

MEXICO INSURANCE ONLINE



Grupo Nacional Provincial (GNP) Seguros Mexico Homeowners (MXHO) Insurance Agent Handbook

**International Insurance Group, Inc.
A Subsidiary of NFP Corp.**



September 2018 Update

Overview

This presentation covers the steps to get a quote

PRIMARY INSURED CONTACT INFORMATION

INSURED PROPERTY DETAILS

BUILDING COVERAGE

PERSONAL PROPERTY AND OTHER COVERAGE

CATASTROPHIC COVERAGE

Plus, it'll help provide a better understanding of program eligibility, policy exclusions, Mexico legal requirements, E&O, special underwriting endorsements, claims handling, and more.

PRIMARY INSURED CONTACT INFORMATION

Primary Insured name should be same as listed on the title/deed. Per Mexico law, only a single entity may be the Primary Insured.

Additional Named Insureds, such as: co-owners, trusts, lienholders, spouses, etc., may be added via **Preferred Beneficiary Endorsement**.

The GNP MXHO application includes a Preferred Beneficiary question that automatically initiates endorsement request.

With supporting documents emailed to: help@mexicohelpdesk.com

Please note:

Mexico law automatically considers marital partners as named insureds, therefore endorsements for spouses aren't necessary.

A spouse need only present proof of I.D. and a copy of a marriage certificate to be recognized as an insured.

INSURED PROPERTY DETAILS

Property Type

Eligible: Single Family Home
 Condo/Townhome

Not Eligible: **Multi-family dwellings** (Duplexes, Triplexes, etc.)
 Commercial Risks (Apt. Bldgs., Bed & Breakfasts, etc.)

Postal Code of Insured Property

Enter the five digit Mexico postal code

Premium amounts, catastrophic deductibles and coinsurance amounts, vary by geographical location.

For help finding postal codes, visit GeoNames.org

Yucatan Peninsula Moratorium



Not Available
for risks in the states of
Campeche
Quintana Roo
Yucatan
due to hurricane risk.

Coverage is available in all other Mexican states!

Construction Quality

Choose construction quality based on materials used

	Economic	Intermediate	Quality	Deluxe
Exterior	Stucco, Vinyl Paint	Brick	Stone facade	Marble, Polarized Glass
Floor	Tile, Vinyl Tile	Low Quality Carpet	Quality Carpet, Ceramic Tile	Marble or Granite Flooring, Fine Rugs
Walls	Stucco, or plaster and paint	Knockdown, Vinyl Paints, Wallpaper	Decorative Plaster, Good Quality, Ceramic or Wood Trim	Imported Wood Trim, Upholstery Fabrics, Mirrors, Textured Plaster
Bathrooms	Minimal and Austere	Medium Quality White Fixtures, Tile	Glazed Ceramic Coatings, Marble, Colored Fixtures, Marble, Granite	Imported and Decorated Ceramics, Quality Mirrors, Textured Plaster
Window Frames	Thin Gauge Glass	Double Pane	Two Inch Wide Aluminium Frames	Greater Than Two Inch Wide Aluminium Frames
Door Locks	Common	Medium Quality	High Quality or Imported	High Security Plates, Imported, Controlled Key Reproduction, Digital System or Magnetic Access
Carpentry	Simple Doors and Closets, Pine or Equivalent	Varnished Pine Wood	Imported or Exotic Woods (Cedar, Mahogany, or Similar) Closets with Quality Fittings	Fine Wood Doors, Specially Designed Closets, Fine Wood, High Quality Fittings

Square Footage selection, is combined with
Construction Quality selection, to provide a
Suggested Building Replacement Cost

The Suggested Building Replacement Cost is provided to aid those unsure about the coverage amount needed. The calculation is based on Mexico national average costs.

Contacting local contractors for estimates and/or professional appraisals also helps in determining **Building Replacement Cost.**

“Why does a condo need building coverage?”

Condo owners need coverage for the portion of the structure that they own, such as: interior walls, alterations and fixtures. This typically includes: cabinetry, countertops, floor coverings, kitchen and bathroom fixtures, electrical, plumbing, etc.

“What if the condo association already has a Master Policy?”

Master policies are designed to cover the outside concrete shell, and common areas, not the interiors of individually owned units. Advise customers to check their association bylaws and covenants agreements to understand where responsibilities begin and end.

Primary Use: (Choose One... There's no difference in cost!)

Owner Occupied

Rented to Others (On Occasion or Full-Time)

Rented to Others automatically adds coverage for
Loss of Rental Income and Rental Liability

Distance from the Ocean or a River:

Hydro-meteorological coverage Premium, Deductible, and
Coinsurance amounts can be affected by the distance from the
ocean or a river (please note: elevation is not considered)

“How far is 500 meters?”

500 Meters is approximately:

1640 Feet

546 Yards

0.31 Miles

4½ Football Fields

Theft Prevention Measures: (theft premium discounts)

Controlled Access with 24 Hour Security = 10 %

Certified Central Alarm System = 15 %

Both = 24 %

None = 0 %

Construction Type

Eligible: Masonry/Concrete/Steel

Foam-block or Concrete with Foam

Not Eligible: Wood/Frame

Other

Roof Type

Eligible: Masonry/Concrete

Tile

Not Eligible: Palapa

Wood/Frame with Composition Shingles

Metal

BUILDING COVERAGE

Building Replacement Cost

Never include value for land, views, or prestige of location.

Replacement Cost should be based solely on estimated expense to rebuild the structure (i.e.: materials and labor).

Glass Breakage Coverage

Limit should be based on cost to replace all exterior and interior glass, including: sliding glass doors, windows, glass block, mirrors, stained glass, etc.

Loss of Use

Reimbursement coverage , for up to 6 months, for additional lodging expense, or for loss of rental income

Debris Removal

Coverage for expense of demolition, clean-up, and disposal

PERSONAL PROPERTY AND OTHER COVERAGE

Value of Personal Property

Include the value of the dwelling's Furnishings, Appliances, Electronic Equipment, and other contents.

Theft Coverage

Select portion of personal property to be covered (i.e.: electronics, jewelry, artwork, etc.).

Jewelry and fine art have a \$1,000 sublimit, more expensive items need special coverage endorsements.

Liability

We recommend at least \$300,000 for liability coverage. Those renting out their properties often seek higher limits.

CATASTROPHIC COVERAGE

Hydro-meteorological Coverage Considerations

Our program doesn't require storm shutters!

Mandatory 15 day waiting period, from policy inception date, before Hydro-meteorological coverage begins.

Exterior Asset Hydro-Meteorological Coverage Exclusions

Items in open air, Palapas, Solar Panels, Swimming pools, Etc.

(see [GNP MXHO Terms and Conditions](#) for complete list)

Exclusion only applies to Hydro-Meteorological coverage, while Liability, Fire and All Risk, Earthquake, etc., are not effected.

Catastrophic Peril Deductible/Coinsurance Example

Let's say we have a *\$250,000 building replacement cost*,
with a *2% Deductible*, and a *10% Coinsurance*.

Then, let's say there is a *partial loss of \$100,000*:

Multiply insured sum by deductible percentage to determine deductible amount

$$\$250,000 \times 2\% = \$5,000 \text{ (deductible amount)}$$

Then, subtract the deductible amount from the loss amount

$$\$100,000 - \$5,000 = \$95,000 \text{ (loss after subtracting deductible)}$$

Next, multiply the remaining loss amount by the coinsurance percentage

$$\$95,000 \times 10\% = \$9,500 \text{ (coinsurance amount)}$$

Finally, add deductible and coinsurance amounts to determine insured's expense

$$\$5,000 + \$9,500 = \$14,500 \text{ (insured's out-of-pocket expense)}$$

In the above example the insured's out of pocket expense would be \$14,500, and the carrier would be covering the remaining \$85,500.

Special Underwriting Requests

For requests to the underwriters, please submit:

- Recent Photographs of the Item(s)**
- Written Request with Insured's Signature and Letterhead**
- Supporting Documentation** (appraisals, receipts, work orders, estimates, etc.)

Please include quote/policy number, and send to:

Email: mxho@mexicoinsuranceonline.com,

Fax: 928-779-7221 (no photos via fax), or

Mail: International Insurance Group
214 East Birch Avenue
Flagstaff, Arizona 86001

Dangers of Underinsuring

Insufficient funds to rebuild, or replace insured property

Shortfall in coverage becomes insured's out-of-pocket expense

Increased chance of unsatisfactory customer claims experience

Agent's Errors and Omissions exposure is increased

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MEXICO HOMEOWNER'S INSURANCE QUOTE

 **GNP Home Owners**

\$918.83 USD

[\[Buy Now!\]](#)

[\[Coverage Explanation\]](#)

[Email My Quote](#)

[Modify My Quote](#)

[Modify My Coverage](#)

Email My Quote:

Click button and enter customer's email address

Modify My Quote:

Goes back to the first page of the quote form

Modify My Coverage:

Goes back to the second page of the quote form

[Coverage Explanation]:

Provides an itemized quote printout

[Buy Now!]:


Continues to application, disclaimers, and payment

Quote Printout

[Coverage Explanation]
button brings up an
itemized quote page

“Ctrl P”
to print/save PDF file

There’s a hyperlink to the
[terms and conditions](#)
at the bottom of the page.



GNP
SEGUROS

Mexico Homeowners Insurance Quote

Quote Number: 10573920
Postal Code of Insured Property: 23900
Dwelling Type Condo
Insured Name Test Test
Phone Number: 1234567890
Email Address: none@none.com

Agency/Brokerage Name: International Insurance Group - MM
Address: 1 Flagstaff AZ 86001
Phone: 888-467-4639
Email: mike.mercer@igins.com
(mailto:mike.mercer@igins.com?subject=Mexico Home Owners Quote #10573920)

Coverage	Insured Sum	Deductible	Coinsurance	Premium
Dwelling and Other Structures				
Dwelling and Other Structures	\$140,000.00	\$500.00	0%	\$72.94
Building Limit for Hydro-Meteorological Events	\$140,000.00	1%	10%	\$28.00
Building Limit for Earthquake	\$140,000.00	2%	20%	\$92.29
Personal Property				
Personal Property	\$50,000.00	\$500.00	0%	\$26.05
Personal Property Limit for Hydro Meteorological Events	\$50,000.00	1%	10%	\$10.00
Personal Property Limit for Earthquake	\$50,000.00	2%	20%	\$16.48
Consequential Losses				
Debris Removal	\$13,000.00	\$0.00	0%	\$9.05
Loss of Use	\$13,000.00	\$0.00	0%	\$5.34
Glass Breakage				
Glass Breakage	\$7,000.00	\$500.00	0%	\$15.25
Theft				
Home Furnishings	\$10,000.00	\$500.00	0%	\$64.10
Liability				
Liability	\$300,000.00	\$0.00	0%	\$77.80
Premium				\$417.29
IVA Tax				\$70.77
Fee				\$50.00
Total				\$538.06

This is only a quote and does not indicate coverage has been bound.

The loss settlement for building and contents coverage is replacement cost. The coverage form is based on a Mexican "All Risk" policy form which is subject to conditions and exclusions. For more specific information on coverage please review the terms and conditions of the policy. (Hyperlink to terms and conditions).

Application page

After you click [Buy Now!], there's just a few questions

INSURED LOCATION

MAILING ADDRESS

PREFERRED BENEFICIARY

REQUIRED GOVERNMENT INFORMATION

PAYMENT INFORMATION

Please note:

Most U.S. and Canadian Customers won't have
a Mexico RFC (Registry of Federal Contributors) number.

BEFORE WE FINISH

The last page includes standard disclosures , PDF document instructions, and access to the policy's [terms and conditions](#).

It also goes over **Important policy conditions**, including:

Waiting Period for Hydro Meteorological Risks

Distance from a Body of Water

Assets Exposed to the Elements

Theft Coverage

Cancellation request by the Insured

Table for Hydro Meteorological Risks

At the bottom of the page, you'll find the certificate costs and entry fields for the customer's payment information .

Sample GNP MXHO Policy Declarations

Policy Declarations,
Claims Instructions,
and General Conditions,
all provided in both
English and Spanish.



Av. Cerro de las Torres 395, Col. Campestre Churubusco
C.P. 04200, México, D.F.

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Damage Insurance Policy - Mexico Homeowners Insurance Policy					
Applicant			Policy No.		
			Version	0	
			Location	1	
			Policy Period		
			From 12:00 Hrs. on	Day	Month Year
			To 12:00 Hrs. on		2016
			Duration	366	
Issuance Date			Means of Payment		Intermediary
Day	Month	Year	Form of Payment	Annual	
		2016	Currency	Dollars	
			Premium for Amendment		
			Net Premium		\$1,166.85
			Installment Surcharge		-
			Policy Fee		\$25.00
			V.A.T. (16%)		\$190.70
			Total Amount Payable		\$1,382.55

Grupo Nacional Provincial S.A.B. undertakes to pay indemnity to the Insured for loss or damage sustained by such property items as specified below, and / or for civil liability legally ascribable to the Insured arising from any of the risks explicitly contracted for under this Policy in conformity with the General Conditions and the Particular Conditions set forth in the Policy, the latter having precedence over the former.

Insured Location						Description of Amendment			
Located less than 500m. from high tide and less than 250m. from a lake, pond, or river.						New Policy			
Detail of Coverage Items						Policy Period			
Coverage Items included	Insured Sum	Deductible	Coinsurance	Premium	From 12:00 Hrs. on	Day	Month	Year	
I. Damage sustained by real property, arising from Fire All Risk						To 12:00 Hrs. on		2017	
Damage sustained by real property - basic	\$250,000.00	\$1,000.00	-	\$119.65	Duration	366			
Hydro meteorological Risks	\$250,000.00		2%	10%	Total Updated Amount				
Earthquake and/or Volcanic Eruption	\$250,000.00		2%	20%	Total Previous Amount		\$1,382.55		
Property In the Open Air	-	-	-	-	Total Amount for Amendment				
II. Damages sustained by contents, arising from Fire All Risk						-			
Damage sustained by contents - basic	\$10,000.00	\$1,000.00	-	\$4.79	Total Current Amount				
Hydro meteorological Risks	\$10,000.00		2%	10%	\$1,382.55				
Earthquake and/or Volcanic Eruption	\$10,000.00		2%	20%	-				
III. Consequential Loss						Discounts Applied			
Debris Removal	\$10,000.00	-	-	\$6.96	Package Policy				
Extraordinary Expenses	\$12,000.00	-	-	\$4.93					
IV. Glass Breakage									
Glass Breakage	\$13,000.00	\$500.00	-	\$28.32					
V. Theft									
Home Furnishings	\$1,000.00	\$500.00	-	\$6.41					
VI. Home Civil Liability									
Owner's Civil Liability	\$300,000.00	-	-	\$77.80					
Leaseholder's Civil Liability	-	-	-	-					
Total for Coverage Items					\$1,166.85				
Insured						General Conditions Applicable			
						October 2015			

The Spanish documentation prevails over that which is in English. This document is not proof of payment for the policy.

Article 25 of the Law of the Insurance Contract.

If any of this Policy's contents or any amendments thereto should not be in agreement with the offer, the Insured may request, within 30 days following the day on which they receive the Policy, the corresponding changes to be made. Once said term expires, the provisions in the Policy or the amendments thereto shall be deemed accepted.

Grupo Nacional Provincial, S.A.B.

MEXICO INSURANCE ONLINE

For additional questions about GNP MXHO, please contact us.

Online help center:

mexicoinsuranceonline.com

Need Help? Click Here

Email:

mxho@mexicoinsuranceonline.com

Telephone:

844-273-5527

Fax:

928-779-7221