

GENERAL CONDITIONS OF INSURANCE

PRELIMINARY ARTICLE

This insurance contract is governed by the terms stated in the General, Special and Specific Conditions of this policy. The terms restricting the rights of policy-holders and/or insured are not valid unless they are expressly accepted by them, in an agreement additional to the Specific Terms; said acceptance is not necessary for transcriptions of references to legal provisions.

.- Applicable law suggested by the Insurer.-

Act on the Insurance Contracts, 50/1980, dated 8th of October.

Act 30/1995, dated 8th of November, on Planning and Supervision of Private Insurances, for the aspects not amended by Order in Council 6/2004, dated 29th of October.

Decree 7/2001, dated 12th of January, passing the Rules on Civil Liability and Insurances in the Traffic of Vehicles.

Decree 2486/1998, dated 20th of November, passing the Rules of Planning and Supervision of Private Insurances, and decrees amending it (297/2004, 1361/2007, 239/2007).

Consolidation Act on Planning and Supervision of Private Insurances, passed by Order in Council 6/2004, dated 29th of October and, Act on Civil Liability and Insurances in the Traffic of Vehicles, passed by Order in Council 8/2004, dated 29th of October, modified by Act 21/2007, dated 11th of July.

Regulations of the Consorcio de Compensación de Seguros, passed by Order in Council 7/2004, dated 29th of October, and amended by Act 12/2006; Decree 300/2004, dated 20th of February, passing the Rules of extraordinary risk insurance, amended by Decree 1265/2006, dated 8th of November and complementary provisions.

Organic Law 15/1999, dated 13th of December, on Data Protection and the rest of Spanish legislation developing and/ or complementing it.

.- Territorial limits of the General Conditions.-

It includes the territory of the European Economic Area and the States signing the Agreement between National Insurer's Bureaux of the Member States of the European Economic Area and other associate States, such as the

Isle of Man and the Channel Islands including travel between ports of any of the mentioned states and embarking and disembarking thereat.

Any Country or state crossed out on the green card certificate is specifically excluded from the territorial limits of the coverage.

.- Claim Procedure.-

The aim of the Insurer is to provide an excellent service between his clients and his intention is the immediate resolution of all the claims filed.

The Insurer, within the scope of the compulsory insurance and charging the relevant amount to the compulsory insurance, shall pay the prejudiced party the amount of the damages or injuries suffered. The prejudiced person or his heirs have at their disposal a direct court action to demand this payment. The Insurer shall only be exempted from this obligation if he proves that the relevant fact does not imply civil liability in accordance with section 1 of the Act on Civil Liability and Insurances in the Traffic of Vehicles. This court action shall expire within one year.

The Insurer cannot argue the existence of excesses against the damaged party.

The damaged party, within the time limit of three months, from the date the event took place, may file a claim before the Insurer. Within three months, from the date of reception of the claim of the prejudiced party, the Insurer shall present a justified offer for compensation if the Insurer deems the liability and the assessment of the damages are correct.

The justified offer shall meet the following requirements:

- a) It shall include a compensation proposal for injuries and damages to property arising from the event. In the case the event causes injuries and also damages, the compensation and valuation shall appear independently.
- b) Damages caused to people shall be estimated in accordance with the standards and amounts stated in the annex to the Road Traffic Act on Civil Liability and Insurances, (Order in Council 8/2004, dated 29th of October).
- c) It shall include a breakdown of the documents, reports or any other information available about the assessment of damages, identifying those used to accurately assess the offered compensation so that the damaged party has enough information to decide whether to accept it or refuse it.
- d) The Insurer shall state in the offer that it is not conditional on the waiver by the damaged party of the exercise of actions in the future in the case the amount received is less than the one that may be granted to him in accordance with the applicable law. The amount offered by the Insurer may be deposited for the payment. This deposit may be arranged in cash, by means of bank guarantee for an unlimited period and payable at the first request issued by the credit institution or reciprocal

guarantee company or any other means that, in the court's opinion, guarantees the immediate availability, if appropriate, of the deposited amount.

.- In the case the Insurer does not present a justified offer for compensation, he shall give an answer meeting the following requirements:

- a) He shall give an answer to the claim stating the reason why he cannot present an offer of compensation (the liability has not been set, the damages could not be assessed or there is another reason why the claim had to be refused, and he shall state that reason).
- b) It shall include a breakdown of the documents, reports or any other information available showing the reasons why the Insurer could not present a justified offer.
- c) It shall state that the damaged party is not requested any express acceptance or refusal, and it does not affect the possible actions they may use to exercise their rights.

.- The Insurer shall guarantee the civil liabilities and pay the indemnities demanded by the court to the alleged insured liable people in accordance with the provisions of the Criminal Procedure Law. The provisional pensions shall be calculated according to the limits stated in the annex of the Road Traffic Act on Civil Liability and Insurances.

.- In order to file a claim to the Insurer and obtain, if appropriate, a compensation or justified answer, the insured/ policy-holder shall address by post or fax to the Coverholder for certain Syndicates of Lloyd's "SPANISH INSURANCE SOLUTIONS, S.L.", (SIS, S.L), located in c/ Severo Ochoa nº 4, locales 5 y 6, 03730 Jávea, (Alicante), Fax: 96 646 2458, which is empowered to work with the Official Brokers.

Without prejudice to the above terms, if the insured/ policy-holder is not satisfied with the service rendered or wish to file a claim, he may address the Office of Lloyd's in Spain: Lloyd's Office in Spain, Agent for Spain, (Lloyd's Iberia Representative, S.L.), c/ Ortega y Gasset, nº 7, 1ª planta, Edificio Serrano 49, 28006 Madrid. Tel: 914 262312. Fax: 914 262394.

If he is still dissatisfied with the solution, he can contact the Complaints Department for Lloyd's of London, 1 Lime Street, London EC3M7HA, United Kingdom. Fax: 00 44 207 327 5225

.- The insured/ policy-holder shall quote the policy number, address and telephone no. in all the communications as well as subsequent changes in the address while the policy is in force.-

.- MEANINGS.-

Insurer: Company taking on the risk agreed in the contract.

In this contract, Certain Syndicates of Lloyds: Leading Syndicate Amlin Underwriting Syndicate Ltd., no. 2001.

Policy-holder: natural or corporate person signing this contract with the Insurer and obliged to fulfil the obligations arising from it, unless due to the nature of the obligation they shall be fulfilled by the Insurer.

The policy-holder may contract the insurance on his own account, taking on the legal situation of the insured part or, he may contract the insurance with a third party provided he states his wish to arrange the insurance and what is the object of the contract.

Insured: natural or corporate person holding the interest and, in the absence of a Policy-holder, the person taking on the obligations arising from the contract.

Beneficiary: natural or corporate person entitled to receive the compensation.

Policy: document stating the terms governing the insurance contract; contents including the present General Conditions, Schedule and the endorsements issued to complement or modify this policy.

In the Schedule defining the risk, the coverage signed up by the insured /policy-holder is described and they prove the Minimum Compulsory Insurance required by Law. They state who can drive the insured vehicle and the possible purposes of the vehicle.

By signing the Schedule the insured / policy-holder states his acceptance with the limits, terms, conditions, exceptions and modifications that make up the agreement with the Insurer and the insured /policy-holder and the will to accept the limits while the policy is valid and during further periods of validity that may be agreed.

The Insured / Policyholder is obliged to check that the Schedule of the Policy states and describes the agreed coverage. **In case of any discrepancy in the event of a claim, if the Insured / Policyholder has not previously requested the relevant amendment to the policy, the original wording will apply.** Any request for amendment must be made in writing to the Insurer within one month of receipt of the policy.

Modifications: changes in the terms of the policy appearing in the Specific Terms.

Premium: insurance price. Receipt includes the surcharges and taxes.

Insured amount: for the category of Compulsory Civil Liability Insurance you shall take into account the law making this insurance compulsory.

For the rest of categories the amount set in the Schedule of the policy is the maximum limit of the compensation to be paid by the Insurer if a claim is filed.

Insurance period: it included the period of time from the moment the contract is in force up to the expiry date including the extension periods that may be agreed.

Excess: the amount paid by the Insured in each claim in accordance with the agreements stated in the policy and regardless of his liability.

The excess shall be applied to each event or situation of risk.

Insured vehicle: the private vehicle described in the Specific Terms of the Policy or replaced or added to it by means of the issuance of Modified Specific Terms.

Private vehicle refers to a vehicle with a maximum of seven fixed seats for passengers (including the driver); the use of the vehicle will not include the rendering of paid services.

Age of the vehicle: Period of time from the first registration of the insured vehicle up to the date the event took place.

Market value: this value will be calculated according to the following equation: venal value + 20% affection value

Venal value: the value of the car according to the official prices of the Ganvam Guide

Replacement value: the total price of the insured vehicle as if it was new minus the discounts the Insurer may obtain, including the surcharges and taxes necessary to be driven on the public road.

Accessories: Those improvements and fixed elements, which are not directly related to the operation of the car and which are not part of the standard equipment of the specific make and model.

ARTICLE 1.- Object of the Contract

The Insurer hereby takes on the liability for all or some of the risks included in several Categories, in accordance with the agreements state in the General Conditions and Schedule where the coverage limits between the parties and regarding third parties are set as well as the excluded risks.

The Insurer / Policy-holder is obliged to the fulfilment of the conditions of the Policy, he shall check that the Schedule shows in full detail the kind of coverage he signed up for.

The Insurer will only provide coverage if he complies with all the conditions, terms and modifications of the Policy.

ARTICLE 2.- Effects and Documents of the Contract

The application for the insurance, the insurance proposal and the policy with the modifications or extensions shall be set down in writing. The Insurer shall hand the policy over to the Policy-holder who is obliged to return to the Insurer, within fifteen days from receipt, a copy signed by him of the Schedule, including the acceptance of the restricting terms of the rights of the Insured party. If this obligation is not met, the Insurer may reclaim the damages arising from the non-compliance.

The guarantees of the contract end on the date stated in the Schedule, and will be implicitly extended unless one of the parties object to the extension or requests the termination by means of a written notification to the other party at least two months before the expiry date.

Term of correction: If contents of the policy are different from the insurance proposal or the agreed terms, the policy-holder may, within a month from the receipt of the policy, demand to the Insurer the correction of the difference. If he does not file a complaint within this time, the terms of the policy shall be fulfilled.

Within fifteen days, at the request of the owner of the vehicle or the policy-holder, if they are different persons, the Insurer shall issue a certificate stating the accidents from which third party liability may arise in accordance with the last five years of insurance, if appropriate, or certificate of absence of accidents.

ARTICLE 3.- Payment of the Premium

After the signing of the contract the Policy-holder shall pay the premium. The premiums of the different periods of coverage will be demandable when they become due.

The payment of the premium for the compulsory insurance to the Insurer guarantees the coverage of the civil liability of the vehicle usually parked in Spain, in the territory of the European Economic Area and the States signing the Agreement between National Insurer's Bureaux of the Member States of the European Economic Area and other associate States, regardless of the kind of stay and provided that the contract is in force.

If the Insurer tries to charge the premium and it is not possible due to reasons attributable to the Policy-holder, he will be entitled to cancel the

contract or to demand payment in the courts. If the premium is not paid before an accident happens, the Insurer will be exempt from his obligation.

ARTICLE 4.- Information about the Risk

The Policy-holder shall inform the Insurer about all the circumstances, facts or details he is aware of that may influence in the assessment of the risk; this obligation will remain if there are extensions or renewals of the policy.

In the case of inaccuracy or the withholding of information in the statement of the Policy-holder, the Insurer may cancel the contract within one month from the moment they know of the withholding or inaccuracies, and will be entitled to withhold the premiums of that period.

If the withholding of information or inaccuracies are caused deliberately by the Policy-holder or appear due to the negligence of the Policy-holder, the Insurer will be exempted from the payment of the compensation except for the Compulsory Civil Liability, but the Insurer will be entitled to demand payment from the Policy-holder afterwards.

The Policy-holder or the Insured, while the contract is in force, shall inform the Insurer about all the circumstances that may make the risk worse and those circumstances that would have made the Insurer refuse the completion of the contract or would have implied a modification of the conditions.

The use of the vehicle by a person different from the usual driver shall be considered as a worsening of the risk if, due to the age, the Insurer would have charged a more expensive premium or would have not concluded the policy contract.

Circumstances material to the insurance, or a change to the information supplied, must be notified to the Insurer. There may also be a continuing duty to advise underwriters of any change in circumstances material to the insurance during the period of such insurance, including the Country the vehicle is kept and a change of your address. Failure to provide such information may render the insurance/reinsurance invalid.

ARTICLE 5.- Obligations in the case of an accident

The Policy-holder, or the Insured, or the Beneficiary, shall inform within the maximum time limit of seven days from the moment they are aware of, the accident and shall show the Insurer the damaged item and provide him with all kind of documents, reports or any other information he has about the circumstances and consequences of the accident that may make the assessment of damages easier for the Insurer.

The report of the accident will be completed in accordance with the format in force, but the Insurer will not be able to use against the damaged party,

the policy-holder, driver or owner the fact that they did not complete the accident report.

In the case that this duty is not fulfilled, the Insurer may demand damages arising from the lack of report.

If the Insured / Policy-holder receives documents, correspondence or information regarding the accident from third parties, he shall immediately send it to his broker; he will not, in any case, answer, accept liability or admit guilt without the previous consent of the Insurer. The Insurer shall only be liable for the facts he previously authorised.

In the case of proceedings against the Insured / Policy-holder, in addition he shall inform the Insurer, within forty-eight hours, about all the court, out-of-court or administrative notifications he receives related to the accident and all the information he is aware of about the circumstances and consequences of said notification.

The Insurer cannot use the clauses in the contract to refuse the coverage for the occupant on the bases that he knew or should had known that the driver was under the influence of the alcohol or noxious substance when the accident took place.

The Insured / Policyholder has a duty and obligation to assist the Insurer by supplying all necessary documentation and information required to investigate and resolve the claim and recover monies from a Third Party, even after said Insured / Policyholder has received full compensation. This duty continues until all ancillary claims have been resolved.

Excess. Regarding a claim for loss or damage, the excess will be 10% of the cost of the accident, but never more than 1% of the insured amount, and never less than 250€. This lower limit shall not apply if the insured amount is equal to or less than 15.025€. If the insured amount is equal to or over 6.010.121€, the excess amount will be set according to the Real Decreto 354/1988, of 19th April.

ARTICLE 6.- Subrogation and refund

The Insurer, in the name of the Insured /Policy-holder or, if appropriate, the Beneficiary, takes on the defence and management of claims covered by the policy and arising from the accident. The Insurer shall have complete control over all the proceedings needed to resolve the claim.

The Insurer, after paying the compensation, may exercise all the rights and actions the Insured is entitled to due to the accident against the people liable for it up to the amount paid as compensation.

The Insured shall be liable for the damages arising from his actions or omissions that may cause to the Insurer in his right of subrogation.

The Insured shall refund the Insurer all the amounts he receives from third parties or that he receives from the court because of the damages to the insured vehicle or due to any other reason if those amounts had been already paid by the Insurer to the garage repairing the vehicle, to natural or corporate people or to the Insured under the terms of the present policy.

ARTICLE 7.- Recoveries and reimbursements

If, after an accident, the Insured receives recoveries or reimbursements, he shall inform the Insurer within forty-eight hours from the moment he is aware of it; the Insurer may reduce the amount of the recovery or reimbursement from the compensation or may demand said amount to the person who received the compensation.

ARTICLE 8.- Restitution of payment

The Insurer, after paying the indemnity, may claim the restitution of payment to:

- a) The driver, owner of the vehicle and insured if they willingly caused the damages or if they were caused by the influence of alcohol or noxious substances.
- b) A third person liable for the damages.
- c) To the policy-holder or insured due to the reasons stated in the Act 50/1980, dated 8th of October, on Insurance Contracts, if the vehicle is driven by a person without driving licence.
- d) In the rest of cases provided by law.

ARTICLE 9.- Power of Compromise

The Insurer may reach an agreement with the prejudiced party in respect of the amount of the indemnity, within the limits of the coverage of the policy.

ARTICLE 10.- Fraud

If the claim filed by the insured/ policy-holder or by his agent is, partially or totally, fraudulent, or if he provides the Insurer with false documents or information, or exaggerates the claim, the insured/ policy-holder shall lose all the benefits of the policy.

ARTICLE 11.- Arbitration

If, after a claim is accepted, discrepancies arise about the amount to be paid as a compensation between the insured /policy-holder and the Insurer, those discrepancies shall be solved by a mediator previously agreed by the parties. The arbitrator's decision shall be prior to the commencement of any other legal action by the insured/ policy-holder against the Insurer.

ARTICLE 12.- Termination of the guarantees

The guarantees granted by the policy may be cancelled by the insured /policy-holder provided that he has previously returned the Policy Schedule and Receipt.

If, during the period the policy is in force, no claim is filed, at the moment the contract is terminated, the Insurer shall calculate the premium from short period ratios and shall refund, if appropriate, the relevant amount. No refund will be made if the policy was in force for a period of or longer than eight months.

If the Insurer refuses the extension of the insurance contract, the Insured/ Policy-holder shall be informed at least two months before the expiry date; from that date the Policy shall be considered terminated and shall provide no coverage.

In the case the coverage of the fully comprehensive Policy had been used and the Insured /Policy-holder had been compensated for the total loss of the insured vehicle, the premium that had not been used will not be refunded since the policy shall be considered completely used. In the same way, the vehicle cannot be replaced for another one under the same policy since it will be terminated when the vehicle is declared a total loss.

If an "at-fault" claim is made or has arisen during the period of Insurance the full Premium is payable and no refund will be given. This applies in all circumstances regardless of the payment method or the type of accident. Under these circumstances, the change of vehicles (under the same policy) will not be allowed.

At-fault claim means that the policyholder/driver is responsible for the accident and/or there is no TP liability against whom the Insurers can reclaim the payment of the damages caused in the accident.

ARTICLE 13.- Transfer of the Insured Vehicle

In the case the Insured/ Policy-holder sells or transfer his vehicle, he shall return the Policy Schedule to cancel the contract. The premium shall be refunded, if appropriate, in accordance with the provisions of section 8.

The Insured / Policy-holder cannot, in any case, sell or transfer the Policy to third people.

ARTICLE 14.- Underinsurance and overinsurance

If an insurance claim is filed and the insured amount is lower than the value of the insured interest, the insured/ policy-holder shall be liable for the relevant share of the damage or loss.

If the insured amount significantly exceeds the value of the interest, the compensation shall cover only the actual damage.

ARTICLE 15.- Risks excluded with a general nature

The consequences of the following facts are excluded from the cover of the present Policy:

1.- Accidents, injuries, losses, damages or claims under the following circumstances:

- a) **The insured vehicle is used for purposes different from social, domestic, pleasure travels and route to or from the work place.**
- b) **The driver of the insured vehicle is not allowed to drive or is not authorised in accordance with the provisions of his Policy Schedule.**
- c) **The driver of the insured vehicle does not hold a licence valid in Spain, or is not authorised to drive according to the Particular Conditions of the policy.**
- d) **Drivers under 21 years of age**
- e) **Drivers over 80 years of age**
- f) **Drivers who have held a valid driving licence for less than two years.**

2.- Civil liability accepted by the insured/ policy-holder in an agreement unless guilt is applicable even without the mentioned agreement.

3.- Accidents, injuries, losses, damages or civil liability directly or indirectly caused by or as a consequence of:

- a) **Ionisation, radiation, radioactive pollution from all kind of dumping, waste or burning of radioactive combustible.**
- b) **The dangerous, radioactive, toxic or explosive properties of equipments of part of explosive nuclear equipment.**

4.- The Insurer will not pay those accidents, injuries damages or liabilities that may be directly caused, regardless of any other reason that may have contributed to them, by war, invasion, activities of a foreigner enemy, hostilities or military operations, (regardless of the existence of a declaration of war), civil war, revolution, rebellion or uprising, (that is to say, a people uprising and a forced change of government or the attempt to), civil disturbances to the extent that it may be compared to an uprising, military powers, (even if they have the authorisation of the lawful government), usurpation of power, (that is to say, the usurpation of power using the force by a person or group of persons, including the armed forces, unless it is the duly elect government), the direct or indirect result of any action carried out to control, prevent, contain under circumstances related to the above mentioned reasons.

Nevertheless, the Insurer shall ensure the coverage required by law regarding the use of a vehicle in a road.

5.- Accidents, losses, injuries, damages or civil liability except for those affecting the third party civil liability provided they take place during or as a result of earthquakes, disturbances or uprisings, except for the case the insured may prove the accident, injury, loss, damage or civil liability was not caused by those situations.

6.- Direct or indirect consequences of one or several terrorist actions regardless of the existence of further reasons.

The terrorist acts include, but are not restricted to the following situations:

- a) The use or threat of use of force and /or violence.**
- b) Detriment or damage to life or property, (or threat of suffering this damage or detriment), including but not restricted to damages or detriments caused by nuclear, chemical, biological and/or radiological means.**

If the act is committed by a person/people or group/s, totally or partially, due to political, religious, ideological or similar reasons or it is considered that these are the reasons of the act.

Acts carried out with the aim of controlling, preventing, containing or, related somehow to the above mentioned facts.

7.- Accidents, injuries, losses, damages or civil liability covered by the Consorcio de Compensación de Seguros.

8.- Accidents, injuries, losses, damages or civil liability arising when the insured or the person authorized to drive his vehicle, is under the influence of alcohol, drugs, noxious substances or narcotics. In this case if the Insurer is obliged by law to pay the indemnity, the insured or driver shall refund to the Insurer the payments made.

9.- The following natural phenomena: earthquakes, seaquakes, extraordinary floods (including sea battering), eruptions, storms and tornados, sidereal, meteorite and aerolite falls or hailstorm.

ARTICLE 16.- Coverages of the Policy

Coverage of compulsory insurance shall amount to 70 million Euros per accident/event regardless of the number of victims for personal damages and 15 million Euros per accident/event for damages to property.

The aforementioned coverages shall be updated in accordance with the European Index of Retail Prices.

The amount of the indemnity for the compulsory insurance for damages caused to people and, if appropriate, of the provisional pension, shall be set in accordance with paragraph 2, section 1, Order in Council 8/2004, dated 29th of October and the annex.

If the amount of the indemnity exceeds the coverage of the compulsory insurance, it shall be paid by the voluntary insurance or by the person liable for the accident/ event, as appropriate.

In any case the Insurer shall pay the expenses of medical, pharmaceutical and hospital care up to the recovery or consolidation or sequelae, provided that the expense is duly justified according to the nature of the care.

In the cases of indemnity for death caused as a result of a Road Traffic accident, the Insurer shall pay the expenses of the burial and funeral in accordance with the customs and traditions of the place where this services is rendered up to the amount justified.

If the accident/ event takes place in a State included in the territorial limits stated in the General Conditions, not in Spain, by a vehicle usually driven in Spain, the limits of the cover set by the member State where the accident happens shall apply. Nevertheless, if the accident takes place in a State member of the European Economic Area, the cover limits set in paragraph 2, section 4, Order in Council RDL 8/2004, dated 29th of October provided they are higher than those set by the State where the accident took place.

The cover of the compulsory insurance does not cover any damages caused by the injuries or death of the driver responsible for the accident.

The Policy Schedule specifies the cover of the risk signed up for by the insured/ policy-holder and which is provided by the Insurer:

<u>Coverage</u>	<u>Applicable paragraphs</u>
Fully comprehensive	Paragraphs from A to I
Third-party, Theft, Fire	Paragraph A (only with regard to the loss or

damage caused directly by fire, lightning, explosion, theft and attempted theft, glass breakage, sunroof and windscreens) B, E, F, G, H, I.

Third-party

B, E, G, H.

PARAGRAPH A: LOSS OR DAMAGE IN THE INSURED VEHICLE

This paragraph is only applicable to vehicles of 15 years of age or less, and with a minimum venal value of 1500€.

If the insured vehicle is lost, damaged or stolen the Insurer may:

- a) Pay for the repair of the insured vehicle.
- b) Pay the insured/ policy-holder the amount equivalent to the loss or damage.

Once the Insurer resolves the claim, he reserves the right to discount an amount due to use, wear, tear and loss of value. This will also apply to **Your Car's Accessories and spare parts** while they are in or on **Your Car** and which are covered up to 300€ only unless declared by **You** separately and shown on **Your Policy Schedule**.

The maximum amount the Insurer will pay if your car is a total loss, would be:

Replacement value: for the period of 2 years from the date of 1st registration. The vehicle will be replaced as long as the cost of the repair covered in the Policy exceeds **60% of the price of the vehicle** when it was purchased including taxes.

The Insurer shall only replace the vehicle if the insured/ policy-holder is the first owner of the vehicle and it was insured with us from the moment the vehicle was delivered.

The market value; for a period of 5 years, between 2 years and 7 years old.

Venal value: from the 7th year since the 1^o registration date.

The final settlement will never exceed the value declared on the policy, and in all cases the residual value of the scrapped vehicle will be deducted.

The same provisions shall apply in the case the insured vehicle is stolen and is not recovered.

In the case that the Insured is not the owner of the vehicle, written authorisation from said owner will be required by the Insurer in order to settle the compensation for a total loss or theft with the Insured.

If the vehicle cannot be driven due to damages covered by the policy, the Insurer shall pay the expenses arising from keeping and moving the vehicle to the closest garage if those expenses are not covered by a different policy.

The Insurer shall also pay the storage expenses that may arise while the vehicle is awaiting notification of declaration as a total loss and up to the moment the Insured / Policy Holder receives said notification from the Insurer. **The payment for these reasons shall be restricted to a period not exceeding 21 days from the date the Insurer is notified of the accident by the Insured / Policy holder, and to a maximum amount of 200€.**

In case of a total loss, theft or damages to the insured vehicle, and notwithstanding the reasons, the Insured / Policy holder shall pay the excess specified in the Policy Schedule, and shall be responsible for processing the Off The Road certificate and if applicable the scrapping of the vehicle.

Theft of the insured vehicle will not be covered if the guilty party or any accomplice to the robbery is found to be a family member (up to a third generation relative), a dependent, co-habitant or employee of the Insured / Policy Holder.

The excess will not be paid in respect of loss or damages to glass, sunroof, windscreens or declared accessories.

In the case of theft of the insured vehicle, the Insurer will have forty days from the moment the insured/ policy-holder informs about the loss or theft to try to recover the vehicle.

If the stolen vehicle is recovered within the forty days, the insured/ policy-holder shall accept the return of the vehicle and the Insurer shall only pay for the damages covered in the Policy.

In the case the insured vehicle is not recovered, the Insurer shall resolve the claim as above described.

In the case the insured vehicle is **recovered**, the insured/ policy-holder shall inform the Insurer and, if he wishes to keep the vehicle, he shall refund the Insurer the amount paid as compensation plus the refund of all the amounts paid

by the Insurer. Otherwise, the recovered vehicle will be transferred to the Insurer and will remain at the Insurer's disposal.

Exclusions.- This paragraph does not include the cover of:

I.- Loss or damages to the insured vehicle if it was stolen when the keys were in the car or the doors unblocked (including the boot), or windows were open and the car was unattended.

II.- Loss due to use, decrease of value, wear and tear, breakdowns, mechanical, electrical or computer defaults.

III.- Damages to the tyres due to braking, punctures, cuts or burst tyres.

IV.- Losses or damages caused by shock waves from places or different devices flying at the speed of light or higher speed.

V.- Loss or damage to the insured vehicle if this vehicle is being driven by a person not authorised to drive in accordance with the Policy Schedule or is being used for purposes other than social, domestic and pleasure purposes and en route to or from the work place.

VI.- Loss or damages that took place outside the territorial limits of the Policy.

VII.- Losses or damages deliberately caused by the insured person or by any other person authorised to drive the vehicle, unless those damages were caused to avoid more serious damages.

VIII.- Losses or damages taking place when the insured person or any other person authorised to drive the vehicle are under the influence of alcohol, drugs, narcotic or noxious substances.

IX.- Losses or damages taking place when the insured/ policy-holder person or any other person authorised to drive the vehicle did not comply with the applicable legislation or with the directions of the manufacturer in connection with the number of passengers, the size and weight of the load to be transported and this is considered as the reason for the loss or damage.

X.- Losses or damages taking place while the vehicle takes part in races, contests or tests.

XI.- Losses or damages if the vehicle was not duly maintained in accordance with the specifications of the manufacturer and, if appropriate, if it has not been issued the ITV or MOT certificate.

PARAGRAPH B: THIRD-PARTY INSURANCE

The Insurer hereby guarantees the indemnities to the insured/ policy-holder arising from accidents the insured vehicle is involved in and from which injuries or damages arise subject to the following limits:

- a) Third-party injuries or death **up to € 70.000.000** per claim or claims arising from an accident/event if the insured vehicle is Spanish or has a Spanish registration number.
- b) Third-party injuries or death with no limit if the insured vehicle is English with English registration number.
- c) Damages to third-party property **up to € 15.000.000** per claim or claims as a consequence of an accident caused by:
 - The insured vehicle
 - A trailer attached to the insured vehicle, if cover for this is specified in the policy and the total weight (trailer plus goods) does not exceed 750 kg. If the loaded trailer weighs over 750kg it will require its own separate insurance cover.

.- The Insurer shall pay the insured/ policy-holder all the expenses he demands provided that he is expressly authorised by the Insurer to demand them.

.- The Insurer shall also cover:

- (a) The first assistance charges for any driver of the vehicle, provided that they have the authorisation of the insured person and that the driver is included in the Policy Schedule.
- (b) Passengers travelling or getting in or out of the insured vehicle. The Insurer shall refund the expenses of emergency treatment of all the persons that, when the accident took place, were inside the insured vehicles or legitimately getting in or out of the vehicle, in accordance with the legislation in force.

.- If a person stated in the Policy dies, the Insurer shall defend his legal representatives from any civil liability claims that may be filed against the deceased.

Further coverages in this category

DEFENSE

This section applies only when the Insured has no other legal defense cover.

The Insurer shall cover the following legal expenses provided that the Insured / Policy holder has the previous authorisation from the Insurer. **No legal**

costs will be covered if they have not previously been authorised in writing by the Insurer.

- a) Those arising from the defence against claims from the prejudiced party. The insured/ policy-holder shall collaborate if necessary with the counsel for the defence of the Insurer. The insured will not be able to refuse claims related to accidents covered by this insurance without the previous consent of the Insurer.
- b) Those arising from the defence of the person covered by the policy in the case a court action is filed against him due to an offence of homicide, dangerous or reckless driving under the influence of alcohol, narcotics or o psychotropic substances resulting in a death.
- c) Those arising from the defence of the person included in the cover of the policy in the case court actions are filed if the driver has no driving licence.

The defense for the Insured will be undertaken in any legal procedure by lawyers and solicitors proposed by the Insurer, who will cover all expenses and honoraria.

.- These coverages shall not apply in the following cases:

- a) **A person insured under this paragraph does not meet the requirements, conditions and exceptions of the policy or the insured person can file the claim under a different policy.**
- b) **In the case of death or injuries to an employee of the insured/ policy-holder during the duties of the employee, unless otherwise provided by law.**
- c) **The claim is filed in connection with property belonging or under the supervision of the insured /policy-holder.**
- d) **The claimed damage refers to the vehicle covered under this category.**
- e) **The deceased or injured person is the driver and had no authorisation to drive the vehicle in accordance with the conditions of the policy and /or had no authorisation from the insured/ policy-holder to drive it.**
- f) **The driver of the insured vehicle was under the influence of alcohol, drugs, noxious or narcotic substances. Nevertheless, if the insurer was legally obliged to cover this situation, the Insurer may demand restitution of payment of all the expenses, payments and compensations to the insured /policy-holder or driver of the insured vehicle.**

PARAGRAPH C: INJURIES OF THE INSURED PERSON

If the insured person is accidentally injured while he is inside of the vehicle or while he is getting in or out of the vehicle or while he is travelling in another private vehicle not owned by him or not rented by him, **the Insurer will pay a maximum amount of € 3.500 provided that, within the three months following the accident, the injury results to be the only reason of:**

- a) **Death.**
- b) **Permanent loss of vision in one or both eyes or,**
- c) **Loss of a limb.**

The maximum amount the Insurer will pay during the period of insurance will be € 7.000.

Meanings:

Accidental injury.- It does not include illness or disease.

Loss of vision.- total or permanent loss of vision.

Loss of limbs Complete loss of the use of a hand or foot.

.- This category **does not cover** the following circumstances:

- a) **Accidents deliberately caused by the insured person.**
- b) **Death or injury caused due to suicide or suicide attempt.**
- c) **The insured person if he is 75-year old or older when the accident takes place.**
- d) **Accidents caused by the insured or by another person driving the insurance vehicles under the influence of alcohol, drugs, narcotics or noxious substances.**

CATEGORY D: MEDICAL EXPENSES / EMERGENCY CARE

If the insured party driving the insured car (or any other driver of the vehicle when the accident takes place provided the requirements set in the policy are met), is injured as a direct consequence of the involvement of his vehicle in the accident, the Insurer shall pay the **medical expenses of the first care arising from the mentioned accident up to a maximum amount of € 3.000.**

PARAGRAPH E: BONUS

If the insured party files a claim to the Insurer, the Insurer shall reduce the no-claims bonus in accordance with the criteria set by the Insurer.

In the case there is no insurance claim from the insured party, the bonus shall be increased when the Policy is extended in accordance with the criteria set by the Insurer.

If the insured/ policy-holder, with the consent of the Insurer, transfers his Policy to another driver, no bonus shall be applied to the new owner.

If the insured/ policy-holder signs up for a policy with protected bonus, the insured/ policy-holder may file up to two claims during three consecutive insurance periods, without reduction of his bonus.

Consequently, in the case there are two claims in the mentioned period of time, and a new claim is filed, the Insurer shall reduce the bonus in accordance with his criteria until the insured/ policy-holder reaches again the maximum bonus; at that moment the rules of the protected bonus shall apply again.

PARAGRAPH F: GLASS BREAKAGE

Payments by the insurer for the repair or replacement of sunroof or windscreen shall not affect the no-claims bonus of the insured/policy holder. The same excess as stated for the vehicle in the Policy Schedule shall be applied for glass breakage on Third Party Fire & Theft cover. This excess will be no less than 250€.

PARAGRAPH G: EUROPEAN UNION COMPULSORY INSURANCE

The Policy provides coverage in all the countries that:

- a) Are members of the territory of the European Economic Area and the States signing the Agreement between National Insurer's Bureaux of the Member States of the European Economic Area and other associate States, such as the Isle of Man and the Channel Islands including travel between ports of any of the countries of the European Union.
- b) Have carried out the necessary amendments, in accordance with the European Commission, to comply with article 7 (2) of the Directive EC regarding the liabilities arising from the use of vehicles, (No 72/166/ECC).

The extent of the coverage will be the following one:

- a) The minimum necessary to comply with the legislation on the compulsory insurance of the State where the accident takes place.
- b) For the claims filed in a State signing the Agreement between the National Insurer's Bureaux of the member States in the European Economic Area and other associate States, the minimum cover

necessary in the relevant State or in Spain, the maximum cover possible.

**PARAGRAPH H: RIGHTS OF RESTITUTION OF PAYMENTS
IN ACCORDANCE WITH THE RULES OF COMPULSORY
INSURANCE**

In the case that, under the legislation of a country where the Policy is valid, the Insurer shall take care of a claim he would not pay in different circumstances, the insurer will claim the restitution of the payment to:

- e) The driver, owner of the vehicle and insured if they willingly caused the damages or if they were caused by the influence of alcohol or noxious substances.
- f) A third person liable for the damages.
- g) To the policy-holder or insured due to the reasons stated in the Act 50/1980, dated 8th of October, on Insurance Contracts, if the vehicle is driven by a person without driving licence.
- h) Any other cases provided by law.

**PARAGRAPH I: COVERAGE OF EXTRAORDINARY RISKS
/CONSORCIO DE COMPENSACIÓN DE SEGUROS**

.- This paragraph shall not apply unless the insured vehicle is registered in Spain.-

**CLAUSE OF COMPENSATION BY THE CONSORCIO DE
COMPENSACIÓN DE SEGUROS OF THE LOSSES ARISING FROM
EXTRAORDINARY EVENTS**

In accordance with the terms of the consolidation of the Regulations of the Consorcio de Compensación de Seguros, passed by Order in Council 7/2004 dated 29th of October, and amended by Act 12/2006 dated 16th of May, the holder of a contract of insurance that shall include a surcharge in favour of the above mentioned entity is entitled to agree the cover of extraordinary risks with any insuring entity meeting the requirements provided by law.

Compensations arising from extraordinary events taking place in Spain and affecting risks located in Spain and, also, in the case of an insurance for people, those taking place abroad if the insured person usually lives in Spain, shall be paid by the Consorcio de Compensación de Seguros if the holder satisfied the surcharges in its favour and one or more of the following situations took place:

- a) The extraordinary risk covered by the Consorcio de Compensación de seguros is not included in the insurance policy signed up for with the insuring company.
- b) Although the risk is covered by the policy, the obligations of the insuring entity cannot be complied with because it is in bankruptcy or is being administered by a receiver or is being merged to the Consorcio de Compensación de Seguros.

The Spanish Consorcio de Compensación de Seguros shall adjust its actions to the provisions of the mentioned Regulations, in the Act 50/1980 dated 8th of October, of Insurance Contracts, in the Rules of Insurances for extraordinary risks, passed by the Decree 300/2004, dated 20th of February and complementary provisions

ARTICLE 17.- Foreign use

This cover is primarily for whilst the insured vehicle is kept in Spain and/or Spanish Islands. If the vehicle is taken out of Spain for longer than 45 days consecutively Insurers must be advised immediately. Failure to do so may result in invalidating this insurance.

The certificate provides the cover shown on the schedule in any of the countries within the Territorial Limits provided that you ordinarily reside in Spain.

SUMMARY OF THE REGULATIONS

1. Extraordinary events covered by the policy

- a) The following natural phenomena: earthquakes and seaquakes, extraordinary floods (including sea battering), eruptions, atypical cyclonic storms (including extraordinary wind with gusts exceeding 135 km/h, and tornados) and meteorite falls.
- b) Those violently caused as a consequence of terrorism, rebellion, sedition, mutiny and disturbances.
- c) Acts or actions of the Armed Forces or the Forces and Security Forces in peacetime.

2. Excluded Risks

- a) **Those stated in the Insurance Contracts.**
- b) **Those caused in people or assets insured by an insurance contract in which the surcharge in the favour of the Consorcio de Compensación de Seguros is compulsory.**
- c) **Those caused by defects in the insured item or arising from an obvious lack of maintenance.**
- d) **Those caused by armed conflicts although no official declaration of war had been issued.**

- e) Those arising from nuclear energy, without prejudice to the provisions of Act 25/1964 dated 29th of April on nuclear energy. Nevertheless, the damages caused in an insured nuclear facility shall be included if they are a consequence of an extraordinary event affecting the facility itself.
- f) Those arising from the action of time and in the case of items completely or partially submerged, those caused by the ordinary swell or currents.
- g) Those produced by natural phenomena different from those stated in section 1 of the Rules of Insurance of extraordinary risks, and, in particular, those caused by the raising of the water table, landslip, landslides, and similar phenomena unless they are obviously caused by the action of rainwater that, at the same time, causes a situation of extraordinary flood in the area.
- h) Those caused by crowds during meetings and demonstrations carried out in accordance with the Organic Act 9/1983, dated 15th of July, governing the right of meeting, and during lawful strikes unless those situations may be considered as extraordinary events in accordance with section 1 of the Rules of insurance of extraordinary risks.
- i) Those caused by the bad faith of the insured person.
- j) Those arising from events taking place during the qualifying period stated in section 8 of the Rules of insurance of extraordinary risks.
- k) Those caused by events that take place before the payment of the first premium or when, in accordance with the provisions of the Act on the Insurance Contracts, the coverage of the Consorcio de Compensación de Seguros is suspended or the insurance is terminated due to default of payment of the premiums.
- l) Indirect damages or losses arising from direct or indirect damages different from the loss of benefits as defined in the Rules of insurance of extraordinary risks. In particular, in this coverage the damages or losses suffered as a consequence or modification in the external supply of electricity, gas, fuel, fuel-oil, gas-oil or different liquids or different damages or indirect losses from the ones stated in the previous paragraph although those modifications arise from a reason included in the coverage of extraordinary risks.
- m) Those events qualified as a “national disaster” by the Government.

3. Excess.

In the case of direct damages to assets (except for cars and properties and their complexes), the excess that the insured shall pay will be 7 per cent of the amount of the damages that shall be compensated.

In the insurances of persons no excess shall apply.

With regard to the coverage of loss of benefits, the excess to be paid by the insured will be the one stated in the policy for the loss of profits in ordinary events.

4. Coverage extent

The coverage of extraordinary risks shall reach the same persons and assets and insured amounts set in the policy for the purposes of the ordinary risks. Nevertheless, in the policies covering the damages to other vehicles, Consorcio guarantees the whole insurable interest although the policy only covers part of it.

In the policies of life insurance that, according to the contract, and in accordance with regulations of the private insurances, cause a mathematical provision, the coverage of the Consorcio shall refer to the capital in risk for each insured person, that is to say, the difference between the insured amount of the mathematical provision that the insurer had issued shall be set up. The amount of the mentioned provision shall be satisfied by the insuring company.

PROCEDURE IN THE CASE OF AN INSURANCE CLAIM TO BE COMPENSATED BY THE CONSORCIO DE COMPENSACIÓN DE SEGUROS.

In the case of an accident/event, the insured, policy-holder, beneficiary or their legal representatives, directly or by means of the insuring company or the insurance broker, shall inform, within seven days from the moment they were aware of it, about the accident/ event in the relevant regional office of the Consorcio depending on the place the accident/ event took place. The communication shall be done with the form prepared for this purposes available in the web page of the Consorcio (www.conorsegueros.es) or in the offices of the Consorcio or in the insuring company enclosing the relevant documents according to the nature of the damages or injuries.

The rests of the accidents shall be kept for the experts to examine them and, if this is absolutely impossible, documents showing the damages such as pictures, notarial minutes, videos or official certificates shall be produced. In addition, the invoices of the damaged items, the destruction of which cannot be delayed, shall be kept.

All the necessary measures to reduce the damages shall be taken.

The assessment of the losses arising from extraordinary events will be carried out by the Spanish Consorcio de Compensación de Seguros; this entity will not be bound by the assessment carried out, if appropriate, by the insuring entity covering the ordinary expenses.

Should you have any query about the procedure, please contact the Consorcio de Compensación de Seguros in the following number: 902 222 665.

LSW 1001 08/94 (Insurance)

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

DATA PROTECTION TERM

You are hereby informed that the particulars of the policy holder /insured are entered in a database, owned by Amlin Underwriting Ltd., agent of Syndicate No 2001 of Lloyd's, that will treat them in accordance with the provisions of the UK Data Protection Act 1998, with the aim of underwriting, concluding and managing insurance contracts and, in particular, of rendering services, providing proposals, dealing with claims and paying compensations.

Spanish Insurance Solutions S.L., acting as coverholder, shall treat the details of the policy holder /insured in the name of the Insurer in accordance with the UK Data Protection Act 1998 and only for the purposes stated in the authorisation to contract the "Binding Authority" N° A72478001 granted by certain Syndicates of Lloyd's Insurance.

You may consult the privacy policy of the Lloyd's market in www.lloyds.com.

ACCEPTANCE OF RESTRICTIVE TERMS

In accordance with the dispositions of section 3 of the Act of Insurance Contracts, terms that may restrict the rights of the Insured party have been marked in bold. The Policy-holder / Insured sets down with his signature that he has checked and understood said terms in bold and his acceptance thereof.

In.....on.....of.....

Signed.:
Policy-holder

Spanish Insurance Solutions S.L.
Lloyd's coverholder of certain Syndicate of
Lloyd's (Leading Syndicate: Amlin
Underwriting Ltd, N° 2001)