered to be part of them, when these devices or equipment are mounted on the body or structure of the boiler and comply with technical standards. It includes the feed pipe between the feed pumps and the boiler, as well as the steam outlet pipe from the boilers to the nearest valve, including said valve.

Civil Commotion

Relevant, substantial and violent alteration of public order by a group of people, with common origin or purposes of a political, religious, ideological, economic or similar nature, which threatens or alters peace or public order and/or produces concern and confusion in a locality.

Civil war

Conflict or hostile confrontation that occurs between members of the same nation or country, that is, not against an

external enemy.

Coinsurance

Percentage of the loss or damage that the Insured or beneficiary is responsible when covered loss occurs. This percentage applies after subtracting the Deductible. The Coinsurance is indicated in the Policy.

Compensation

Payment made by *HDI SEGUROS* to the Insured because of losses or damage due to a covered risk to the covered assets. Compensation may be in money or through the repair or replacement of damaged goods with others of the same characteristics or conditions. The compensation has the maximum limit of liability as stipulated in the Policy for each coverage.

Compensable Proportion

It occurs when the insured amount is less than the insurable value of the property, and therefore *HDI SEGUROS* will respond proportionally to the damage caused, unless the insurance operates at first absolute risk.

Computer virus

Malicious software that consists of contaminating, harmful or similar instructions, or unauthorized codes, including sets of instructions or codes, programmable or other, maliciously introduced and unauthorized, that self-propagate through computer systems or networks of any nature.

CONDUSEF

National Commission for the Protection and Defense of Users of Financial Services.

Confiscation

Action that legally exercises authority in the exercise of its functions, through which it deprives a person's possessions (physical or moral) without any compensation, and where said assets pass into the hands or remain under the control of the State.

Consequential Losses

Any loss of profit, utility, benefit or other similar, as well as fixed expenses and salaries resulting from the stoppage or obstruction of business operations due to the occurrence of the risks covered.

Contents of Boiler or Steam Generator or Pressure Container

Substances in liquid, vapor or gaseous state, found inside containers, boilers or heat exchangers, whether stored, in the process of transformation or as working fluids or thermal exchange fluids.

Curfew

An Authority act by which the constitutionally established guarantees are temporarily voided in cases of invasion, serious disturbance of public peace or any other that puts society in danger or conflict.

Cyber attack

Direct or indirect actions carried out on the covered property that is the object of the insurance, by one or several people or organizations other than the Insured, without the right and without consent of the person who can dispose of them in accordance with the law, carried out deliberately with the intention of exposing, altering, violate, destabilize, destroy, eliminate, use an asset, obtain access, take control of or damage computer infrastructure,

electronic device, computer system, computer program, computer network, database or electronic system; whether or not using physical media, malicious code or algorithms. In most cases with malicious purposes, theft of information, harming its target, violating the security of information systems or interrupting operational structures.

Cyberterrorism

Premeditated attack by known or clandestine groups motivated by political, social or religious purposes, which uses information technologies against computer systems, computer programs and computer data, to intimidate, coerce or cause damage to property or people.

Cyberwar

War that uses cyberspace and information technologies as a field of operations, instead of conventional battlefields, and as weapons, computer programs or mobile device applications, commands and various tools provided by computing and telecommunications. The most common objectives being the disabling of the enemy's computer systems or obtaining information.

Cyclone

Extremely strong wind produced by an atmospheric depression that advances in large circles rotating on itself and that originates in tropical areas.

Declared Inventories

Insurance modality through which the Insured is obliged to provide *HDI SEGUROS* a monthly report with the inventory of merchandise or goods per calendar month stored in warehouses and/or wholesale stores, merchandise in sale, as well as stock of raw materials, merchandise in the process of being manufactured or manufactured and in general the inventory specific to the business line. Based on the report, *HDI SEGUROS* will collect the accrued Premium each month, applying the rates established in the Policy. The corresponding shipping costs and taxes are added to the resulting Premium.

Deductible

Fixed amount payable by the Insured or beneficiary for each loss covered by the insurance established in the Policy. If the amount of the loss is less than the Deductible, the total amount of the loss will be borne by the Insured or beneficiary. The Deductible is indicated in the Policy.

Depreciation

Decrease in value suffered by a covered good because of deterioration due to normal use and the passage of time or obsolescence.

Depreciation Due to Age or Use

Period elapsed from the date of purchase until the date of occurrence of damage to the item covered by the Policy.

Drone

Unmanned aerial vehicle that is controlled remotely by an operator using a Control Station.

Electromagnetic Equipment

Device capable of artificially producing a magnetic field that varies over time and is complemented by a conductive material that can generate induced electric currents.

Electronic equipment

Device with a combination of electronic components organized in circuits, intended to control and take advantage of electrical signals, as well as the use, storage, transport or transformation of electronic Information, and that in general, for its operation, requires low voltage currents.

Electronic Information or Electronic Data

Events, concepts and information converted to a format that is usable in communications, interpretation or electronic processing using physical components or hardware; and include programs, software, and other coded instructions for processing and manipulating information or for directing and manipulating such equipment.

Electronic media

Communication media that allows the storage and distribution or use of electronic information, such as internet, fax, or email.

Endorsement

Document issued by *HDI SEGUROS*, following prior agreement between the parties, through which the original contract conditions are modified.

Earthquake

Phenomenon of sudden and temporary shaking of the Earth produced by the release of accumulated energy in the form of seismic waves that originate from the activity of geological faults, friction on the edge of tectonic plates or volcanic processes.

Event

Situation or phenomena that occur within the Policy term and that derive directly from the same cause and that occur during the same period.

External Data Carriers

Devices that store mechanically or magnetically readable data, capable of being used in the insured electronic data processing installation and that are not connected to, nor form a fixed part of said installation.

Expropriation

Administrative act of the State deprives a person of the ownership of a good or a right, totally or partially, with the condition that there is a cause of public utility, in exchange for compensation.

Flood

The accidental and temporary coverage of the soil by water, because of deviation, overflow or breakage of the retaining walls of rivers, canals, lakes, dams, ponds, natural and artificial water currents and other deposits or water.

Flood Due to Rain

The temporary and accidental coverage of the soil by rainwater because of the unusual and rapid accumulation or displacement of water caused by extraordinary rainfall that meets any of the following facts:

- That the rains reach at least 85% (eighty-five percent) of the weighted average of the maximum of the area of occurrence in the last 10 (ten) years, according to the measurement of the meteorological station (certified by the Meteorological Service or by the bodies officially authorized for that purpose) nearest, or
- That the covered assets are located within a flooded area that has covered at least one hectare.

Fraud or Bad Faith

Actions or omissions that one person uses to mislead another person. Fraudulent or deceptive conduct of one party with respect to the other, in a contractual relationship, either in the preparatory phase of the Contract or during its validity and compliance.

Frost

Climatic phenomenon consists of the unexpected drop in ambient temperature to levels equal to or lower than the freezing point of water in the place of occurrence.

Gross Negligence

It implies the imputation of some responsibility because of an action or failure to do, to which the person was obliged. There is a certainty that doing or not doing will cause harm.

Hail

Atmospheric precipitation of water falls strongly in the form of grains of hard, compact ice.

Hurricane

Flow of water and air of great magnitude, moving in a circular path around a low-pressure center, on the sea or land surface with peripheral speed of direct impact winds equal to or greater than 118 (one hundred eighteen) kilometers per hour, which has been identified as such by the National Meteorological Service or the organizations officially authorized for that purpose.

Inactive

Actions are carried out by the Policy holder or Insured or their employees, so that the covered property temporarily does not carry out activity, work or movement, not including property that are abandoned or alone, without attention, without maintenance or without care.

Indirect Damages

Verifiable economic loss, due to the lack of use of damaged goods during the time necessary for their repair or replacement. In injuries, the period of inability of the injured person to carry out his or her activities in the way he or she did before the injury occurred will be understood.

Insurable Value

Economic value of the covered good, and could correspond to the commercial value, replacement value or the real value of said asset, as stipulated in the Policy.

Insurance contract

Agreement by which *HDI SEGUROS* undertakes, through the payment of a premium, to compensate for damage or to pay a sum of money upon verification of the eventuality provided for in the Contract. The Policy, the application, the payment Receipt, the General Conditions and the Endorsements, if applicable, are part of and constitute evidence of the Insurance Contract between the contracting party and *HDI SEGUROS*.

Insured

Natural or legal person to whom, with the payment of the insurance premium, the rights to the claim for services, payments or benefits derived from the Policy. The name of the Insured is indicated in the Policy. The Insured may be the contracting party.

Insured Amount

Insurable value set by the Insured in each of the sections, coverage, specific risks, specific property or covered assets and which will be the maximum limit of liability of *HDI SEGUROS* in the event of a loss, for one or all events. The insured amounts are detailed on the cover page or in the Policy specifications.

Insurrection

Action is developed by a group of people who decide to rebel against the authorities or against the established order.

Invasion

Forcibly entering or irregularly occupying a place or territory controlled by another entity, normally with the objective of conquering the territory or changing the established government or unjustifiably seizing the functions of others or overpowering someone.

Inventory

Set of raw materials, products in the manufacturing process and finished products, packaging, spare parts, accessories and auxiliary materials that are specific and necessary for a certain activity.

Logical Components or Software

Operating systems, programs, databases, lines of code, applications and other electronic computing elements, also generically referred to as "Software" and its accessories.

Looting / Pillage

It is the illegitimate and indiscriminate seizure of another's property:

- As part of a political or military victory or conflict
- Before, during or immediately after the occurrence of a natural disaster
- Taking advantage of the neglect of property due to confusion, crowding of people or disorder, which are committed by a group of people who are taking part in popular riots or civil commotion, caused by natural phenomenon, political or social events, or for any other cause.

Loss

Eventuality provided in the contract, that gives a right to compensation by *HDI SEGUROS* in the terms and conditions of the Insurance Contract.

Malicious Acts

Acts carried out by one or more people outside of cases of strikes or popular riots, which intentionally cause physical damage to the covered property.

Malware

Anyone who damages, destroys, enters data without authorization from the Insured or otherwise interferes with the performance of any data, media, software or system related to the insurance coverage.

Military Power

The existence in fact, although not in law, of a military government.

Mobile

Movable property of a tangible nature, which due to its characteristics can be easily moved from one place to another without losing its integrity.

National Meteorological Service

Entity in charge of providing information of the weather that prevails or affects Mexican territory.

Nationalization

Act of authority, by which companies, goods or services that were privately owned are placed under the exploitation and administration of the State.

Negligence

Carelessness, lack of diligence, omission of due attention and care that corresponds to actions, the management of assets or the fulfillment of an obligation.

Normal Operation

Activity of a movable property that, despite being variable over time, does not exceed the minimum or maximum ranges or limits established by the manufacturer according to the activity it will perform and for which it was designed or built. These are the operating conditions of the business that would have existed had the loss covered by this Policy did not occur.

Nuclear Installation

Any type of nuclear reactor; any type of factory that uses nuclear fuel to produce nuclear material, including any factory for the reprocessing or regeneration of irradiated nuclear fuel; any type of installation, property or building where nuclear material is stored.

Nuclear Material

Nuclear fuel, other than natural uranium and depleted uranium, capable of producing energy through a self-sustaining nuclear fission chain process outside a nuclear reactor, alone or in combination with some other material. Nuclear material also includes radioactive products or waste.

Nuclear power station

Industrial installation used for the generation of electrical energy from nuclear energy. It is characterized by using fissionable nuclear material that, through nuclear reactions, provides heat that in turn is used, through a conventional thermodynamic cycle, to produce the movement of alternators that transform mechanical work into electrical energy.

Nuclear Reactor

Any structure that contains nuclear fuels, arranged in such a way that a self-sustaining nuclear fusion process can take place within it.

Operational or Functional Tests

These refer to the period during which the machinery, equipment or installation is subjected to tests, checks, consultations, execution of actions or complete operation, with respect to its functionalities, and the tests may be simple or complex, manual or automatic, in person or remotely.

Physical Components or Hardware

Processors, microprocessors, microchip, integrated circuits, printed circuit cards, disks, reading units, solid storage units, memories, sensors, printers, players, switches, peripherals, control equipment and other elements known under the generic name of “hardware” and its accessories.

Pipes

The network or circuit of metal pipes or other resistant material, which carry the same fluid between the machinery, boiler or container and the equipment that uses or stores it, including connections, supports and valves, but excluding insulation. In the case of steam networks, steam separators and traps will be considered as an integral part of the network.

Policy

Document that forms an integral part of the Insurance Contract concluded between *HDI SEGUROS* and the Insured, which stipulates the terms, conditions, rights and obligations of the parties.

Policyholder

Natural or legal person whose name appears on the Policy and who has the obligation to pay the premium.

Popular Riot

Disorder, tumult, shock or loud protest of a group of people against the authorities, which alters and disturbs the established order.

Premise

Delimited area of land owned by the Insured or which he or she has under lease, in which the activities covered by this insurance are carried out and whose address or location is indicated in the Policy.

Premium

Payment of the insurance or the financial contribution that the Contracting Party must pay to *HDI SEGUROS* for the risks covered by the Policy.

Pressure

Force exerted on each surface unit of the walls of a fluid container or vessel, caused by the natural tendency of gases to expand or by the mechanical work performed by a pump, compressor or by gravity, on a liquid or gaseous mass.

Pressure Container with Stove

Closed vessel that normally work at a pressure greater than atmospheric pressure and is heated directly by fire.

Pressure Container without Stove

Closed vessel that normally works at a pressure greater than atmospheric pressure and is not directly heated by fire or gases from combustion.

Pro rate

Proportional part of the premium, calculated for the contracted period.

Radioactive Products or Waste

Any radioactive material resulting from the production or use of nuclear fuel, or any material made radioactive by exposure to incidental radiation and/or the production or use of nuclear fuel **but does not include radioisotopes that have reached the final stage of manufacture so that they can be used for scientific, medical, agricultural, commercial or industrial purposes.**

Real Value

The actual value will be obtained by deducting from the replacement value at the time of the loss, the depreciation for age and use, in accordance with the age and conditions of conservation or wear and tear of the affected assets, immediately before the loss occurred.

RECAS (acronym in Spanish)

Registration of insurance contracts in CONDUSEF.

Rebellion

Action and effect of people who, not being active military personnel, with violence and use of weapons, try to:

- a) abolish or reform laws or regulations,
- b) reform, destroy or prevent the integration of governmental or constitutional institutions, or their free exercise and/or,
- c) remove or prevent any of the government officials or constituted authorities from performing their duties.

Replacement Value

- In case of *Building*, it is the amount that it would be necessary to spend for its repair or reconstruction, using materials of the same quality, without considering any deduction for physical depreciation for the years of use or functional obsolescence, and including the cost of freight ordinary, customs duties and installation or assembly costs if any.
- In case of *Contents*, it is the cost of acquiring the goods for others of the same class, technology, quality, materials, size, capacity and/or equal productivity, without considering any deduction for depreciation due to age or use, but yes, applying a deduction for depreciation due to technological obsolescence, and including the cost of ordinary freight, customs duties and installation or assembly expenses if any.
- *Merchandise*: The purchase price for the Insured.
- *Inventories*: The production cost for the Insured.
- *Machinery, equipment, furniture and utensils*: Cost of acquisition of the goods by others of the same class, technology, quality, materials, size, capacity, production and/or equal productivity, without considering any deduction for depreciation due to age or use but applying a deduction for depreciation due to technological obsolescence, and including the cost of ordinary freight, customs duties and installation or assembly costs, if applicable.

Requisition

Control and seizure of food, animals and other resources that a State can exercise during a war conflict to equip the armed forces or the forces of public order.

Revolt

Social movement that opposes some figure of power or a certain measure of the government and that is usually carried out with violence.

Revolution

Disorder or disturbance, violent and radical, produced by many citizens, with the aim of provoking:

- a) a violent and radical change in the political institutions of a society and/or,
- b) a sudden change in the social, economic or moral sphere of a society.

Riot

Tumultuous assembly and disturbance of public order with the use of protest, disobedience or violence against people or things or threats to authority to intimidate it or force it to make some determination, carried out by a group of people to obtain recognition or grants any right, to make use of it, pretexting its exercise or to avoid compliance with a law.

Rising

Action of one or more people who incite a mass of individuals to participate in disorder and disobedience of the constituted authority.

Risk Aggravation

Situation that occurs when, due to certain events beyond the control of the Insured, the risk covered by the Policy becomes more dangerous than initially anticipated; Its modification or alteration implies the obligation to notify *HDI SEGUROS* so that it can choose between the continuation of its coverage or the termination of the contract, under the terms of the Law on the Insurance Contract.

Sabotage

Acts of a persons who, by themselves, or on behalf of someone or in connection with any organization or government, damage, destroy, harm or unlawfully hinder communication channels, public services, functions of state agencies, decentralized public organizations , state-owned companies, autonomous constitutional bodies or their facilities; steel, electrical or basic industry plants; production or distribution centers of necessary consumer items of weapons, ammunition or war implements, in order to disrupt the economic life of the country or affect its defense capacity.

Salvage

Set of material goods rescued during or after the occurrence of a loss.

Seizure

Action legally exercised by the Authority, in the exercise of its functions, through which it takes legal possession of money or certain assets of a person.

Snowfall

Precipitation of ice crystals in flakes form.

Stormy Winds

Winds that reach at least the category of tropical depression, tornado or grade 8 (eight) according to the Beaufort scale 62 (sixty-two) kilometers per hour, according to the National Meteorological Service or records recognized by it.

Strike

Temporary suspension of work carried out by a group of employees, as pressure on the company, with the purpose

of achieving and/or demanding certain working or social conditions, the strike may be legally existing or non-existent, as well as legal or illegal.

Surge

Alteration of the sea manifests itself with an over-rise of its level due to a depression or meteorological disturbance that combines a decrease in atmospheric pressure and a shear force on the sea surface, produced by the winds.

Technological Obsolescence

Falling into disuse of machines, equipment and technologies derived not from their malfunction, but from insufficient performance of their functions compared to the new machines, equipment and technologies introduced into the market.

Terrorism

Acts of one or more people who, by themselves, or on behalf of someone or in connection with any organization or government, carry out activities by force, violence and/or threat thereof, or by the use of any other means for political purposes, religious, ideological, ethnic or of any other nature, intended to overthrow, influence or pressure the government to attack national or international security, pressure authority at any level, any agency or organization or a particular, to force them to make a determination, or alter and/or influence the functioning of any sector of the economy, or direct and indirect material losses or damages that, with a mediate or immediate origin, are the result of the use of toxic substances, chemical, biological or similar weapons, radioactive material, nuclear material, nuclear fuel, radioactive mineral, radiation source or instruments that emit radiation, explosives, firearms or by fire, flood, or by any other violent or non-violent means, against people, things, or public services and that, in the face of the threat or possibility of repetition, produce alarm, fear, terror or anxiety in the population or in a group or sector, to disturb the public peace.

Theft with Violence

Act perpetrated by any person who, using violence, leaves visible signs or evidence of said violence in the property where the covered assets are located, as well as acts perpetrated with the use of violence or force on the people in charge of the covered property.

Theft without Violence

Act perpetrated without leaving visible signs in the place where it was committed. Seizure of the insured assets, without right and without consent of the Insured and without violence or intimidation of any kind.

Tornado

Violent atmospheric disturbance in the form of a whirlpool, which is formed from a cumulonimbus cloud, which causes an intense drop in pressure in the center of the phenomenon and strong winds that circulate in a cyclonic manner.

Tsunami

Alteration of the sea caused by the violent agitation of the sea waters as a result of a shaking of the bottom, which raises its level and spreads to the coasts, giving rise to floods. It is also known by the name tidal wave.

UMA (*Unidad de Medida y Actualización*)

Unit of Measurement Updated. It is the economic reference in Mexican pesos to determine the amount of payment of the obligations and assumptions provided for in the federal laws, the federal entities, as well as in the legal

provisions that emanate from all the above.

Uprising

Act and result of a popular revolt or sedition, through which the participants stop following the orders of the authorities or hierarchical superiors and seek to generate a change of command.

Usurpation of Power

Action and effect of seizing with violence and intimidation the functions, public jobs or rights that correspond to the legally established authority, or the use of means or procedures that violate, interrupt or ignore the Constitution and what the laws establish.

Vandalism

Intentional, violent and illicit acts of destruction, carried out by one or more people, that cause loss, physical damage, or destruction without respect for the protected property.

Volcanic eruption

Violent emissions of solid, liquid or gaseous matter, of deep origin to the Earth's surface, through a crack or crater.

War

Hostile action or armed conflict between two or more nations.

War Actions

Coordinated set of actions related to armed struggle or war, which are carried out by an army with the purpose of achieving specific goals or objectives.

SECOND PART: GENERAL CONDITIONS

CLAUSE 1. COVERED PROPERTY

HDI SEGUROS covers boilers and pressure-undered containers, boilers, pressure vessels, cryogenic vessels or steam generators that are the property of the Insured or those that are the property of Third parties and are under his/her care and for which he/she is legally responsible, **provided that they are specified in the Policy or in the certificate and an insured amount is assigned to them, as well as that they are located within the premises specified in the Policy.**

Likewise, will be covered the attachments, complements and accessories that were included by the manufacturer in the original packaging of the property covered by this section.

CLAUSE 2. COVERED RISKS

Without exceeding the contracted insured amount, *HDI SEGUROS* covers the property mentioned in the Policy specification against sudden and unexpected material damage or loss that occurs within the premises specified in the Policy, which make it necessary to repair or replace them to leave them in conditions like those existing immediately before the loss occurred.

This coverage operates once the installation or assembly is completed and after successfully passing the initial operating or functioning tests, whether they are in operation, review, maintenance or inactive and are a consequence of the risks listed below:

1. In case of boilers and pressure containers with stove:
 - a) Fire, direct lightning strike, fire extinguishing.
 - b) Short circuits, electric arcs, insulation failures, over voltages due to electrical disturbances, as well as the direct action of atmospheric electricity.
 - c) Construction errors and use of defective materials in the covered property (after the manufacturer's warranty period).
 - d) Defects in workmanship, incorrect installation or assembly.
 - e) Handling errors, carelessness, negligence, incompetence or bad intentions of the Insured's personnel.
 - f) Malicious acts and fraud or bad faith by Third parties.
 - g) Material damage or loss resulting from theft with violence or attempted robbery.
 - h) Land subsidence, landslides, falling rocks and avalanches, **as long as they are not caused by earthquakes or volcanic eruptions, hail and frost.**
 - i) Foreign bodies entering the covered property.
 - j) Sudden and violent breakage of any part of the boiler or container caused by pressure of steam, water or other liquid inside them.
 - k) Sudden and explosion of gas from unburned fuel inside the boiler or container furnace or from the gas ducts that go from the furnace to its discharge into the chimney and whenever the fuel mentioned in the specification is being used.
 - l) Sudden and violent deformation of any part of the boiler or container, caused by pressure or vacuum of water, steam or other fluids inside it and which immediately prevents or makes its use unsafe.
 - m) Cracking of any part of iron, copper, bronze or any other molten material, in low pressure boilers (up to 1.05 kg/cm² in steam and 2.10 kg/cm² in water), whenever such cracking allows the escape of the fluid contained.
 - n) Burns due to insufficient water, steam or other fluid inside the boiler or container, which immediately prevents

or makes its use unsafe.

- o) Other damage caused by risks not expressly excluded in the Policy, or those specified in these General Conditions or in **CLAUSE 3. EXCLUDED PROPERTY AND RISKS BUT MAY BE COVERED BY EXPRESS AGREEMENT** or **CLAUSE 4. EXCLUDED PROPERTY AND RISKS BY CONTRACT**.

2. In the case of boilers and pressure containers without stove:

- a) Fire (whether it occurs before, at the time or after the occurrence of any covered risks), direct lightning strike, fire extinguishing.
- b) Short circuits, electric arcs, insulation failures, over voltages due to electrical disturbances, as well as the direct action of atmospheric electricity.
- c) Construction errors and use of defective materials in the covered property (after the manufacturer's warranty period).
- d) Defects in workmanship, incorrect installation or assembly.
- e) Handling errors, carelessness, negligence, incompetence or bad intentions of the Insured's personnel.
- f) Malicious acts and fraud or bad faith by Third parties.
- g) Material damage or loss resulting from theft with violence or attempted robbery.
- h) Land subsidence, landslides, falling rocks and avalanches, **as long as they are not caused by earthquakes or volcanic eruptions, hail and frost**.
- i) Foreign bodies entering the covered property.
- j) Sudden and violent breakage of any part of the boiler or container caused by pressure of steam, water or other liquid inside them.
- k) Sudden and violent deformation of any part of the boiler or container, caused by pressure or vacuum of water, steam or other fluids inside them.
- l) Cracking of any part of iron, bronze or any other molten material, whenever such cracking allows the escape of steam, water, gases or fluids.
- m) Other damage caused by risks not expressly excluded in the Policy, or those specified in these General Conditions or in **CLAUSE 3. EXCLUDED PROPERTY AND RISKS BUT MAY BE COVERED BY EXPRESS AGREEMENT** or **CLAUSE 4. EXCLUDED PROPERTY AND RISKS BY CONTRACT**.

CLAUSE 3. EXCLUDED PROPERTY AND RISKS BUT MAY BE COVERED BY EXPRESS AGREEMENT

a) PROPERTY

The following property will be covered, **provided that appears in the Policy**, having been previously accepted by *HDI SEGUROS* and through the obligation of payment the corresponding premium by the Insured:

3.a.1. PIPES AND VALVES

If indicated in the Policy specification, this coverage extends to cover the damage or loss of pipes and valves integrated into the boilers or pressure containers specified in the Policy, **provided that they result from a sudden and violent breakage or deformation caused by pressure of steam, water, gas or liquids in said pipes and valves**.

EXCLUDED PROPERTY ON PIPES AND VALVES COVERAGE

In addition to the general exclusions indicated in **CLAUSE 4. EXCLUDED PROPERTY AND RISKS BY CONTRACT** of these general conditions, it is understood and agreed that this coverage in no case covers damage to:

1. **Equipment or devices that use fluids, such as tanks, radiators and other equipment, even if they have coils through which the fluid managed by the network circulates.**

3.a.2. CONTENTS IN BOILERS AND PRESSURE-UNDERED CONTAINERS

If indicated in the Policy specification, this coverage extends to cover the escape of, or damage to, fluids or substances contained in any of the Boilers or Pressure Containers specified in the Policy, **provided that they result from a loss that is indemnifiable by this insurance.**

EXCLUDED PROPERTY ON BOILERS AND PRESSURE-UNDERED CONTAINERS COVERAGE

In addition to the general exclusions indicated in **CLAUSE 4. EXCLUDED PROPERTY AND RISKS BY CONTRACT** of these general conditions, it is understood and agreed that this coverage in no case covers damage to:

1. **Incorrect operation of equipment, valves or connections.**
2. **Opening of safety devices due to overpressure.**
3. **Defects in gaskets, packing, glands, connections or valves, safety discs, rupture diaphragms and fuse plugs.**

3.a.3. PROPERTY DESIGNED TO OPERATE OUTDOORS

If indicated in the Policy specification, this coverage extends to cover damage or losses of property designed to operate outdoors specified in the Policy, **provided that they result from a loss that is indemnifiable by this insurance and are located within the boundaries of the locations indicated in the Policy.**

EXCLUDED PROPERTY ON PROPERTY DESIGNED TO OPERATE OUTDOORS COVERAGE

In addition to the general exclusions indicated in **CLAUSE 4. EXCLUDED PROPERTY AND RISKS BY CONTRACT** of these general conditions, it is understood and agreed that this coverage in no case covers damage to:

1. **Electronic equipment and external data carriers.**

b) RISKS AND EXPENSES

The following risks will be covered **if they appear in the Policy** and are previously accepted by *HDI SEGUROS* through the obligation of payment of the corresponding premium by the Insured:

3.b.1. EARTHQUAKE AND VOLCANIC ERUPTION

If this coverage is contracted and appears on the Policy, the property will be covered against material loss or damage caused directly by an earthquake and volcanic eruption.

HDI SEGUROS agrees to compensate the Insured for damage suffered to restore the covered property to the same condition it was in before the loss occurred, **but not including the value of improvements to give greater strength to the affected buildings.**

EXCLUDED PROPERTY AND RISKS ON EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE.

In addition to the general exclusions indicated in **CLAUSE 4. EXCLUDED PROPERTY AND RISKS BY CONTRACT** of these general conditions, it is understood and agreed that **EARTHQUAKE AND VOLCANIC ERUPTION** Section, in no case cover losses, damage or indirect damages to:

1. Due to storm surge or flooding, even if these were caused by any of the risks of this Policy.
2. Caused by vibrations or natural movements of the subsoil that are unrelated to the earthquake, such as subsidence, displacements and normal, non-sudden settlements.

3.b.2. HURRICANE, HAIL, SNOWFALL, FROST, CYCLONE, TORNADO OR STORMY WINDS

If this coverage is contracted and appears on the Policy, material damage to the insured property caused directly by:

- a) hurricane, hail, cyclone, tornado, frost, snowfall and stormy winds.
- b) damage caused by water, understood as damage caused by:
 - I. breakage or leaks of pipes and water or steam supply systems located within the insured properties, **except for groundwater or phreatic water that causes seepage through the foundation of the floors or the retaining walls, or fractures of said foundation or walls; likewise, obstructions, insufficiency, deficiencies, breaks or any other cause of the drainage systems or lack of said drains are not covered.**
 - II. Accidental discharges or spills of water or steam from industrial or domestic equipment or appliances, including refrigeration, air conditioning, or heating systems.
 - III. Blockages in rainwater downspouts due to hail accumulation.

EXCLUDED PROPERTY AND RISKS ON HURRICANE, HAIL, SNOWFALL, FROST, CYCLONE, TORNADO OR STORMY WINDS COVERAGE.

In addition to the general exclusions indicated in **CLAUSE 4. EXCLUDED PROPERTY AND RISKS BY CONTRACT** of these general conditions, it is understood and agreed that **HURRICANE, HAIL, SNOWFALL, FROST, CYCLONE, TORNADO OR STORMY WINDS** Section, in no case cover losses, damage or indirect damages to:

1. Movable property located outdoors, under roofs, or in structures lacking roofs, one or more exterior doors or windows, or lacking walls or roofs in whole or in part; except for property covered as indicated in subsection “a” of **CLAUSE 3. PROPERTY AND RISKS NOT COVERED BUT MAY BE COVERED BY EXPRESS AGREEMENT.**
2. Damage caused by storm surge, tidal surge or flooding, even if these are caused by any of the risks covered.
3. Damage caused by wetting, leaks or snow leaks resulting from deficiencies in the construction or design of roofs, as well as from lack of maintenance thereof. unless the buildings are destroyed or damaged in their roofs, walls, doors, or exterior windows by the direct action of Hurricane, Hail, Snow, Frost, Cyclone, Tornado, or Stormy Winds, causing

openings or cracks through which rain, hail, or snow has entered.

3.b.3. FLOOD OR FLOOD DUE TO RAIN.

Without exceeding the insured amount contracted, *HDI SEGUROS* covers the property mentioned in the Policy for material damage or loss that they suffer suddenly and unexpectedly resulting from flood or flood due to rain.

EXCLUDED PROPERTY AND RISKS ON FLOOD OR FLOOD DUE TO RAIN COVERAGE.

In addition to the general exclusions indicated in **CLAUSE 4. EXCLUDED PROPERTY AND RISKS BY CONTRACT** of these general conditions, it is understood and agreed that **FLOOD OR FLOOD DUE TO RAIN** Section, in no case cover losses, damage or indirect damages to:

1. Underground installations of any kind located in mines, tunnels, basements, semi-basements or parts of buildings that are totally or partially below the natural ground level.
2. Fixed assets that are outdoors, whether located outside or inside buildings that totally or partially lack roofs, doors, windows or walls, except assets covered by paragraph a). in **CLAUSE 3. EXCLUDED RISKS AND PROPERTY BUY MAY BE COVERED BY EXPRESS AGREEMENT.**
3. By rain, snow or hail, unless they cause flooding or flooding by rain.
4. By storm surge, tidal surge, tsunami or tide.
5. By obstructions, insufficiencies, deficiencies, breaks, or any other cause of the drainage systems, or by the lack of said drains.
6. By subsidence or collapses, unless they are caused by flooding or flooding by rain.
7. By spillage of fire protection systems.
8. By underground or groundwater that causes leaks through the floors and retaining walls or fractures of said foundation or walls that damage the contents covered.

3.b.4. STRIKES, RIOTS, VANDALISM AND MALICIOUS ACTS

Without exceeding the insured amount contracted, *HDI SEGUROS* covers the property mentioned in the Policy for material damage caused directly by:

- A. Persons who take part in work stoppages, strikes, riots, popular riots, uprisings or civil commotion, during the performance of such acts, or material damages due to measures taken by legally recognized civil authorities.
- B. Vandalism and damage by malicious acts.

EXCLUDED RISKS ON STRIKES, RIOTS, VANDALISM AND MALICIOUS ACTS SECTION

1. In addition to the general exclusions indicated in **CLAUSE 4. EXCLUDED PROPERTY AND RISKS BY CONTRACT** of these general conditions, it is understood and agreed that **Section STRIKES, RIOTS, VANDALISM AND MALICIOUS ACTS**, in no case cover losses, damage or indirect damages to:
 - a) Theft committed by the Insured's personnel.
 - b) Due to depreciation, delay or market loss.
 - c) Due to lack, shortage or reduction of energy, fuel or labor of any kind, as well as the interruption of public and private supplies.

- d) Due to changes in temperature or humidity.
 - e) For consequential damages resulting from the performance of acts referred in subsections “A” and “B” of this coverage.
2. With regard to *section B.* of this coverage, *HDI SEGUROS* shall not be obliged for losses due to: explosion, rupture or bursting of steam boilers, steam pipes, steam engines or rotating parts of machines or machinery, owned by or operated or controlled by the Insured and located in the buildings described on the Policy.

3.b.5. THEFT WITHOUT VIOLENCE

If this coverage is contracted and appears in the Policy, the property will be covered against material loss or damage caused directly by theft without violence, up to the limit of the insured amount contracted, **provided that it is perpetrated within the premises described in the Policy.**

3.b.6. ADDITIONAL EXPENSES FOR NON-AIR EXPRESS FREIGHT, WORK ON HOLIDAYS AND OVERTIME

If indicated in the Policy specification as covered, expenses for non-air express freight, work on holidays and overtime are covered up to the contracted limit, **provided that said expenses arise for the repair of property that are damaged by any of the risks covered by the Policy.**

EXCLUDED EXPENSES

In addition to the general exclusions indicated in **CLAUSE 4. EXCLUDED PROPERTY AND RISKS BY CONTRACT** of these general conditions, it is understood and agreed that this coverage in no case covers damage to:

- 1. Additional expenses arising from air freight.

3.b.7. ADDITIONAL EXPENSES FOR AIR EXPRESS FREIGHT

If indicated in the Policy specification as covered, expenses for air express freight are covered up to the contracted limit, **provided that said expenses arise for the repair of property that are damaged by any of the risks covered by the Policy.**

EXCLUDED EXPENSES

In addition to the general exclusions indicated in **CLAUSE 4. EXCLUDED PROPERTY AND RISKS BY CONTRACT** of these general conditions, it is understood and agreed that this coverage in no case covers damage to:

- 1. Additional expenses arising from work on holidays and overtime.

3.b.8. EXPENSES FOR MASONRY, SCAFFOLDING AND LADDERS

If indicated in the Policy as covered, additional expenses that must be incurred for breaking, digging, filling, patching, plastering, repainting, covering pavements, walls, floors and ceilings due to the repair of damage to covered property channeled or drowned in said pavements, floors, walls and ceilings, as well as expenses for the use of scaffolding

and ladders that are necessary to repair the damage, are covered.

3.b.9. DAMAGE TO OTHER PROPERTIES OF THE INSURED

If indicated in the Policy as covered, material damage caused to other properties or other assets owned by the Insured is covered up to the limit of the insured amount, **provided that it results from a loss that is indemnifiable by this insurance and is located within the premises specified in the Policy.**

EXCLUDED RISKS ON DAMAGE TO OTHER PROPERTIES OF THE INSURED COVERAGE

In addition to the general exclusions indicated in **CLAUSE 4. EXCLUDED PROPERTY AND RISKS BY CONTRACT** of these general conditions, it is understood and agreed that this coverage in no case covers damage, losses or indirect damages to:

1. Property owned by Third parties.
2. Machines or equipment that, due to their characteristics, may be covered by **ELECTRONIC, ELECTROMAGNETIC AND ELECTROMAGNETIC EQUIPMENT** Coverage and the Insured did not register in the Policy.
3. Due to fire, even if caused by an explosion.
4. Civil liability of any type or class.

3.b.10. ERRORS OR OMISSIONS

Without exceeding the established liability limits and without considering any additional sum insured, additional coverage or location, it is understood and agreed that any accidental error or omission in the name, brand, type, serial number or description of the covered property, will be covered by this Section.

It will be the obligation of the Insured that, upon detecting the error, he/she will request *HDI SEGUROS* to make the corresponding correction and, if the error or omission constitutes an aggravation of the risk, *HDI SEGUROS* will have the right to collect the corresponding adjusted premium.

3.b.11. ERRORS IN APPRAISALS

If indicated in the Policy specification as covered, without exceeding the total insured amount established for each insured location, this section covers up to an additional percentage of the value of each equipment in the appraisal, any involuntary error in the performance of the Professional Appraisal. The maximum insured percentage will be that indicated in the Policy specification.

It will be the obligation of the Insured, upon detecting the error in the appraisal of the property, to request the corresponding correction from *HDI SEGUROS*. The increase in the insured amount will give rise to the collection of the adjusted premium.

3.b.12. TRADEMARKS AND LABELS

HDI SEGUROS is authorized by **article 116** of the Insurance Contract Law to market the property that are salvaged from a claim, provided that it complies to the full satisfaction of the Insured with the following conditions of trademark protection: remove, eliminate, and/or remove the trademark, name, logo, label, and/or any registered element of

commercial identification, provided that this action does not physically damage the property.

If the above is not possible, a label will be used to indicate that the property is the product of a salvage, provided that this action does not physically damage the property.

The cost of removing trademarks, labels or commercial names, as well as the identification of the property as a product of a salvage, will be paid by *HDI SEGUROS*.

3.b.13. INDISTINCT LOCATION

If indicated in the Policy, the insured property will be covered in any of the premises listed in the Policy, without it being necessary for the Insured to previously notify *HDI SEGUROS* of said changes of address. **This authorization is not valid in the case of locations other than those indicated in the Policy.**

For the purposes of this coverage, the Insured will provide *HDI SEGUROS* in writing with an updated list detailing the address where every one of the covered property is located.

EXCLUDED RISKS ON INDISTINCT LOCATION COVERAGE

In addition to the general exclusions indicated in CLAUSE 4. EXCLUDED PROPERTY AND RISKS BY CONTRACT of these general conditions, it is understood and agreed that this coverage in no case covers damage to:

- 1. During the transfer of property between locations, whether these are the locations of the Insured.**
- 2. Locations other than those indicated in the Policy.**
- 3. Locations outside of México.**

3.b.14. REPAIR OR MAINTENANCE SHOPS

If indicated in the Policy, the insured property is covered while it is in Third-parties workshops for cleaning, repairing work or maintenance of said property. **This coverage will not apply to property that were transferred for normal storage or for use by the workshop or its personnel.**

In addition to the general exclusions indicated in CLAUSE 4. EXCLUDED PROPERTY AND RISKS BY CONTRACT of these general conditions, it is understood and agreed that this coverage in no case covers damage, losses or indirect damages to:

- 1. During the transfer of property outside the locations covered by the Policy, either between the Insured's locations or from a location of the Insured to the repair or maintenance workshop and vice versa.**
- 2. Workshops located outside of Mexico.**

3.b.15. FIFTY METERS

If indicated in the Policy, the insured property is covered while it is temporarily being loaded and unloaded on platforms, railroads, trucks or any other place, within the limits of the premises mentioned in the Policy or at 50

meters from them.

3.b.16. MULTI-CLAUSE

If the Multi-Clause is indicated in the Policy by express agreement, the covered property is insured by:

A. VARIATION IN PROPERTY VALUE.

A.1 IN CASE OF NATIONAL PROPERTY: *HDI SEGUROS* agrees to automatically increase the contracted sum insured monthly, in the same proportion as the inflationary increases suffered in the real value of the covered property. The inflationary increases will be calculated from the start of validity until the date of loss occurrence and must be demonstrated by an appraisal expert. The maximum liability limit of *HDI SEGUROS* is the percentage determined by the Insured in the Policy for that property. The amount thus determined will serve as a basis for the purposes of **CLAUSE 9. COMPENSABLE PROPORTION**.

A.2 IN CASE OF FOREIGN PROPERTY: *HDI SEGUROS* agrees to automatically increase the contracted sum insured in the same proportion as the actual increase in the value of the covered property as a consequence of variations in the exchange rate of the currency chosen by the Insured at the time of contracting, due to the effects of the variation in said currency. The insured amount of the property covered has been set based on the exchange rate of the currency at the start date of this coverage. The maximum limit of liability of *HDI SEGUROS* is the percentage determined by the Insured in the Policy for foreign properties. The amount thus determined will serve as a basis for the purposes of **CLAUSE 9. COMPENSABLE PROPORTION**.

B. ACQUISITION OF PROPERTY CONTAINED IN THE INSURED'S PREMISES. *HDI SEGUROS* automatically covers any increase in the insured amount generated by the acquisition of other property, equal or like those covered by the Policy, purchased or rented, and for which the Insured is legally responsible, when said property is located on the premises mentioned in the Policy. In this case, the maximum limit of liability of *HDI SEGUROS* will be the equivalent of an additional 5% of the insured amount by location, to exclusively cover said newly purchased or rented property.

If the increase referred exceeds said percentage, the Insured must request from *HDI SEGUROS* the increase in the insured amount that covers the new property, with the payment of corresponding premium.

C. ACQUISITION OF PROPERTY CONTAINED IN LOCATIONS NOT DESCRIBED IN THE POLICY OWNED OR UNDER CONTROL OF THE INSURED. If during the term of the Policy the Insured acquires property related to the operation of his/her business, whether owned by him/her or under his/her custody and is located on premises owned or controlled by the Insured not described in the Policy, *HDI SEGUROS* will automatically cover such property. In this case, the maximum limit of liability of *HDI SEGUROS* will be the equivalent of an additional 5% of the total insured amount indicated in the Policy, with a maximum of 10,000 UMA, for one or more locations. If the increase implied by the above concept exceeds the percentage described or the amount equivalent to 10,000 UMA, the Insured must request from *HDI SEGUROS* the increase in the insured amount that covers the new property, with the payment of corresponding premium.

For the purposes of compensation in the event of a loss, the amount originally insured will be taken as a base, plus the amount corresponding to the real increases suffered in the property value, from the start validity of this coverage and until the date of loss occurrence, without exceeding the maximum limit of liability indicated for each section of this coverage.

For the purposes of this coverage, *HDI SEGUROS* will in no case be responsible for losses to property covered by declared stock policies.

Clause 4. Excluded Property and Risks

a. EXCLUDED PROPERTY

HDI SEGUROS will in no case be responsible for losses, damage or indirect damages to:

1. Property that operates or is located wholly or partially above or below water.
2. Property stored, assembled, installed or operating on premises other than that specified in the Policy.
3. Property is installed in land vehicles, aircraft or boats, within or outside the premises stated in the Policy.
4. Aircraft, drones, spacecraft, land motor vehicles, automobiles, trucks, buses, motorcycles, scooters, submarines and boats.
5. Auxiliary materials, parts and components with a limited life and wearable parts such as:
 - I. Fuels, lubricants, coolants and others operating media.
 - II. Interchangeable tools.
 - III. Safety discs, ruptured diaphragms and plugs.
 - IV. Seals, springs, chains, transmission belts of all kinds, conveyor belts, tapes, gaskets, rubber tires, mobile equipment springs, gaskets, felts and fabrics, sieves, foundations, refractory coatings, as well as all kinds of glass and pewter.
 - V. Fuses, bulbs, luminescent tubes, lamps, light bulbs, glass, porcelain and ceramic parts.
 - VI. However, they are covered when the damage suffered is a consequence of a risk covered by the Policy.
6. Property that is in the quality of merchandise in storage or on display for sale.
7. Any type of software other than that pre-loaded or included as standard by the manufacturer, computer programs, programmable configuration parameters, electronic information or electronic data stored on the property covered.
8. Property to which physical changes have been made deliberately, without respecting the guidelines, advice or specifications established by the manufacturer for the normal operation of said property.
9. Electromagnetic pulse (EMP) generators, high intensity electromagnetic emission systems, radio frequency weapons.
10. Transmission lines located outside the premises, including cables, poles, piles, towers, other support structures and equipment of any type that may handle such lines or installations of any type, for the purpose of transmission or distribution of electric power, telephone or telegraph signals and all communication signals, whether audio or video.
11. Property related to nuclear energy, such as:
 - I. Nuclear material.
 - II. Property in the high radioactivity zone or area of any nuclear facility.
 - III. Property located at the facilities of a nuclear power plant.
 - IV. Nuclear reactors, reactor buildings, and plant and equipment therein, located at any facility that is a nuclear power plant generating electricity.

- V. Property that is used or has been used for the generation of nuclear energy or the production, use or storage of nuclear material.
- VI. Facilities, machinery and in general any equipment, whether it belongs to contractors, that are used in construction, assembly, installation, replacement, repair, maintenance or dismantling of a nuclear power plant that generates electricity or a nuclear material storage facility or similar.
- 12. Power plants of more than 100 megawatts (single cycle, combined cycle, incineration plant).
- 13. Oil and/or gas drilling equipment.
- 14. Chimneys that are not directly supported by the structure of boilers or pressure-sensitive equipment.
- 15. Water or fuel supply pumps and any other auxiliary equipment that is not located on the structure of the covered property.
- 16. Induced draft or forced draft fans that are not integrated into the boilers structure.
- 17. Solid fuel conveyors and feeders.
- 18. Coal pulverizes.
- 19. Containers or equipment that are not metallic.
- 20. Furnaces of any type, except those integrated into boilers or steam generators.
- 21. Pipes that are not connected to property covered by the Policy.

b. EXCLUDED RISKS AND EXPENSES

HDI SEGUROS will in no case be responsible for losses, damage or indirect damages as a result of:

- 22. Due to faults or defects existing at the start validity of the insurance, and which are known by the Insured, its representatives, administrators or persons responsible for the covered property, regardless of whether said faults or defects were known by *HDI SEGUROS* or not.
- 23. Derived from the use or possession of prototypes or property in the process of being tested.
- 24. Which is a direct consequence of normal or prolonged operation or gradual deterioration, wear, lack of oil or coolant, erosion, corrosion, rust, incrustation, cracking, cavitation, inherent vice or discoloration.
- 25. Additional expenses arising from the Insured's need or desire to construct or replace the damaged property in a place other than the one occupied when the loss occurred.
- 26. Additional expenses more than replacement value caused by laws or regulations governing the construction, repair or replacement of damaged property.
- 27. Expenses incurred to correct deficiencies in the capacity or operation of the property covered.
- 28. Expenses incurred in connection with maintenance carried out by Third parties, through a contract, maintenance being understood as that which obliges a Third parties to periodically inspect and/or replace worn or defective parts.
- 29. For loss or damage to property leased or rented, when the responsibility lies with the lessor, either legally or by lease and/or maintenance agreement.
- 30. Due to aesthetic defects, such as scratches on painted, polished or varnished surfaces.

However, HDI SEGUROS agrees to cover the losses or damages mentioned in this item when said parts have been affected by a compensable loss or damage that occurred to the property covered.

31. Nuclear energy risks, such as:

- I. Derivatives of production, manufacture, enrichment, conditioning, transformation, reprocessing, use, storage, handling, manipulation and disposal of nuclear material, except in places where such substances are stored during transport.
- II. Derivatives of the supply of goods and services to a nuclear power plant generating electricity.
- III. Irradiation and contamination by nuclear material.
- IV. Construction, assembly, installation, replacement, repair, maintenance or dismantling of goods in or for a nuclear power plant generating electricity.
- V. Those that are a consequence of or arising from nuclear radiation or contamination by radioactivity of any nuclear fuel or any nuclear waste from nuclear combustion, as well as those caused, aggravated or due to nuclear war material.

32. By nuclear reactions, radiation or radioactive contamination, whether controlled or not, and whether or not as a result of mudslide, cyclone, volcanic eruption, explosion, tidal wave or tsunami, hail, frost, hurricane, fire, flood, flood to the rain, storm surge, snowfall, lightning, earthquake, volcanic eruption, tornado or stormy winds.

33. By vibration or sonic shock caused by aircraft or other mechanisms.

34. By any type or variety of mold, fungus, yeast, bio-contaminant, spore, as well as by any substance produced by a fungus or emanating or arising from them.

35. Theft or looting that takes place during or after a fire, explosion or some hydrometeorological phenomena or earthquake.

36. Theft or looting that takes place during or after a Strike, Popular Riot, Vandalism, or Malicious Acts.

37. Bad Faith, malicious acts, negligence or gross fault of the Insured, its representatives, administrators or persons responsible for technical management, provided that said acts or negligence are directly attributable to said persons.

38. By total or partial submersion in water in tidal areas.

39. By interference by strikers or other persons in the repair or restoration of the damage, in the resumption or continuation of the business.

40. Subjecting the property covered to stresses, capacities or pressures greater than the maximum indicated by the manufacturer or the competent authority, or subjecting them to any kind of experiment, tests or trials not in accordance with the normal operation of said property.

41. Reduction in the functionality, availability or operation of a computer system, hardware, information repository or similar devices in computer equipment or non-computer equipment, whether owned or in the possession of the Insured, unless they arise from risks covered by the Policy.

42. Due to or resulting from:

- I. Malicious software, cyber-attack, cyber terrorism or cyber war.

- II. Misuse of the internet, internet address, website or similar.
 - III. Any electronic transmission of data or other electronic information.
 - IV. Hacking or phishing.
43. Loss, damage, destruction, distortion, erasure, contamination or alteration of electronic information, as a consequence of: damages, failures, alterations, loss of use, decrease in functionality, magnetic fields, computer viruses, design errors in computer systems or hardware, operating systems, databases, information storage, software, whether or not they are the property of the Insured or are in their possession.
 44. Due to malfunctions or failures, errors or deficiencies of any device, suppliers, mechanism, equipment, installation or system, whether or not owned by the Insured or under she/his control or simple possession, as a result of the inability of its physical components or logical components to correctly recognize or use a date that is intended to be represented from September 9th 1999 and subsequent dates, including the year 2000 of the Gregorian calendar.
 45. Due to reduction of income or any other consequential loss.
 46. Losses due to: stoppage or interruption of business or manufacturing processes, lack of driving force, interruption or failure of the supply of raw materials, inputs, electricity, gas, heat, steam, refrigeration or water, loss of market, loss of service, loss of profits, loss of use.
 47. Losses or damages for which the manufacturer, supplier or seller of the property covered is legally or contractually responsible.
 48. Due to interruptions or failures in the supply of public electricity, gas, air conditioning, heating or water.
 49. Repairs made on the property covered on a provisional basis, except those that form part of the definitive repair.
 50. That are the result of deliberate physical changes being made to the property covered, without respecting the guidelines, advice or specifications established by the manufacturer.
 51. That are caused by or as a consequence of or in connection with:
 - a) War, invasion, acts of foreign enemies, hostilities or war operations (whether there is a declaration of war), civil war, rebellion, revolution, revolt, rising, insurrection, civil commotion, assuming the proportions of or joining an uprising, usurpation of the power, militarization of power, curfew, or events that give rise to these factual or legal situations.
 - b) Terrorism or sabotage.
 - c) Any act carried out by persons for the purpose of overthrowing the government or to control, prevent, suppress or acts in any way related to subsections (a) and/or (b) of this point, whether these acts are carried out with or without use of explosive devices.
 52. Expropriation, requisition, confiscation, nationalization, seizure or detention of property by the competent authorities, legally recognized for the purpose of their functions.
 53. Destruction of covered property by acts of the legally recognized authority, in the exercise of its functions.
 54. Falling chimneys that are not directly supported by the structure of the boilers or pressure

containers covered by the Policy.

55. Explosion occurring outside the boilers or pressure containers.

56. The risks covered by this contract are excluded if the Insured, Contractor or Beneficiary is convicted by a court of law for any crime related to the production, possession, trafficking, proselytizing and other acts related to narcotics, concealment and/or operations with resources of illicit origin, terrorism and/or organized crime in national territory or in any country of the world with which Mexico has signed international treaties related to the provisions of this paragraph, if said Insured, Contractor or Beneficiary is registered on the list of “Specially Designated Nationals” (SDN) maintained by the Office of Foreign Assets Control of the Department of the Treasury of the United States of America (OFAC), or any other list of a similar nature, within the limits of Mexican law.

In the event that the Insured, Contractor and/or Beneficiary obtains a final ruling or is removed from the aforementioned lists retroactively and without any restriction, when so requested and the Policy is within its period of validity, *HDI SEGUROS* will reinstate the contract, with retroactive effect for the period during which the Insured was without insurance coverage, in which case the corresponding Premiums must be paid, in order to restore the rights, obligations and validity of the Policy being reinstated, and consequently the indemnity for any loss that occurred during that period will proceed, provided that it is covered and is not expressly excluded under the terms of the Policy.

CLAUSE 5. SECURITY MEASURES

The Insured is obligated to maintain all security measures declared at the time of contracting the Policy, functioning at 100%, during the term of the insurance. **In the event of not having said security measures or not having them in operation at the time of any claim, there could be a substantial increase in the risk as indicated in CLAUSE 14. AGGRAVATION OF THE RISK.**

The security measures referred to in this clause are indicated in the Policy schedule or specification.

CLAUSE 6. INSURED OBLIGATIONS

I. OPERATIONAL MEASURES

- a) Each year and during the term of the Policy, the Insured will have all boilers and pressure-undered containers inspected by an expert and, where appropriate, recondition them and will send *HDI SEGUROS*, as soon as the inspection is completed, a written report, stating the condition in which said equipment was found and the repairs that were carried out, as well as the measures adopted to avoid the progression or repetition of the anomalies detected.
- b) Strictly follow the manufacturer's instructions regarding the assembly, installation, operation, inspection, and servicing of the property covered.
- c) Do not habitually or intentionally overload them or use them for tasks for which they were not designed.
- d) Do not operate all boilers and pressure-undered containers higher than that resulting from applying the current regulations and codes or, where applicable, the maximum pressure indicated by the manufacturer.
- e) Comply with current laws, rules, and regulations regarding the installation, operation, maintenance, and

inspection of the property covered.

- f) Have an air conditioning installation to control the environment in which the equipment insured is located that requires it, in accordance with the manufacturer's specifications.
- g) The electrical installation that supplies the insured property must be grounded in accordance with the manufacturer's instructions or current legal provisions.

If the Insured does not comply with these obligations, *HDI SEGUROS* will be released from all liability, provided that said non-compliance has directly influenced the occurrence of the loss.

II. SAFEGUARD OR RECOVERY MEASURES

Upon becoming aware of a loss caused by any of the risks covered, the Insured shall be obligated to perform all necessary actions to avoid or reduce the damage. If there is no danger in delay, the Insured shall request instructions from *HDI SEGUROS* and shall abide by them.

Expenses incurred by the Insured that are not unreasonable shall be covered by *HDI SEGUROS*, and if given instructions, *HDI SEGUROS* shall advance said expenses.

Without the consent of *HDI SEGUROS*, the Insured shall be prohibited from changing the situation, except for reasons of public interest or to avoid or reduce the damage.

If the Insured breaches the obligation to avoid or reduce the damage or to maintain the stability of the situation, *HDI SEGUROS* shall have the right to reduce the compensation to the amount it would have received if said obligation had been fulfilled. **If this obligation is violated by the Insured to obtain an illegal profit, *HDI SEGUROS* will be released from any liability.**

III. NOTICE OF LOSS

In the event of any loss that could give rise to compensation under this insurance, the Insured shall be obliged to notify *HDI SEGUROS* in writing as soon as they become aware of it. The Insured shall have a period of 5 days to provide notice, except in the case of unforeseen circumstances or force majeure, and must provide such notice as soon as either ceases.

Failure to provide timely notice may result in compensation being reduced to the amount originally incurred by the loss, if *HDI SEGUROS* had timely notice of the claim.

Additionally, the Insured must notify the corresponding authorities.

CLAUSE 7. INSURED AMOUNT

- a) IN THE CASE OF BOILERS, PRESSURE-UNDERED CONTAINERS AND PIPES:

The insured amount represents the maximum liability that *HDI SEGUROS* assumes for each coverage, for one or more events that occur during the term of the Policy.

The insured amounts indicated in the Policy do not prove the value or existence of the property covered.

The insured amount for new property must be the replacement value and for used property it must be the real value. The calculation of the real value will be obtained from the replacement value of the affected property at the time of the claim less the percentage of physical depreciation as the following chart:

DEPRECIATION CHART

<i>Time</i>	<i>Percentage of physical depreciation by use</i>
Up to 1 year	0%
Up to 2 years	20%
Up to 3 years	25%
Up to 4 years	30%
Up to 5 years	35%
Up to 6 years	40%
Up to 7 years	45%
Up to 8 years	50%
Up to 9 years	55%
Up to 10 years	60%
Up to 11 years	65%
Up to 12 years	70%
Up to 13 years	75%
Up to 14 years	80%
Up to 15 years	90%
More tan 15 years	95%

The Insured may submit to *HDI SEGUROS* a recent professional appraisal (within a maximum of 12 months, counted from the date of its performance), paid for by the Insured, to establish the sum insured at real value of the property subject to the insurance. Said appraisal will be part of the Policy file.

b) IN THE CASE OF CONTENTS:

The Insured must request and maintain during the Policy validity as the insured amount for the contents of each container or boiler, the replacement value of the substances or fluids that each insured property contains or may contain, including the manufacturing cost corresponding to the process carried out on the insured property.

CLAUSE 8. COMPENSATION

In the event of a claim, *HDI SEGUROS* will pay the amount of losses suffered, without exceeding the contracted insured amount, after deducting the Insured's share of the loss as indicated in the Policy.

In no case will *HDI SEGUROS* be liable for losses or damages greater than the insured amount, without exceeding the replacement value of the insured property at the time of the loss.

Any compensation paid by *HDI SEGUROS* as a result of the risks covered by the Policy will reduce the insured amount by the same amount, and compensation for subsequent losses will be paid up to the limit of the remaining

amount; the provisions of **CLAUSE 9. COMPENSABLE PROPORTION** must be applied.

CLAUSE 9. COMPENSABLE PROPORTION

If, at the time of a loss, the insured amount of the damaged property is less than its insurable value, *HDI SEGUROS* will pay the Insured the amount of the loss or damage, reducing the deductible established in the Policy and the compensation by the proportion between the insured amount and the insurable value.

CLAUSE 10. RESPONSIBILITY FOR DAMAGES TO THE PROPERTY COVERED

A. PARTIAL LOSSES

A.1 IN THE CASE OF BOILER AND PRESSURE-UNDERED CONTAINERS:

In case of partial losses, the claim must contain the expenses that are incurred to leave the insured assets in operating conditions like those they had just before the loss occurred.

These expenses will be the cost of the repair, including the cost of disassembly, assembly, ordinary freight (to and from the repair shop), taxes and customs charges, if any. **It is agreed that *HDI SEGUROS* will not pay for the damage caused by the transport of property subject to repair** but is obliged to pay the amount by premium of goods transport insurance that the Insured should take for damaged goods during its transfer to and from the workshop where the repair is carried out.

When such repair, or part of it, is performed at the Insured's workshop, the costs will be the amount of the materials and labor incurred for the repair.

Additional costs for non-air express freight, work on holidays, and overtime, as well as additional costs for air freight, will be paid only when specifically insured as indicated in **CLAUSE 3. EXCLUDED PROPERTY AND RISKS THAT MAY BE COVERED BY EXPRESS AGREEMENT**.

The costs of any provisional repairs will be borne by the Insured, unless they constitute part of the costs of the definitive repair or *HDI SEGUROS* has authorized them in writing.

If the covered property suffers a loss and is provisionally repaired by the Insured and continues to function, ***HDI SEGUROS* will not be liable for any damage subsequently suffered until the definitive repair is performed.**

The cost of reconditioning, modifications or improvements made that are not necessary to repair the damage will be borne by the Insured.

If the actual value of the property covered, or part of it, increases with temporary repairs or reconditioning, modifications, or improvements, the amount of compensation is reduced by the amount of such increase.

In the case of partial losses, *HDI SEGUROS* will not make deductions for depreciation of replaced parts, but the value of any salvage will be considered when determining the compensation.

When replacement parts necessary for the repair of the property covered cannot be obtained because said parts or spare parts are discontinued or off the market, the liability of HDI SEGUROS will be limited to compensation based on the value of said parts at the time of the loss, according to the manufacturers' or suppliers' price lists, plus any applicable expenses as indicated in this clause.

A.2 IN THE CASE OF CONTENTS:

The claim must include the replacement value of the lost or damaged substances or fluids contained immediately prior to the loss, plus the corresponding manufacturing costs.

Expenses incurred to reduce the loss may be included, provided that these expenses do not exceed the reduction in the loss.

The corresponding Deductible and/or Coinsurance indicated in the Policy will always be applied to the agreed compensation.

B. TOTAL LOSSES

In cases of destruction or theft of the property covered, the liability of *HDI SEGUROS* will be up to the replacement value or the actual value as indicated in **CLAUSE 7. INSURED SUM**, less the salvage value, if any.

If agreed between the parties, *HDI SEGUROS* may retain the salvaged property, provided it pays the Insured their actual value according to an expert appraisal estimate.

When the cost of repairing a covered property is equal to or greater than its actual value, it will be considered a total loss.

After compensation for total loss, the insurance on the damaged property will be terminated.

The corresponding Deductible and/or Coinsurance indicated in the Policy will always be applied to the agreed compensation.

CLAUSE 11. REPAIR OR REPLACE PROPERTY

HDI SEGUROS may repair or replace, or pay cash for, damaged or destroyed property. When *HDI SEGUROS* carries out the repair, it must be to the satisfaction of the Insured.

CLAUSE 12. DECREASE AND REINSTATEMENT OF SUM INSURED

Any compensation that *HDI SEGUROS* pays reduces the sum insured by the same amount, this can be reinstated upon a written request for the Insured with the payment of the corresponding premium, previously accepted by *HDI SEGUROS* in written. If the Policy includes several sections, the reduction or reinstatement will apply to the section or sections affected.

CLAUSE 13. PREMIUM AND PAYMENT OBLIGATIONS

I. Premium

The premium is due and must be paid at the time the contract is agreed. The period of validity of the contract is specified in the Policy.

In the event of a claim, *HDI SEGUROS* will deduct from the compensation due to the Insured the total of the premium pending payment until the premium corresponding to the contracted insurance period is completed.

II. Split payment

The Insured may choose to pay the annual premium in parts, either monthly, quarterly or semi-annually, in which case the financing rate agreed between *HDI SEGUROS* and the Insured on the date of issuance of the contract will be applied.

III. Termination of the contract effects due to non-payment

Article 40 of the Insurance Contract Law. “If the premium or the corresponding portion has not been paid within the agreed term, in cases of payment in portions, the effects of the contract will automatically cease at 12:00 (noon) of the last day of that term. If the term has not been agreed upon, a period of 30 calendar days following the issuance date will apply. Unless otherwise agreed, the term provided for in the preceding paragraph shall not apply to the mandatory insurances referred in Article 150 Bis of this Law.”

In case of partial payment, if the premium corresponding to subsequent periods installments has not been paid by the due date, the effects of the contract will cease.

IV. Conditions for granting the service

In terms of **Article 35** of the Insurance Contract Law, *HDI SEGUROS* will not be able to avoid responsibility for the realization of the risk, through clauses in which it is agreed that the insurance will not come into force until after the payment of the premium or portion of it.

V. Rehabilitation

Notwithstanding the provisions of the previous points of this clause, the Insured may, within 30 days following the last day of the grace period, pay the premium for this insurance, with prior written acceptance from *HDI SEGUROS*. In this case, by the sole fact of the payment, the effects of this insurance will be reinstated from the time and day indicated on the payment receipt and the original validity will be automatically extended for a period equal to that between the last day of the mentioned grace period and the time and day on which the rehabilitation takes effect.

However, if, at the latest when making the payment in question, the Insured requests in writing that this insurance retain its original validity, *HDI SEGUROS* will adjust and, if applicable, immediately return, pro rate, the premium corresponding to the period during which ceased its effects in accordance with **Article 40** of the Insurance

Contract Law, whose initial and terminal moments are indicated at the end of the preceding paragraph.

Without prejudice to its automatic effects and for administrative purposes, *HDI SEGUROS* must record the rehabilitation referred to in this clause in the receipt issued for the corresponding payment and in any other document issued after said payment.

VI. Place of payment

Unless the receipt corresponding to the Policy expressly establishes a different place of payment, the stipulated premiums will be paid, with the agreed frequency, at the offices of *HDI SEGUROS* upon delivery of the corresponding receipt.

CLAUSE 14. AGGRAVATION OF THE RISK

The Insured must notify *HDI SEGUROS* of any circumstance that causes an essential aggravation of the risks covered within 24 hours of becoming aware of such circumstances. **If the Insured fails to provide notice or if it causes an essential aggravation of the risk and this influences the occurrence of the loss, the obligations of *HDI SEGUROS* will cease automatically from then on.** (Article 52 of Insurance Contract Law).

For the purposes of the preceding paragraph, it shall always be presumed that:

1. That aggravation is essential when it refers to a fact that is important for the assessment of a risk, such that *HDI SEGUROS* would have contracted under different conditions if, when entering the contract, it had known of a similar aggravation.
2. That the Insured knows or should know of any aggravation that arises from acts or omissions of their tenants, spouse, descendants or any other person who, with the consent of the Insured, lives in the building or has in their possession the property insured. (**Article 53** of the Insurance Contract Law).

In cases of fraud or bad faith in the aggravation of the risk, the Insured will lose the premiums paid in advance. (Article 60 of the Insurance Contract Law).

The obligations of *HDI SEGUROS* will cease if it is demonstrated that the Insured, the beneficiary or their representatives, cause *HDI SEGUROS* to make an error, conceal or inaccurately declare facts that would exclude or restrict said obligations. The same will be observed if, for the same purpose, the facts related to the claim are not received in a timely manner. (Article 70 of the Insurance Contract Law).

If, at present or in the future, the Policy holder, Insureds or Beneficiaries carry out or are involved in illegal activities, this will be considered an aggravation of the essential risk in terms of law.

Due to the above, the obligations of *HDI SEGUROS* will cease as of right, if the Policy holder, Insured(s) or beneficiary(s), under the terms of Article 492 of the Insurance and Bonding Institutions Law and its general provisions, was/are convicted by final sentence, for any crime derived from Articles 139 to 139 Quinquies, 193 to 199, 400 and 400 Bis of the Federal Penal Code

and/or any article related to crime organized in national territory; said sentence may be issued by any competent authority of the local or federal jurisdiction, as well as by competent foreign authorities whose government has signed an international Treaty with Mexico related to the points indicated in this paragraph; or, if the name of the Policy holder, Insured(s) or beneficiary(s) his/her activities, the property covered by the Policy, or his/her nationalities; are published in an official list related to crimes linked to what is established in the aforementioned articles, whether of a national or foreign nature coming from a government with which Mexico has concluded any of the aforementioned Treaties, this is in accordance with section X, provision Twenty-Ninth, section V, provision Thirty-Fourth or provision Fifty-Sixth of the Resolution issuing the General Provisions referred to in Article 140 of the General Law of Insurance Institutions and Mutual Societies.

Where applicable, the contract obligations will be restored once *HDI SEGUROS* is aware that the name of Policy Holder, Insured(s) or beneficiary(s) are no longer on the lists previously mentioned.

HDI SEGUROS will submit to the competent jurisdictional authority any amount derived from this insurance contract that may remain in favor of the person(s) referred to in the previous paragraph, with the purpose of said authority determining the destination of funds.

Any amount paid not accrued that is paid after the fulfillment of the previously indicated conditions, will be consigned in favor of the corresponding authority.

CLAUSE 15. INSPECTION OF COVERED PROPERTY

HDI SEGUROS will have the right to inspect the property covered, on any business day and at any time, by persons duly authorized by *HDI SEGUROS* itself.

The Insured will be obliged to provide the *HDI SEGUROS* representative with all the details and information necessary for the assessment of the risk.

If the inspection reveals an aggravation of risk in any asset or derivative of any activity, *HDI SEGUROS* will require the Insured in writing to eliminate said aggravation. **If the Insured does not comply with the requirements of *HDI SEGUROS* within the period indicated, *HDI SEGUROS* will not be liable for losses or damage caused by said aggravation, if this fact directly influenced the claim.**

CLAUSE 16. PROCEDURE IN CASE OF A CLAIM

a) Phone report.

The Insured must make the telephone report to *HDI SEGUROS* at the Customer Service number: 800 019 6000 (dialing from México) and provide the following information:

- Policy Number.
- Full name of the Insured.
- Date, time and place of incident (street, neighborhood, zip code, city and State).
- Person to contact if more information is required and their phone number.
- Detailed cause of damage.
- Description of affected property.
- Approximate estimate of loss.

b) *HDI SEGUROS* will verify the information and provide a claim number to the Insured.

c) Sending documentation to *HDI SEGUROS*.

The Insured must send *HDI SEGUROS* the following documentation:

- Letter addressed to the Damage Claims area of *HDI SEGUROS*, indicating: name of the Insured, Policy number, claim number, date, time and place of the claim, detailed description of the claim and, if applicable and available, photographs of the protected goods.
- List and itemized amount of damaged property.
- Certified copies of the actions carried out by the Public Prosecutor's Office or by any other authority that intervened in the incident, or the events related to it.

d) Adjuster assignment.

HDI SEGUROS will assign an authorized provider who will be responsible for following up until the end of your claim.

The adjuster will contact the Insured by phone as soon as possible and, if necessary, will make an appointment to carry out the inspection visit and will give pertinent instructions.

e) Initial attention and inspection.

If necessary, the adjuster will visit the affected site, where they will verify the damage, take notes and obtain photographs that show the damage, and will also provide the Insured with the request for the necessary documentation to support claim. Likewise, they will indicate the measures to take to reduce losses.

f) Request for documents.

It is the obligation of the Insured to provide *HDI SEGUROS*, or their authorized provider, with all the information they request to know about the claim, such as:

1. Detailed list of all insurance contracts that exist on the property
2. Purchase and sale notes, delivery notes, invoices, professional appraisal certificates, receipts, plans, projects, books, minutes and any documents that serve to prove ownership of property or to support your claim.
3. Operation manuals, as well as photos or videos of the covered property, which serve to verify their pre-existence or to help your claim. All data related to the loss and its consequences, in terms of Articles 69 and 70 of the Insurance Contract Law, and at the request and at the expense of *HDI SEGUROS*, copies of the actions carried out by the Public Prosecutor's Office or any other authority that intervened in the incident or events related to it.

Without prejudice to the documentation and information referred to above, a loss in case of theft will be considered proven with the presentation of the criminal complaint, its ratification and proof of ownership and pre-existence of covered property.

If necessary, *HDI SEGUROS* may designate a technical expert to carry out inspections of the affected property and contact the Insured by phone to make an appointment and carry out the inspections or will give pertinent instructions.

CLAUSE 17. TECHNICAL EXPERTISE

In the event of disagreement between the Insured and *HDI SEGUROS* regarding the amount of any loss or damage, the matter will be submitted to the opinion of an expert appointed by mutual agreement in writing by both parties; but if they do not agree on the appointment of a single expert, two will be appointed, one for each party; which will

be done within a period of 10 days from the date on which one of them had been requested by the other in writing to do so. Before beginning their work, the two experts will appoint a third expert in the case of disagreement.

If one of the parties refuses to appoint its expert or simply does not do so when requested by the other party, or if the experts do not agree on the appointment of the Third party, it will be the judicial authority that, at the request of any of the parties, will appoint the third expert in disagreement or both if necessary.

The death of one of the parties when they are a natural person or their dissolution if they are a legal entity, occurring while the expert opinion is being carried out, will not nullify or affect the powers or attributions of the expert, the experts or the third party. Or if one of the parties' experts or the third party dies before the ruling is made, another will be appointed by the appropriate party (the parties, the experts or the judicial authority) to replace him/her.

The expenses and fees arising from the expert opinion will be borne by *HDI SEGUROS* and the Insured in equal parts, but each party will cover the fees of its own expert.

The expert opinion referred to in this clause does not mean acceptance of the claim by *HDI SEGUROS*; but will simply determine the circumstances and amount of the loss that *HDI SEGUROS* would eventually be obliged to compensate after applying the corresponding Deductible and Coinsurance, leaving the parties free to exercise the actions and raise the corresponding exceptions.

CLAUSE 18. PLACE OF PAYMENT

HDI SEGUROS will make payment of any compensation at its offices, within a period of 30 days from the date on which it receives the documents and information that allow it to know the basis of the claim.

CLAUSE 19. PARTICIPATION OF THE INSURED

In each loss, the Insured will be responsible for paying the amount that results from applying the percentage indicated in the Policy to the insured sum of the damaged property, a payment that makes up the Deductible and is generated as a result of a loss of any of the risks covered by the Policy.

If the conditions applicable to any risks covered in the Policy provide for the application of Coinsurance payable by the Insured, this will be applied to any compensable loss or damage after the Deductible.

CLAUSE 20. JURISDICTION

In the event of a dispute, the claimant may assert his or her rights before the Department of the Specialized Unit for Attention to Users of *HDI SEGUROS* (UNE) or the National Commission for Protection and Defense of Users of Financial Services (CONDUSEF), with the claimant being able to go to any of its delegations in terms of the Law for the Protection and Defense of Users of Financial Services and the Law on Insurance and Bonding Institutions. Claims must be submitted within a period of 2 years from the occurrence of the event that gave rise to them or, where applicable, from the refusal of *HDI SEGUROS* to satisfy the claims of the Insured.

If the parties do not submit to the arbitration of CONDUSEF, or whoever it proposes, the rights of the claimant will be left safe so that they can be asserted before the competent Judge in the domicile of said delegations. In any case, it is up to the claimant to go before those instances or directly before the Judge.

HDI SEGUROS Customer Service: (UNE Unidad Especializada de atención al Usuario).

Blvd. San Juan Bosco #5003, colonia Rancho Seco, C.P. 37669, León, Guanajuato, México. For any doubt or for consulting about this insurance Policy, please call 477 740 2827 or email une@hdi.com.mx.

National Commission for Protection and Defense of Users of Financial Services.

Av. Insurgentes Sur No. 762, Col. Del Valle, Ciudad de México.

e-mail: asesoria@condusef.gob.mx.

phone: 55 5340 0999 and 800 999 8080, www.condusef.gob.mx

CLAUSE 21. SUBROGATION OF RIGHTS AND CLAIMS

HDI SEGUROS will be subrogated up to the amount paid in the rights of the Insured, as well as in their corresponding legal actions against those responsible for the loss. If *HDI SEGUROS* requests it, at its expense, the subrogation will be by notary. **If subrogation is prevented due to acts or omissions of the Insured, *HDI SEGUROS* will be released from its obligations.** If the damage is compensated totally or partial, the Insured and *HDI SEGUROS* will assert their rights in the corresponding proportion.

The subrogation will not apply if the Insured has a marital or kinship relationship by consanguinity or affinity up to the second degree with the person who caused the damage, or if the Insured is civilly responsible for said person.

CLAUSE 22. EARLY TERMINATION OF CONTRACT

Notwithstanding the validity term of the contract, the parties agree that it may be terminated early, by written notification.

When the Insured terminates it, *HDI SEGUROS* will be entitled to the premium that corresponds to the time during which the insurance has been in force, plus the issuance costs.

When *HDI SEGUROS* terminates the contract, it will do so by written notification to the Insured, and the termination will take effect 15 days after receipt of the respective notification. In this case, *HDI SEGUROS* will return to the Insured the premium corresponding to the time during which the insurance was not in force, less the issuance costs, and will do so no later than when said notification is made, without which requirement it will be considered not made.

CLAUSE 23. FRAUD OR BAD FAITH

The obligations of *HDI SEGUROS* will cease:

1. If the Insured, the Beneficiary or their representatives conceal or inaccurately declare facts that would exclude or could restrict said obligations, or if they try to make *HDI SEGUROS* fall into error.
2. If it is demonstrated that the Insured, the Beneficiary or their representatives try to cause *HDI SEGUROS* to make an error by not providing them in a timely manner with the information requested about the claim and by which its occurrence and its consequences can be determined.
3. If there is fraud or bad faith in the loss or in the claim of the Insured, the Beneficiary, his assignees, or his respective attorneys.

CLAUSE 24. COMMUNICATIONS

Any statement or communication related to this contract must be sent to *HDI SEGUROS* in writing, precisely to its address, which is indicated in the Policy.

In all cases in which the address of the *HDI SEGUROS* offices is different from that stated in the Policy, *HDI SEGUROS* must notify the Insured, for all information and notices that must be sent to *HDI SEGUROS* and for any other legal effect.

The requirements and communications that *HDI SEGUROS* must make to the Insured or their assignees will be valid if they are made at the last address known to *HDI SEGUROS*.

CLAUSE 25. GEOGRAPHICAL LIMIT

The Policy has been contracted in accordance with Mexican laws and to cover damages that occur within the territory México.

CLAUSE 26. CURRENCY

All values indicated in the Policy, including insured sums and premiums, will be denominated in the currency specified in the Policy. However, all payments under this Policy will be made in national currency in accordance with the Monetary Law in force in Mexico on the date of payment.

CLAUSE 27. STATUTE OF LIMITATIONS

All actions arising from this Insurance Contract are subject to a statute of limitations of 2 years, in accordance with the terms **Article 81** of the Insurance Contract Law, from the date of the event, except in cases mentioned in **Article 82** of said law.

The period referred to in the previous paragraph will not run in the event of omission, false or inaccurate statements about the risk incurred, but from the day on which *HDI SEGUROS* has become aware of it. And if it is about the occurrence of the incident, from the day on which it becomes known to the interested parties, who must demonstrate that until then they were unaware of said occurrence.

In the case of Third-party beneficiaries, it will also be necessary for them to be aware of the right established in their favor.

The statute of limitations will be interrupted not only for ordinary causes, but also for the presentation of claims to CONDUSEF or the Specialized User Assistance Unit of *HDI SEGUROS* until the procedure is concluded, in accordance with the provisions of Articles 50 Bis and 66 of the Law for Protection and Defense of Users of Financial Services.

CLAUSE 28. INTEREST PAYMENT FOR DELAYED COMPENSATION

If the Insured complied with delivering all the documents and information required for their claim and *HDI SEGUROS* does not comply with the obligation to compensate within 30 days following the date on which it received them, in terms of **Article 71** of the Insurance Contract Law, it will be conventionally obliged to pay the Insured, the affected Third-party, or its beneficiaries, compensation for late payment, in accordance with **Article 276** of the Insurance and Bonding Institutions Law.

CLAUSE 29. BROKER INFORMATION

During the validity of the Policy, the Contracting Party may request in writing from *HDI SEGUROS* to inform them of the percentage of the premium that by way of commission or direct compensation, corresponds to the intermediary or legal entity for its intervention in the execution of this contract.

HDI SEGUROS will provide such information, in writing or by electronic means, within a period that will not exceed 10 business days following the date of receipt of the request.

CLAUSE 30. ACCEPTANCE OF THE CONTRACT AND MODIFICATIONS. ARTICLES 19 AND 25 OF THE INSURANCE CONTRACT LAW

If the contents of the Policy or its amendments do not match the quote, the Insured may request the applicable rectification within 30 days following the day on which the Policy is received. Once this period has expired, the stipulations of the Policy or its amendments shall be deemed to be accepted.

In terms of **Article 19** of the Insurance Contract Law, any modification to this Contract must be recorded in writing and with prior agreement between the parties. If modifications to the Contract are requested from *HDI SEGUROS* through an intermediary authorized by it, the request must include the explicit authorization of the Insured. In any case, the modifications made to these general conditions will be previously registered with the National Insurance and Bonding Commission.

CLAUSE 31. SALVAGES

The parties agree that if any of the insured property are declared a total loss, *HDI SEGUROS* will indemnify the Insured in accordance with the provisions of these general conditions and the Policy. Therefore, in the event of salvage, the amount corresponding to the acquisition cost of the property will be determined by expert appraisal or by the loss analysis by *HDI SEGUROS* in accordance with **Article 116** of the Insurance Contract Law.

The expert appraisal or loss analysis referred to in the preceding paragraph shall include both the elements of the loss estimate or the amount of damage, as well as the acquisition value of the salvage, and shall use market references for such valuation.

The sum of the compensation and the salvage payment, from which the Deductible must be deducted, may not exceed the insured amount stated in the Policy.

Under **Article 111** of the Insurance Contract Law, upon payment of compensation to the Insured, *HDI SEGUROS* shall be subrogated, up to the amount paid, in all rights and actions against Third parties that correspond to the Insured due to the damage suffered. Furthermore, if the damaged property is recovered, it shall be considered the property of *HDI SEGUROS*.

CLAUSE 32. VALIDITY

The validity of the insurance begins and ends at 12:00 (noon) on the dates specified in the Policy. Unless otherwise agreed, the Policy will be valid for one year. However, it may be contracted for a term of less than one year. In all cases the validity will be indicated in the Policy.

CLAUSE 33. TEMPORALITY OF COVERAGES

With respect to the risks covered by the Policy and individual losses arising from a single event, the time periods will be considered as follows:

- a) 96 consecutive hours in the event of hail, tornado, or hurricane due to atmospheric disturbances normally designated by the National Meteorological Service.
- b) 72 consecutive hours in the event of an earthquake and volcanic eruption.
- c) 168 consecutive hours in connection with strikes, riots, malicious acts, bad faith of Third parties occurring within the limits of a city, town, or neighborhood.
- d) 168 consecutive hours in connection with all other risks.
- e) 168 consecutive hours for losses arising from a combination of risks caused by a single event.

HDI SEGUROS may choose the date and time at which said period of consecutive hours begins, provided that no period begins before the date and time of the first recorded individual recoverable loss for this event.

If the event is longer than the aforementioned period, it will be divided and considered as the occurrence of two events, as follows:

- The period for the first loss event must begin on the date and time of the first individual loss.
- Two periods may not overlap.

CLAUSE 34. BENEFITS FOR THE INSURED

In accordance with **Article 65** of the Insurance Contract Law, if during the term of the Policy, *HDI SEGUROS* amends the registered general conditions of the Policy to offer new and improved coverage, the Insured will have the right to request that they be added to their Policy. In case *HDI SEGUROS* offers improved coverages with additional premium, the Insured will be obliged to pay the premium to receive said coverage. The coverage will apply from the date it was requested.

CLAUSE 35. OTHER INSURANCE

If the Insured or whoever represents their interests take out other insurance during the term of this Policy that covers the same property or people for the same risks covered here, they will have the obligation to immediately notify *HDI SEGUROS*, by means of written notice, indicating the name of the insurers and the contracted insured amounts.

If the Insured intentionally omits said notice or if they take out various insurance policies to obtain an illicit benefit, *HDI SEGUROS* will be released from its obligations.

CLAUSE 36. LANGUAGE

The Spanish version of the printed or written conditions prevails in case of legal interpretation. If an English version of the conditions is delivered, it is considered a courtesy translation.

CLAUSE 37. DELIVERY OF CONTRACTUAL DOCUMENTATION

In the event that this insurance has been contracted through a service provider referred to in Articles 102, first paragraph and 103, sections I and II of the Insurance and Bonding Institutions Law, whose premium collection is made charged to a credit card or bank account, *HDI SEGUROS* is obliged to deliver to the Insured the documents

that record the rights and obligations of the insurance, through one of the following means:

1. Personally, at the time of contracting the insurance, in which case the Insured will sign the corresponding acknowledgment of receipt.
2. Home delivery by means that *HDI SEGUROS* uses for this purpose, and confirmation of their shipment must be obtained.
3. Through the Insured's email, in which case they must provide *HDI SEGUROS* with email address to which they must send the respective documentation.

HDI SEGUROS will record the delivery of the aforementioned documents in the case indicated in paragraph **1**, and in the cases of paragraphs **2** and **3**, it will record that it used the means indicated for the delivery of the documents.

If the Insured does not receive the documents referred to in this clause within 30 calendar days after having contracted the insurance, they must inform *HDI SEGUROS* by calling: 800 0000 434 (calling from Mexico); so that, at the Insured's option, *HDI SEGUROS* can send them the documentation containing the rights and obligations of the insurance, by email.

By way of example, but not limitation, the account statement, receipt, folio or confirmation number of the transaction, where the bank charge appears, will provide full proof of the date and time of the premium payment, until *HDI SEGUROS* Provide the corresponding proof of payment.

To cancel this Policy or request that it not be renewed, the Insured must call: 800 0000 434 (calling from Mexico). *HDI SEGUROS* will issue an attention folio that will be proof that the Policy will not be renewed, or that it was canceled from the moment said folio is issued.

CLAUSE 38. PRIVACY NOTICE

HDI Seguros, S.A. de C.V., located at 5003th, San Juan Bosco Blvd. Rancho Seco, Z.C. 37669, in León Guanajuato, Mexico, will collect your personal data to perform all necessary activities related to provide you with the services that may be or have been contracted in a timely and correct manner related to primary purposes: I) prospecting, subscription, contracting and renewal of insurance policies; II) billing and collection; III) determining driving habits; IV) telematics and telemedicine; V) handling and monitoring of claims; VI) prevention of fraud or crime; VII) creating and managing your online and mobile application service profile; VIII) managing the provision of coverages and/or benefits contracted with health service providers; IX) repair services; X) payment of indemnities and reimbursements; XI) collection of deductibles and recoveries; XII) coinsurance and reinsurance; XIII) statistics; XIV) sale of salvage; and XV) access, control and security within branches or offices; and secondary purposes: a) marketing and market research; b) advertising or commercial prospecting of products, services and promotions not contracted; c) Invitations to participate in contests, recreational activities, or non-profit charitable events promoted by *HDI Seguros*, d) conducting service surveys, and e) risk prevention. The Insured may consult the complete version of this Privacy Notice at www.hdi.com.mx

In case of any questions, you can go to our Customer Service, located at 5003 th. San Juan Bosco Boulevard, Col. Rancho Seco, Z.C. 37669, León, Guanajuato, México, from Monday to Thursday from 9:00 a.m. to 6:00 p.m. and Friday from 9:00 a.m. to 3:30 p.m. telephone number at your disposal: (MX local code) 800 667 3144. www.hdi.com.mx.

Additionally, you can dial to CONDUSEF on phone (MX local code) 55 5448 7000 and 800 999 8080. www.condusef.gob.mx

In compliance with the provisions of Article 202 of the Law of Insurance and Bonding Institutions, the contractual documentation and the technical note that comprise this insurance product were registered with the National Insurance and Bonding Commission on February 26th, 2021, with code PPAQ-S0027-0015-2021 / CONDUSEF-004809-01”.

Did you know that, as a Contracting Party, Insured or Beneficiary of an Insurance Policy, you have the following rights?

When taking out your Policy

- Ask your Agent, Broker, employees or representatives of *HDI SEGUROS* for identification that accredits them as such.
- Know the amount of commission or direct compensation that corresponds to your Agent for the Insurance Contract.
- Receive information that allows you to know the General Conditions of your Insurance Contract, including the real scope of the contracted coverage, how to keep it, as well as the reasons for its termination.

When you make a Claim.

- Receive the payment (if applicable) even if the Insurance Contract premium has not been paid, if the grace period for its payment has not expired, in accordance with the provisions of **Article 40** of the Insurance Contract Law.
- Know that, in the damage insurance, if the affected coverage does not have automatic reinstatement, any compensation that *HDI SEGUROS* pays you reduces the sum insured by the same amount. This can be reinstated upon a written request on your part and accepted by that same means, and you must pay the premium corresponding to said reinstatement.
- Collect compensation for late payment in case of non-timely payment of the insured amount.
- Request the issuance of a technical opinion from *CONDUSEF*, if both you and *HDI SEGUROS* did not submit to arbitration.