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April 22, 1983

No. 391

SPECIAL NOTICE:

RE: Mexican Insurance - Claims Payment in Pesos

It has been brought to our attention that Mexican insurance companies currently are restricted to payment of claims incurred in Mexico by means of Mexican pesos, a currently fluctuating currency.

In essence, Mexican insurers apparently are settling automobile insurance claims with United States citizens on accidents taking place in Mexico in pesos instead of United States dollars. Due to the unstable nature of the peso, this payment record can prove an unfair burden on American policyholders.

All surplus line brokers and special lines surplus line brokers engaged in this aspect of the business should also warn your American clientele of this particular limitation and the ramifications thereof.

A. D. Freeman, Jr.

Manager