

LIABILITY INSURANCE

Particular Conditions for Hotel Operations (Innkeepers Liability)

A. Basic Coverage

Premises and Operations

Insured herein, within the scope of the conditions of this Policy, is the civil liability incurred by the Insured for damages caused to third parties derived from the activities inherent to the hotel industry as stipulated in the Policy face and/or schedule. For example, coverage is extended to:

1. **Real Property.** As owner or tenant of land, buildings or premises, used to carry out the work(s) in the insured business as stipulated.
Additional coverage for "Tenants Liability" must be contracted in order to insure the tenants' liability that the Insured may incur for damages to any real property held on lease, either in whole or in part.
2. **Facilities:** As owner, tenant or user of the facilities on the premises, buildings or premises stipulated, such as:
 - furniture and ornamental objects
 - kitchens, cafeterias, restaurants, bars, nightclubs, recreational rooms, game rooms and similar areas
 - sanitary installations, electrical installations, television and radio antennas, elevators and freight lifts
 - security installations (fire fighting services, guard dogs, alarm systems and the like)
 - pools, bathrooms, sports facilities, parks and gardens
 - combustible fuel receptacles and installations for artificial climates
 - automobile parking lots or garages. To insure damages to vehicles property of third parties but in the custody of the Insured, additional coverage is required for "Civil Liability of Automobile Parking Lots or Garages." (**Garage keepers Liability**)
 - advertising facilities (signs, publicity posters and others) within or outside the buildings, that are not damaged as a consequence of an unforeseen action or force majeure.
 - health facilities, as well as the apparatus or other installations recognized by medical science, should a medical facility be available for guests.
3. **Food Services:** Liability incurred due to supplying food and drinks within and without the premises of the Insured (such as banquets, and other "home delivery" services).
4. **Supplementary Services:** Liability incurred when providing guests or clients with supplementary services, such as:
 - a. bar
 - b. restaurant

- c. nightclub
- d. hairdresser
- e. valet
- f. sauna or steam baths
- g. boutiques
- h. indoor games
- i. non-motor vehicles
- j. domestic animals

Always and when these services mentioned above are not carried out when their operation(s) are either under sub-contract or concession by the hotel.

5. **Civil Liability of Hotel Personnel.** Furthermore, coverage is provided pursuant to the conditions of this policy against the personal liability to third parties incurred by the Insured's employees and workers during the performance of the activities that are the subject matter of this insurance. Liability of individuals who have no working relationship with the Insured is excluded from this coverage.

The employees and workers of the Insured will at no time be considered as third parties for the effects of this insurance coverage.

B. Additional Coverage's

By express agreement between the Insured and the Company and by after the payment of the additional corresponding premium, coverage is provided for the following liabilities:

I. Checkroom

- failure to return, due to confusion of items, robbery or damage to the items of clothing belonging to guests or clients who have turned over to the care of the permanent checkroom facilities, when said facilities are guarded and accessible only to authorized personnel.
- The limits of liability for each event and the policy term are indicated on the Policy Schedule.
- Liability is excluded under this coverage for the following:
- failure to return money, valuables or other property that were left in the items of clothing checked in
- when the client or guest has lost the check ticket stub or countersign issued by the Checkroom, and there is no other way to prove the deposit of items of clothing

II. Laundry and Pressing Services

- failure to return, confusion of items, robbery or damage to the items of clothing belonging to guests or clients who have turned over to the care of the laundry and pressing facilities said items and received a written voucher.

- The limits of liability for each event and for the policy term are indicated on the Policy schedule.
- Liability is excluded for any failure to return money, valuables or other property that are left inside the items of clothing given to the laundry and pressing services.

III. Luggage and Personal Effects of Hotel Guests

- damage to or robbery of items of luggage and personal effects brought into the hotel premises by guests, their family members and companions (excepting the animals and motorized vehicles, their accessories or the contents therein) unless the damage be proved to be imputable to the Insured, his companions or his servants or to visitors of the Insured, or where such losses are caused by accident, force majeure, or inherent vice of the articles damaged. Also included in this coverage is the luggage and personal effects received in custody at the hotel reception area, or at the concierge's station, always and when said areas are guarded and accessible only to authorized personnel.
- The limits of liability for each event and the policy term are indicated on the Policy Schedule.
- Excluded herein are any liabilities incurred due to damages to or robbery of cash, valuables, jewelry, high-value objects, manuscripts, plans, designs, documents, promissory notes or objects whose value is only estimated.
- In case of robbery, the maximum limit of liability incurred by the Company will be established based on the value indicated on the original invoices, should these exist. In case the items stolen are depreciable, as for example clothing, the indemnity will be based on the original value minus the depreciation amount, without exceeding the limit established on the Policy schedule.

IV. Receipt of Money and/or Valuables

- for reception or custody services for money, valuables, jewelry, or high cost items, handed over by guests, always and when the items stipulated are stored in safes found within the premises occupied by the hotel and accessible only to authorized employees and liability will only be in effect when the loss is as a consequence of robbery involving burglary and/or assault, fire or explosion.
The limits of liability for each event and for the policy term are indicated on the Policy schedule.

Excluded herein are any liabilities incurred due to damages or robbery of manuscripts, plans, designs, documents, promissory notes, or objects whose value is purely estimated.

In case of robbery, the maximum limit of liability incurred by the Company will be established based on the value indicated on the original invoices, should

these exist. In case the items stolen are depreciable, the indemnity will be based on the original value minus the depreciation amount, without exceeding the limit established on the Policy schedule.

V. Loading and unloading operations

Coverage is provided against the civil liability incurred by the Insured derived from damages caused to land vehicles not property of the Insured during operations of loading and unloading carried out by cranes, derricks or hoists. Coverage is also provided against damage to tanks, cisterns or containers as a consequence of implosion during unloading operations.

VI. Tenant Civil Liability (Fire Legal)

Coverage is provided herein for civil liability incurred by the Insured for damages caused by fire or explosion to any property (ies) stipulated in the Policy face and/or schedule when said property (ies) have been leased by the Insured for purposes inherent to the activities subject matter of the present Policy, always and when said damages are imputable to the Insured.

VII. Assumed Liability

The liability incurred by the Insured is covered, whenever indicated in the schedule of the policy, when he assumes liability of others, by agreement or contract, binding himself to the substitution of the original obligor to repair or indemnify eventual or future third party bodily injury or property damages.

It is a basic condition for this coverage to become effective that the Company states in writing which agreements and contracts are insured hereunder; consequently, the Insured must provide the Company with true copies of the agreements and contracts that are to be insured so that the Company may determine whether or not to accept the risk and provide the corresponding evidence of insurance.

This coverage is not to be construed as a guarantee in favor of the original obligor and, therefore, it may not be considered as a bond, pledge, appraisal or any other guarantee, either personal or real, for the non-compliance of the contracts or agreements entered into by the original obligor.

The list of contracts or agreements, subject of this insurance, is indicated in the Policy schedule.

VIII. Independent Contractors Liability Insurance

This insurance covers the liability incurred by the Insured for damages to third parties, when said Insured (as owner of any construction work being carried out by independent contractors) effects inspection work, control of work in progress or receiving of completed work. In this same way, covered herein is the liability incurred by the Insured due to a contract or agreement wherein the substitution of the original contractor as obligor is stipulated, and the contractor would be

held liable for the repairing of future or unexpected unintentional damages caused to third parties, either as bodily injuries or property damage, for which damages the contractor would have been liable as original obligor.

It is a basic condition for this coverage to become effective that the Insured must provide the Company with true copies of the agreements and contracts that are to be insured so that the Company may determine whether or not to accept the risk and provide the corresponding evidence of insurance.

This coverage is not to be construed as a guarantee in favor of the independent contractor as original obligor and, therefore, it may not be considered as a bond, pledge, appraisal or any other guarantee, either personal or real, for the non-compliance of the contracts or agreements entered into by the independent contractor.

The listing of contracts or agreements subject matter of this insurance is attached to the policy schedule.

IX. Cross Civil Liability

Covered under the present extra contractual civil liability wherein the Insured, or one of the named insured's in this Policy, incurs said liability towards another Insured due to damages caused exclusively to the property of said Insured due to unintentional actions or omissions consequential to the activities subject matter of the present Policy.

Due to the foregoing, for purposes of this condition, the Insured's named in the Policy will be considered as third parties between each others, as if there existed a policy for each one of them.

LIABILITY INSURANCE

Particular Conditions on Parking Lots (Garage Keepers Liability)

Covered herein is the liability incurred by the Insured for damage to vehicles property of third parties, when said vehicles are found in the custody of, under the control or responsibility of the Insured as a consequence of the activities usual and incidental to "Parking lots or Garages" and said vehicles are to be found within the premises or areas occupies by said Insured located in the business domicile indicated on the Policy schedule.

A) When the parking lot employs valets, coverage will be provided for third party vehicles against damages caused by:

- Fire and/or explosion at the insured premises,
- Total theft of the vehicle,
- Collision or upset while the vehicles are being maneuvered within the parking lot and only when the parking lot attendant holds a valid driver's license issued by a competent authority, unless gross negligence, unskillfulness or negligence in the occurrence of loss cannot be attributed to the driver. For the effects of this policy, a driving permit shall be considered as a driving license.
- The use of any elevator or ramp.

Also covered herein are the damages to vehicles against the same risks while said vehicles are being transported from or to the parking lot within a radius of action of 500 meters, always and when said vehicle is to be found at said distance or a lesser distance from the hotel premises.

B) When the parking lot operates without valet parking (self-service), coverage will only be provided for damages incurred by vehicles property of third parties when said damages are caused by:

- Fire and/or explosion at the insured premises,
- Total theft of the vehicle,
- The use of any elevator or ramp.

In the event of total loss or theft, the maximum liability of the Company shall be established as per the "Commercial Market Value" of the automobile on the date of theft or loss, not exceeding the sublimit per automobile as established on the policy schedule.

Commercial market value shall mean the vehicle sales value to the public in the Mexican Automobile Market, based on the average established, among other sources, in the Guías EBC and A.M.I.S. (Asociación Mexicana de Instituciones de Seguros - Mexican Association of Insurance Institutions), in force at the time

of loss; and with respect to border vehicles, the commercial value shall be the market value of the vehicle in the country of origin in force at the time loss occurs, in accordance with various guides, among others, the publication known as the "Kelly Blue Book".

It is hereby understood and agreed that this coverage only operates:

- A) When the Insured has a strict control of entries and exits of vehicles, by means of the respective ticket or receipt.
- B) When the parking lot is duly fenced.

As the premium of this coverage has been determined based on the maximum parking capacity of the insured parking lot or garage declared by the Insured, it is hereby understood that if it is proven that, upon the occurrence of a loss, the parking capacity is greater than that declared, the Company shall indemnify the damage in the same proportion existing between the maximum capacity declared and the real capacity of the parking lot or garage.

- A) The limits of liability per vehicle and during the Policy term are indicated in the Policy schedule.
- B) It is understood and agreed that this coverage, in addition to the exclusions established in Clause 4th. of these conditions, shall in no event cover or refer to claims and/or liability for:
 - Damage caused by or to vehicles, property of the Insured or any employee and worker of the hotel or the parking lot.
Damage sustained by the vehicles that the Insured has under his care, custody or on consignment, but designated for sale.
 - Damage sustained by the vehicles when driven by the Insured or his workers with no license to drive the vehicle issued by the competent authorities, unless gross negligence, unskillfulness or negligence in the occurrence of loss cannot be attributed to the driver. For the effects of this policy, a driving permit shall be considered as a driving license.
 - Loss or damage to merchandise, money, clothing, personal effects, tools, spare parts or any other object in the interior of the vehicle, even when as a consequence of total theft or even though they have been delivered to the Insured or his employees.
 - Partial theft of any component part of the vehicle, such as tires, rear lights, moldings, emblems, bumpers, sound equipment, etc.
 - Damage sustained by the vehicles due to additional services rendered by the parking lot personnel, such as washing, waxing, etc., and due to products used to carry out such types of work.
 - Due to damage caused to vehicles or by vehicles to other persons or property off the premises or area occupied by the parking lot, or when

the case presents itself, when said vehicle(s) are outside the radius of action established above.

- Any expense originated from the privation of the use of the vehicles that have been damaged or stolen.
- Any damages, robbery or loss of vehicle(s) due to abuse of confidence by the Insured's personnel.
- Damage caused to tires and inner tubes due to blowout, puncture or deflation.
- Damage to or theft of motorcycles, motor scooters or the similar.
- Notwithstanding that established in Clause 4th., Item c) of these conditions, such exclusion shall not be in effect with respect to the contract of parking or garaging service entered into between the Insured and the owner of the automobile, the non-compliance of which shall be covered under this insurance in the terms established herein, and if such non-compliance results in death or impairment of health of third parties, coverage shall also be provided.

The coverage's, limits, sublimits and deductibles considered as those contracted herein will be those indicated in the Policy schedule

Liabilities Not Covered Under this Insurance Contract

It is understood and agreed that this insurance will under no circumstances cover, nor does it refer to the following claims and/or liabilities:

- a) For damages suffered as a consequence of activities carried out in the pool, beach or in the sea, when said activities are not organized by authorized hotel personnel.
- b) For damages suffered as a consequence of an earthquake and/or volcanic eruption or as a consequence of the penetration of rain water, flooding or any other event caused by force majeure.
- c) For damages suffered as a consequence of non-compliance with contracts or agreements, when said non-compliance has not caused the death or impairment of the health of third parties or the deterioration or destruction of the property of said third parties.
- d) Liability for substitution in furnishing services, that is incurred due to a breach of contract or agreement
- e) Derived from the use, ownership or possession of motorized vessels, aircraft and land vehicles, unless these last vehicles are destined for their exclusive use within the fixed property of the Insured and do not require license plates for their usage in public places.
- f) Derived from damages originating from malicious actions or actions carried out in bad faith on the part of the Insured, or actions caused due to serious negligence on the part of the victim.

- g) Derived from damages suffered by counselors, directors, partners, administrators, managers or other individuals whose function is directing operations within the activities that are subject matter of this insurance.
- h) For damages suffered as a consequence of war, or other acts of aggression, revolution, rebellion, mutinies, strikes, riots or damages originated under the demands of authorities, be said authorities legal or de facto.
- i) For damages caused to third parties due to environmental contamination or any other variations of the same that harm the waters, atmosphere, ground surface or subsurface, or noise contamination.
- j) For damages caused due to lack of consistency of, sinking, or settling of the ground surface or subsurface.
- k) For damages caused due to lack of or insufficiency of consolidation works to avoid loss of support that is necessary for ground surface or subsurface of adjacent properties.
- l) For damages that can be imputed to the Insured under stipulations in the Federal Employment Law, the Social Security Law or any other complimentary stipulation(s) to said laws.
- m) For professional liabilities.

Deductible

In each loss incurred that affects the basic coverage according to Clause 3, Item A) or also affects some of the other additional coverage's included according to the stipulations in Clause 3, Item B), the Insured will always be responsible for an amount defined as the Deductible which will be established in the Policy schedule.

IMPORTANT NOTE:

This is only a sample courtesy translation of a policy form in Mexico. This sample should only be used for informational purposes, as it does not represent or constitute the actual terms & conditions of a given policy. Insurance companies in Mexico may use a modified or amended version of this coverage depending on a particular risk or Insured. For legal interpretation of this coverage, as well as the territory jurisdiction, please refer to the original Spanish version of the policy in the country of Mexico.