

Underwriting Guidelines



Tourist Automobile Policy and Underwriting Guidelines

I. Policy Term and Minimum Premium

1. Minimum premium US \$15.00, plus policy fee.
2. Policies can be written for a minimum of 1 day to a maximum of 1 year.

II. Limits of Coverage and Restrictions.

1. All vehicles should be insured at 100% of their actual cash value (ACV). Please make sure to not over or under insure any vehicle. The values provided by authorized auto value publications are recommended for determining premium calculations (E.g. NADA Guide) In the event of a total loss or theft, the maximum limit of liability for which HDI Seguros may be liable for will be the ACV not to exceed the amount specified on the policy less applicable deductible. If the amount specified on the policy is less than the vehicle's ACV at the time of the accident, the company shall not be liable for higher amounts.
2. For vehicles with a salvage or reconditioned title, in the event of a total loss or theft, the Company will pay up to 50% of the ACV of a similar vehicle without a salvage or reconditioned title, not to exceed the amount specified on the policy, less applicable deductible.
3. Maximum limits of coverage.

Vehicle	Maximum ACV
*** Vehicles must have a minimum ACV of \$3,000 USD to insure for physical damages.	
Automobile, Light trucks, Vans & SUV's	US \$60,000
Automobile, Light trucks, Vans & SUV's with Trailer (Trailer not to exceed US \$100,000)	US \$160,000
Motorhomes	US \$300,000
Motorhomes with trailer (Trailer not to exceed US \$100,000)	US \$400,000
Motorcycles	US \$30,000

- Deductibles apply to each unit insured (Separate deductibles apply to the vehicle, trailer and boat).
4. Available coverage^^

	1		3		5	7	8
	-		&	-	-		-
	P	2	4	-	-		R
	h	-	-	M	L		o
	y	T	L	e	e		a
	s	h	i	d	g		d
	i	e	a	.	a		s
	c						
	a						
	l						

Underwriting Guidelines

	D a m a g e	f t	b i l i t y	E x p .	A i d	i d e
Autos, Pick Up's Vans & SUV's	✓	✓	✓	✓	✓	✓
Motorhomes *	✓	✓	✓	✓	✓	✓
Motorcycles	✓	✓	✓		✓	
Tractor Trailers**			✓		✓	
Buses^			✓		✓	
Trailer Only	✓	✓	✓		✓	
Box Trucks	✓	✓	✓	✓	✓	✓

^^ No roadside assistance for vehicles over 15 years old.

* Motorhomes - Towing expenses are on a reimbursement basis only with a maximum of \$250.00 USD per event.

** Tractor Trailers – These vehicles have a fixed deductible of \$100.00 USD on Liability Coverage.

^ Buses – Drivers must present a valid Class B or C Commercial Drivers License. Receipt or proof of the most recent inspection of brakes and brake change is also required.

III. Eligibility and Coverage

1. Proof of comprehensive/collision coverage insurance in the US or Canada is required to provide physical damage and theft coverage on all policies, unless previously approved by HDI Seguros. Exceptions to the above rule must be cleared with HDI Seguros.
2. Domestic insurance policy number and carrier should be noted on the face of the policy.
3. Require vehicle inspection when in doubt. Remember losses affect your loss ratio and your profit sharing. It is a good idea to inspect all local phone orders unless it is a regular customer.
4. Clients must be advised that in the event of an accident the adjuster and/or Mexican Authorities will request a valid US or Canadian driver's license. If a license is not provided, coverage will be void.
5. In order to present a claim on risks covered under sections 1 & 2 (Physical Damage and Theft), the vehicle must have been legally imported into Mexico. Original documentation will be requested in case of a loss.
6. Classic, collectible, exotic, "Hot Rods" and vehicles modified for competition are not eligible for PD/Theft coverage.
7. Conversion vehicles may be insured if the conversion has been made by an authorized dealer or professional shop. In this case, the insured must present an invoice or written proof of job showing the total cost of the conversion in order to consider it into the insured amount.
8. Emergency vehicles are not eligible for insurance.
9. Any vehicle older than 15 years cannot be insured for risks covered under sections 1, 2 or 8 (Physical Damage, Theft, and Road Assistance) unless it is previously approved by HDI Seguros.

Underwriting Guidelines

10. Buses, motorcycles, or sand tubular (or similar) cannot be insured for risks covered under section 5 (Medical expenses for Occupants) and section 8 (Road Assistance).
11. Leased vehicles should show the lienholder's name as the first named insured. In the event of a claim, the insured is obligated to present the company with a released title, otherwise the Company has the right to issue payment in favor of the lienholder.
12. Rented vehicles may be insured with the express written authorization of the rental company.

IV. Reduction and Reinstatement of the Insured Amounts.

1. All claims will automatically reduce the insured amount for which the company is liable. There is no automatic reinstatement of insured amounts. It is client's responsibility to contact the agent to reinstate the policy limits.

V. Refunds.

1. There will be no refunds on policies less than 30 days.
2. Refunds will be calculated according to premium earned on the actual number of days used. Earned premiums are calculated by multiplying the original daily premium times the number of days used and applying the corresponding short-term discount. The amount resulting from deducting this premium from the original net premium will be refunded. If the earned premium is greater than the original premium collected, no refund is due. (Program will calculate the refund).
3. Policy fees are non-refundable.

VI. Endorsements

1. Endorsements can be issued for a policy as follows: Correcting insured's name, address, phone number, email address, driver license number and state of license, Lienholder's name, Domestic insurance company & policy number, vehicle make, model, VIN # and license plates. If the policy has not started, the policy can also be endorsed for the time and time zone. The face of the policy will stay the same concerning the amounts of coverage.
2. If a customer has already purchased a policy and decides to take another vehicle instead, please cancel the previous policy and issue a new policy for the new vehicle. The program will allow you change the vehicle information, but it is preferred that you issue a new policy.

VII. Claims and Deductibles

1. In the event that a customer reports a loss directly to the agent, the agent should make sure the customer has first reported the claim directly to HDI Seguros: from Mexico 01-800-019-6000 or from the U.S. 1-888-212-7642 **before leaving Mexico** refer the customer to HDI Seguros Claim department. The agent at no time should accept or deny liability for any coverage or claim.
2. If the customer has reported the claim in Mexico and has already returned to the U.S., have them contact International Claims Service: 1-888-212-7642.

Underwriting Guidelines

3. Applicable deductibles are 2% for Physical Damage with a minimum of \$500.00 USD and 5% for Total Theft with a minimum of \$1,000.00 USD.
4. For Vehicles with an ACV of \$40,000.00 USD or higher, applicable deductibles are 5% for Physical Damage, and 10% for theft.
5. Upon request, fixed deductibles of \$500 USD for Physical Damage and \$1,000 USD for Theft are available for an additional premium.
6. Separate deductibles apply to each unit: auto, trailer, boat, etc will each have their own deductible.

VIII. Binding Authority and Limits of Liability

1. In all cases, agents are only authorized to subscribe risks in accordance to these underwriting guidelines. In doubt, the agent must contact HDI Seguros for clarification.
2. The Combined Single Limit of liability options are: US \$50,000, US \$60,000, US \$70,000, US \$80,000, US \$90,000, US \$100,000, US \$150,000, US \$300,000 and US \$500,000
3. The maximum limit the Company will be liable for is US \$600,000 for a single policy. The sum of all insured limits and values must not exceed this amount.

IX. RV's, Trailers and Boats

1. RV's, Trailers and vehicles transported on them (boats, motorcycles, campers, off road vehicles, etc.) will be covered only if they are included and described in the policy and on the trailer. Coverage will be valid when attached or unattached from the vehicle
2. The primary vehicle and trailer must be insured for the same risks and the same period of time unless separate policies are issued. Separate policies must be issued if one is to be insured for physical damage/theft coverage and one is to be insured for liability only.
3. Vehicles transported on a trailer or pulled (insured as a trailer) will be covered only while being pulled by the primary insured vehicle. Separate policies are recommended if more than one vehicle is transported.
4. Boats with motors and other watercraft may be insured while pulled on a trailer for physical damage/theft or liability coverage. They are not covered while in the water nor while loading or unloading. Boat with motor will be considered as one unit and cannot be insured separately. Motor only cannot be insured.
5. Vehicles towing more than one trailer and/or auto are not eligible for coverage. This is a high-risk situation. Do not insure anything over 35 feet long.

X. Pick Ups, Motorhomes and RV's with camper

1. If the insured wants to include the value of the shell or camper to that of the Pick Up or Motorhome, the policy cash value must include the value of the shell or camper and under the vehicle description it must state "With Shell." Policy will not cover personal property. (E.g.: 1999

Underwriting Guidelines

Ford F-150 w/shell).

XI. High Risk Vehicles

1. Deductibles 5% PD & 10% TT
2. Vehicles from 1 to 3 years old, 40% surcharge in section 1 and 2 (PD and TT)
3. Vehicles from 4 to 6 years old, 20% surcharge in section 1 and 2 (PD and TT)
4. For vehicles 7 years or older, do not apply surcharge

XII. Luxury Vehicles

1. 20% surcharge on all specified vehicles
2. See list for included vehicles

XIII. Buses

1. CSL \$100,000 USD Only
2. Minimum 4 days and maximum 30 days
3. No Medical Expenses, No Passenger Liability
4. Legal Aid Included
5. No Roadside Assistance
6. No Commercial Lines

XIV. Named Drivers License Policy

1. Annual policy only
2. US \$50,000, \$70,000 or \$100,000 Combined Single Limit
3. Medical Expenses US \$2,000 /\$10,000 or \$5,000 /\$25,000
4. Legal Aid Included
5. No roadside assistance
6. No endorsements, no cancellations, no refunds
7. One driver per policy
8. Policy will not be valid if driving a Mexican plated vehicle
9. No Mexican Driver License
10. Autos, Pick up's , van's, SUV, or Luxury vehicles only
11. No High Risk , No Motorhomes, No Motorcycles

XV. Tractor Trailer Liability Policy

1. Annual policy only.
2. US \$ 90,000 Combined Single Limit
3. Medical Expenses US \$ 2,000 / \$ 6,000
4. Legal Aid Included

Underwriting Guidelines

5. No Physical Damage and Total Theft Coverage
6. No roadside assistance
7. No endorsements, no cancellations, no refunds
8. Only one trailer per policy
9. **Coverage valid up to 150 Km (93 miles) from the US – Mexico International Border**
10. Contents are not covered
11. Only tractor trailers with US Plates
12. Trailers from 1 to 22 tons only
13. Ecological liability excluded

Excluded vehicles:

- Towing Vehicles
- Emergency vehicles like: ambulances, police, etc
- Motorhomes and RV's
- Passenger buses
- Trailers transporting hazardous material

XVI. Premier Endorsement

1. US \$ 150,000 or \$300,000 Combined Single Limit
2. Medical Expenses from US \$ 5,000 / \$25,000
3. Fixed deductibles: \$500.00 for Vandalism and \$1,000.00 for Partial theft
4. Motorhomes and RV's are excluded
5. Accessories that are not permanently attached are excluded

XIV. Box Truck Coverage

1. Physical Damage and Total Theft maximum ACV \$ 100,000
2. Medical Expenses up to 3 persons
3. No premier package available
4. No commercial vehicles
5. Truck up to 3.5 tons*
6. Contents and cargo will not be covered
7. Deductibles: 5% for Physical Damage and 10% for Total Theft

* For vehicles above this weight please contact to HDI Seguros for authorization.

Vehicles List

<u>Make</u>	<u>Model(s)</u>	<u>Type of Vehicle</u>
AC	All	Liability Only*
Acura	MDX / NSX	High Risk
Alfa Romeo	All	Liability Only*
Alvis	All	Liability Only*
Aston Martin	All	Liability Only*
Audi	All	High Risk

Underwriting Guidelines

Austin Healey	All	Liability Only*
Bentley	All	Liability Only*
Bitter	All	Liability Only*
BMW	All	High Risk
Bugatti	All	Liability Only*
Cadillac	All	High Risk
Daihatsu	All	Liability Only*
Delorean	All	Liability Only*
Detomaso	All	Liability Only*
Excalibur	All	Liability Only*
Ferrari	All	Liability Only*
Fiat	All	Liability Only*
Ford	Mustang Hard Top	Luxury
	Excursion	High Risk
Hummer	All	High Risk
Infiniti	All	Luxury
Iso Rivolta	All	Liability Only*
Jaguar	All	High Risk
Jeep	Wrangler Hard & Soft Top	High Risk
Jensen Healey	All	Liability Only*
Lamborghini	All	Liability Only*
Land Rover	All	High Risk
Lexus	All	High Risk
Lincoln	All	High Risk
Lotus	All	Liability Only*
Maserati	All	Liability Only*
McLaren	All	Liability Only*
Mercedes Benz	All	High Risk
M.G.	All	Liability Only*
Mitsubishi	Eclipse	Luxury
Morgan	All	Liability Only*
Panther	All	Liability Only*
Porsche	All	Liability Only*
Rolls Royce	All	Liability Only*
Rover	All	Liability Only*
Saab	All	High Risk
Subaru	Impreza	Luxury
Triumph	All	Liability Only*
TVR	All	Liability Only*
Vector	All	Liability Only*
Volvo	All	High Risk

All Convertibles are considered as High Risk vehicles

Vehicles valued at more than \$60,000 are not eligible for extended coverage and can only be insured with Liability coverage.

Underwriting Guidelines

