Product: Inland Marine Equipment

Manufacturer Information

Product information

This product covers physical loss or damage to Mobile Contractors or Logging Equipment owned, leased, operated or otherwise in the care custody or control of a Commercial entity.

The product is currently available to Worldwide customers but predominately written in USA, Canada.

Core coverage is written on an All Risks basis.

Optional Covers
Customers may consider purchasing optional coverage which can include the following; dependent on the form(s) being used:

- Loss of use
- Replacement Cost
- Blanket Short-term leased, rented or borrowed equipment
- Automatic Acquisitions
- Debris Removal
- Road Risk
- Pollutant Clean Up & Removal Expense
- Removal (Preservation) Expense
- Fire Department Service Charges
- Fire Suppression Recharge Expense
- Loss Data Preparation Cost
- Reward Expenses
- Employee Tools
- Temporary Replacement Physical Damage Coverage
- Rental Reimbursement
- Crane Overload Coverage
- Waterborne Property

Target market

The Inland Marine Equipment product is specifically designed for commercial entities that own, lease, operate, or have contractors' or logging equipment in their care, custody, or control. It provides comprehensive protection against physical loss or damage to mobile equipment on an All Risks basis, ensuring operational continuity for businesses reliant on specialised machinery.

Key characteristics include:

(1) Business Size & Type
- Micro enterprises, small businesses, mid-sized, and large commercial operations.
- Typical businesses include:
  (a) Contractors operating mobile equipment
  (b) Logging companies
  (c) Businesses engaged in construction, forestry, or similar industries requiring mobile plant and equipment

(2) Insurance Profile
- Customers seeking coverage for physical loss or damage to mobile contractors' or logging equipment.
- Coverage includes:
  (a) Owned, leased, rented, or borrowed equipment
  (b) Optional extensions such as loss of use, replacement cost, automatic acquisitions, debris removal, pollutant cleanup, and fire suppression recharge expenses.

(3) Customer Needs & Behaviours
- Businesses that value:
  (a) Comprehensive protection for high-value mobile equipment

(b) Flexibility to tailor coverage with optional extensions
(c) Reliable claims handling and financial security in case of equipment damage or loss
- Customers typically operate in environments where equipment is exposed to multiple risks (e.g., construction sites, logging areas) and require robust risk transfer solutions.

(4) Geographic Scope
- Available in all territories where Lloyd's is licensed to write motor vehicle physical damage business.
- Not approved for distribution in the UK or EEA.

(5) Distribution Channel
- Sold via Lloyd's brokers and coverholders through:
(a) Delegated authority arrangements
(b) Lineslips and open market placements
- Distribution involves specialist brokers with expertise in inland marine and equipment risks.

(6) Circumstances Where Product Delivers Greatest Value
- When businesses have significant exposure to mobile equipment risks, such as:
(a) Contractors with fleets of specialised machinery
(b) Logging operations in remote or high-risk areas
- Situations where equipment downtime or replacement costs could severely impact business operations.

This product appeals to businesses seeking peace of mind and financial protection for essential mobile equipment, ensuring resilience against unexpected physical damage or loss.

Types of customer for whom the product would be unsuitable

This product is not appropriate for:

(1) Private Individuals
- The coverage is designed exclusively for commercial entities and does not extend to personal or private equipment owners.

(2) Automobile or Equipment Dealers
- Businesses primarily engaged in selling vehicles or equipment rather than operating or using mobile contractors' or logging equipment.

(3) Entities Outside Approved Territories
- The product is not approved for distribution in the UK or EEA and cannot be distributed in jurisdictions where Lloyd's does not hold a license.

(3) Businesses Without Mobile Equipment Exposure
- Any commercial entity that does not own, lease, operate, or have contractors' or logging equipment in its care, custody, or control.

(4) Customers Seeking Standard Auto or Property Insurance
- The product does not provide coverage for private automobiles, general property risks, or personal accident benefits.

Any notable exclusions or circumstances where the product will not respond

(i) **Exclusions and Conditions can include but are not limited to the following dependent on territory and specific forms used:**

- The insured vehicle not being used for stated purposes or being used for improper/illicit purposes;
- Any claim arising from an action or licensing request caused or contributed to by the insured's actual or alleged dishonesty, fraudulent, malicious or criminal conduct;
- Claims arising outside of the territorial limits;
- Scheduled vehicles only;
- In certain territories Named driver(s) or driver(s) must meet a pre-agreed driver criteria;
- Wear and tear, mechanical, electrical breakdown or failure, freezing unless arising from an insured peril; and

- Tyres unless by fire, theft, collision or upset which cause other damage to the insured vehicle.

If agreed terms and conditions (including warranties and conditions precedent) that were agreed when the policy was placed have not been adhered to, this could mean a notified claim may be denied.

Exclusions applied, subject to Territorial restrictions or regulatory requirements can include but not limited to:

- Nuclear, biological, radioactive contamination;
- War and civil war
- Communicable disease
- Cyber
- Terrorism

(ii) **Limits of Liability:**

As agreed with the insured based on their insurance needs and or requirements as stated in the policy schedule.

(iii) **Deductible / Excess**

Polices may be subject to Deductibles or Excesses where Insurers are not liable for the amount of claims up to the deductible or excess value(s) Claims that are submitted that fall below the deductible or excess value will not be paid.

Depending on the needs of the client, there may be sublimits within the policy for certain extensions of coverages or perils. Claims Made under optional extensions of cover purchased or perils subject to sublimits will not be paid

If agreed terms and conditions (including warranties and conditions precedent) that were agreed when the policy was placed have not been adhered to, this could mean a notified claim may be denied.

Other information which may be relevant to distributors

This product should be sold in line with FCA or local regulations and can only be sold by a regulated insurance distributor.

Sales journeys must identify customer eligibility and ensure that key information and choices to be made are presented to customers in a way that supports a customer through the process of understanding core cover and configuring optional elements of insurance to suit their specific demands and needs.

This product can be sold face to face, via telephone, electronic communications or a mix of these methods, as long as customers are provided with sufficient information to make an informed decision regarding the suitability of the product.

This product can be sold with or without advice in line with FCA regulations or local regulations if the distributor is regulated outside of the UK.

Where Distributor 1 sells this Product via multiple other distributors (via sub-delegation or sub-broking), it is their responsibility to ensure all distributors have been provided this document, have reviewed it and understand the content. If there is any additional remuneration, including commissions, fees or other 'non-standard' remuneration charged to the customer by other distributors, it is the responsibility of Distributor 1 to inform TMK of these details accurately and in full.

Commission & Fees

If there is a coverholder in the chain, they are expected to ensure that maximum commission rates do not exceed those stipulated within the Binding Authority Agreement.

The coverholder is expected to maintain oversight of all broker commissions (where applicable) and, where there may be a risk to product value, remedial action should be taken immediately including notification to Tokio Marine Kiln.

Brokers are reminded of their own regulatory obligations in relation to remuneration under PROD 4.3.6 as well as the requirements to make all necessary disclosures to the customer.

Where there are any fees charged by any member of the distribution chain these should be:

- commensurate with the service provided by the distribution.
- not have an adverse impact on customer value; and
- distributor should ensure that TMKS is made aware of the fee amount and/ or method of calculation.

How value is assessed

Value is assessed based on a number of metrics, including underwriting, claims and complaints information as well as through broker and coverholder engagement.

Remuneration paid as set out in our agreements with distributors has been considered as part of the value assessment.

If additional add-ons (including premium finance) are sold alongside this product or additional remuneration is charged, this may affect the value for the customer.

Further information on our product approval processes can be obtained on request.

Date Fair Value assessment completed	August 2026
Expected date of next assessment	August 2027