

Automobile Insurance Information for Travel in the Republic of Mexico

Although a driver license issued by any state in the U. S. is recognized by the Mexican Government, automobile liability insurance policies issued by most U. S. insurers are not valid in Mexico, inclusive of collision and comprehensive coverage. Automobile Liability Insurance must be purchased from an insurer approved by the Mexican Government before entering the country. Required coverage can be purchased from an insurer approved by the Mexican Government to underwrite automobile liability in Mexico. Sanborn Insurance offers automobile liability insurance policies that meet all governmental requirements. To find out more about Sanborn Insurance and get a premium quotation, click on the following link:

<http://www.sanborninsurance.com>.

Importance of Appropriate Coverage

The Government of Mexico strictly regulates the entry of vehicles into Mexico. Mexican law related to automobile liability can present difficulties to uninformed travelers.

- Mexican law requires that vehicles be driven by their owners, or that the owner be inside the vehicle. If not, the vehicle can be seized by Mexican Government and may not be returned to the owner.
- Motor vehicle insurance is considered invalid in Mexico if the driver is found to be under the influence of alcohol or drugs.
- If you are involved in an automobile accident, you will be taken into police custody until it can be determined who is liable and whether you have the ability to pay any penalty.
- If you do not have Mexican liability insurance, you may be prevented from departing the country even if you require life-saving medical care, and you are almost certain to spend some time in jail until all parties are satisfied that responsibility has been assigned and adequate financial satisfaction received.
- Drivers may also face criminal charges if the injuries or damages are serious.

Coverage & Policy Limits

The following is a basic description of risks typically covered by Mexican automobile liability insurance policies:

Civil Liability- This is coverage for bodily injury and property damage to parties other than the insured and occupants of the insured vehicle, resulting from the use of the insured vehicle. This fulfills your proof of financial responsibility as required under Mexican Law. Insurance coverage is available up to \$300,000 U.S. Combined Single Limit for damages incurred to others.

Physical Damage and Total Theft of Your Vehicle- This insurance coverage protects your vehicle up to the value you have stated on your policy for total theft, collision, turnover, fire, lightning, explosion, and meteorological phenomenon such as windstorms, cyclones, hurricanes and earthquakes. Partial theft and acts of vandalism are excluded. Towing expenses are covered in order to move the vehicle to a place designated by the company for repairs, including a repair place in the U.S. if the company decides to do so. It is important to note, in the event of a total loss of

Automobile Insurance Information for Travel in the Republic of Mexico

a vehicle, most insurers will adjust on an Actual Cash Value (ACV) basis. It is important that the realistic ACV of your vehicle be determined when you purchase insurance coverage. Under-insuring may result in financial penalties in the event of a loss.

Medical Expense for Occupants- Pays for medical expenses of the driver and occupants of the vehicle in Mexico for injuries sustained in the event of a covered loss. Insurance coverage is available up to \$5,000 for each injured occupant but not more than \$25,000 for all occupants combined.

Medical, Travel, Roadside and Legal Assistance- Provides legal services and payment of bail bonds required in the event of a covered loss. These services are available 24 hours a day, 365 days a year. Travel assistance and an automobile travel assistance hotline are included.

Actual Cash Value- Usually considered being the cost to replace property at the time of a loss minus depreciation. Thus depending on the property's age, the quality of maintenance, and other factors, the actual cash value of a particular piece of property can range from being equal to replacement cost to much less than the actual cost to replace the item.

Motorcycles- Motorcycles are eligible for liability insurance coverage only while traveling in the Mexican Republic. Physical (collision and theft), Medical Payments, and Roadside Assistance are not available.

Assistance Benefits Included in Mexican Automobile Insurance Policies

Should you need immediate assistance or need to follow up on an automobile liability claim while in Mexico please call:

AIG Mexico: 01-800-624-6497
GE Seguros: 01-800-019-6000

Legal Aid and Guaranteed Bond

In the event of a covered loss, legal aid services are provided 24 hours a day, 365 days a year.

Legal Defense- The insurer will appoint, upon request, the services of professional attorneys and will pay for the procedural expenses incurred for the defense of the insured from the time the insured is detained or declared until the conclusion of the case.

In providing this service, the insurer will:

1. Negotiate the release of the insured, if necessary, from the hands of competent authorities according to applicable legislation.

Automobile Insurance Information for Travel in the Republic of Mexico

2. Follow the necessary procedures for the return of the insured vehicle.
3. Guarantee the repair of damages and possible pecuniary sanctions against negligence.

Bail Bond or Guarantee Deposit- The insurer will post a bond or deposit a guarantee to obtain services described in sections 1, 2 & 3 above up to \$250,000 pesos after the insured has designated an attorney.

Medical Services Assistance:

Medical Services Assistance is provided 24 hours a day, 365 days a year and include the following:

Medical References- The insurer will provide references for medical services within the Mexican Republic. This includes the names, addresses and phone numbers of doctors, specialists, laboratories and drugstores as well as provide for the coordination of urgent national or international medical services.

In situations where medical attention is needed by the user, a team appointed by the Company will provide a diagnosis at no cost. If the user requests a second opinion, the Company will arrange for another diagnosis with all costs incurred to be paid by the insured.

Ambulance Service- If necessary, the Company will provide the names and phone numbers of surface ambulance companies and arrange for dispatch after costs have been authorized by the insured.

Urgent Communication- In case of an emergency, the Company will provide for communication services with relatives, business contacts or physicians regarding patient's condition. This cost will be incurred by the Company.

Travel Services Hotline: Within the Mexican Republic 01-800-904-2700

The following information is available:

Automobile- Information is provided regarding Mexico's major highways, the shortest route between two cities, driving distances, the price and location of toll booths on the main highways, and locations of gas stations (diesel and gasoline). The addresses and telephone numbers of police stations and authorized vehicle impound lots are also available.

Tourist Hotline while traveling in Mexico - Has useful trip planning information is available including:

- * Visas and other documentation formalities
- * Weather
- * Hotels and restaurant
- * Exchange rate

Automobile Insurance Information for Travel in the Republic of Mexico

- * Local customs
- * Museums and galleries
- * Music
- * Holidays
- * Sports
- * Ticket selling agencies
- * Children's attractions
- * Shopping centers
- * Events
- * Exhibitions and shows
- * Art exhibits
- * Festivals and special events
- * Night life
- * Useful tips

Road Side Assistance

Roadside assistance is available in case insured vehicle runs out of gas, has a dead battery, or has a flat tire. The Company will provide gas in order for the vehicle to reach the nearest gas station. The gasoline expense is the responsibility of the insured. A dead battery will be charged so that the vehicle can reach the closest repair shop. In case of a flat tire, it will be replaced with the spare or taken to be repaired.

Towing Service- This service is provided if insured's vehicle breaks down and cannot be repaired at its location. The Company will cover up to \$250 (USD) per trip for vehicle to be towed to nearest repair shop.

Transportation- Ground transportation will be provided for the insured and up to four additional passengers to a repair shop in case of a vehicle breakdown.

Hotel- The insurer will pay hotel expenses up to \$50 (USD) per event with a maximum of \$100 (USD) a year in case of a breakdown if the vehicle cannot be repaired within first 24 hours or, in case of total theft of the vehicle, if it cannot be recovered within 48 hours.

Vehicle Permits

Driving in Border Zones

You do not need a permit for your vehicle if you do not plan to drive south of 25 kilometers (16 miles) from the border, known as the "border zone", or anywhere in the Baja California peninsula. Also, if you are driving within the state of Sonora only, you qualify for the "Sonora Only" permit.

Driving in the Rest of the Country

If you plan to take a vehicle south of the border zone, outside of Sonora or Baja, you must obtain a temporary vehicle importation permit at the border.

Automobile Insurance Information for Travel in the Republic of Mexico

The Mexican BANJERCITO now accepting vehicle permit applications on-line. Visit their website at https://www.banjercito.com.mx/iitv/index_en.htm. Here you will find English instructions and requirements for obtaining your permit. You can then go through the registration process on-line.

Here are the requirements as listed on the Sanborn Insurance Company webpage:

1. Make sure you have the original (or a notarized copy) and two photocopies of the following documents:
 - a. Valid proof of citizenship (passport or birth certificate)
 - b. A Vehicle Registration Certificate or Vehicle Title ("Pink Slip")- Vehicle registration must be in the drivers name
 - c. A lease contract if the vehicle is leased or a rental contract if it rented
 - d. A Driver's License issued in the U.S. or a valid international driver's license for drivers from other countries outside of Mexico.
 - e. A Visa or Tourist Card for Travel in Mexico
2. Make sure you have [Mexican Auto Insurance](#)
3. Go through the "Declarations Lane" and stop at the customs office when crossing the border. Look for a "Modulo de Control Vehicular". The owner of the vehicle must be in the vehicle when it crosses the border.
4. This step is determined by whether or not you have an internationally accepted credit card. If you have an international credit card (Visa, Mastercard, American Express, Diner's Club) the next part is easy. The credit card must be in the name of whoever is listed on the vehicle registration! You will be required to charge a non-refundable fee of \$16.50 (including the IVA) to your credit card at the Banjercito which is within the Customs area. [Banjercito hours of operation](#) at different border crossings are listed below.

How long can you keep you car in Mexico?

Temporary Vehicle Importation Permits are valid for up to **six months**. Within this period you may enter and exit the country with your vehicle as many times as you want. Make sure that you get the full six months worth stamped on your permit- its probably wise to do so even if you don't plan to stay that long. If your vehicle is in the country for longer than the permit allows, it can be confiscated by the Mexican authorities.

Making a cash deposit: Please view the [BANJERCITO](#) web site.

Sonora Only Permit

The state of Sonora operates a program known as "Sonora Only". Designed for visitors staying in the state of Sonora, the program eliminates the need for a credit card and waives the \$16.50 fee. In addition to normal proof of citizenship documents (needed by all visitors to Mexico's interior) "Sonora Only" visitors need only present a **valid drivers license and proof of ownership or legal possession by the driver**. Legal possession can be proven with one or more of the following documents:

Automobile Insurance Information for Travel in the Republic of Mexico

- * **Vehicle registration (in the name of the driver) or original title**
- * **Lease contract (for leased vehicles)**
- * **Proof of labor relationship between driver and car owners (for company-owned vehicles)**
- * **Notarized permission from the leasing company or bank (if money is still owed on the car) giving owner permission to take the vehicle to Mexico.**

Permits are valid for 180 days and may be obtained at the check point at Kilometer 21, south of Nogales on Highway 15. If you are entering from another border crossing, please call 1-800-4-SONORA. **Permits must be returned to this check point within the allotted six-month period.**

Rental Vehicles

Travelers planning to rent vehicles from Enterprise Rental Car Company or other such provider in the U. S. must inform the company that the vehicle will be used to travel to Mexico and purchase Mexican automobile liability insurance offered by the rental company. Travelers should be aware that rental car company staff may not be familiar with Mexican automobile liability coverage or their company's process used to engage Mexican automobile liability coverage. Often additional applications or other documents will need to be completed by the traveler [purchaser]; thus, additional time may be needed to complete the transaction. Travelers should allow for additional time when planning trips to Mexico using rental cars and anticipate the additional expense needed to purchase Mexican automobile liability insurance.

Enterprise Rentals

Enterprise has designated branch offices authorized to sell Mexico automobile liability insurance. The closest branch office to Baylor University is located in Austin (4210 S. Congress Avenue, Austin, Texas 78745-1104, Tel: 512-462-9009).

Renter Qualifications

- Must be a corporate account
- 25 years old or older
- Valid photo driver's license
- Major credit card (not applicable to corporate accounts)
- Renter cannot be a Mexican National

Prohibited Vehicles

- Cargo vans
- Pickup trucks
- Mercury Grand Marquis
- Any Dodge, Chrysler or Plymouth products (these companies have manufacturing plants in Mexico and their products are targets of theft)

Automobile Insurance Information for Travel in the Republic of Mexico

Rental Transactions

The branch office will need to be contacted at least 72-hours prior to the date of your planned departure. Mexico automobile insurance coverage is only required for the actual number of days the vehicle will be in Mexico. Place copies of all information (vehicle title, claim filing procedures, liability limits/deductible form, Mexico travel assistance information & pink copy of the completed insurance form) provided to you by Enterprise in the glove compartment of the rental vehicle

Required Optional Coverage Elections:

1. Physical Damage to Rental Vehicle (Collision Damage Waiver) – This coverage is not required to be purchased by Baylor.
2. Personal Accident Insurance – Travel events that include non-Baylor employees as occupants in rental vehicles require purchase of this coverage. This coverage includes a \$150 ambulance benefit, \$3,500 per person medical benefit for vehicle occupants, \$100,000 AD/D benefits for the driver and \$10,000 AD/D benefit per passenger.
3. Supplemental Liability Insurance – This coverage is not required to be purchased by Baylor in most cases. Contact Risk Management at (254) 710-8990 with any questions concerning the applicability of this coverage related to specific travel events.

Claims Reporting

All claims must be reported to the insurer and the Mexican police authority while in Mexico. Failure to report the claim while in Mexico in the event of an accident will void the Mexico insurance policy. If you cross the border back into the United States before reporting a claim, the claim will be denied and the renter will be responsible for any damage. If the optional physical damage or collision damage waiver was purchased, it will cover the deductible for the Mexico insurance and any damage occurring in the United States.

Claim Reporting Procedures:

1. Report claim while still in Mexico as soon as damage is recognized
2. Call the insurer at 01-800-026-5110
3. Report incidents to local policy agency (if possible obtain a copy of the police report for subsequent submission to the insurer)
4. Notify the branch office the car was rented from of any incident

Information discussed in this document, although meant to be informative, should not be considered exhaustive in nature. If you have questions, contact the Risk Management Department at (254) 710-8990.

Automobile Liability Insurance purchased from a Mexican insurer is for the use by visitors to the Republic of Mexico and is valid only in the Republic of Mexico. This

Automobile Insurance Information for Travel in the Republic of Mexico

coverage is not applicable to Mexican registered, licensed and plated vehicles and Mexican nationals residing in Mexico do not qualify for this insurance coverage.