



Product: Private Automobile Physical Damage

Manufacturer Information

Product information

This product covers physical loss or damage to motor vehicles owned, leased, operated or otherwise in the care custody or control of a private individual.

In certain territories limited bodily injury and or third-party property damage can be included.

Core coverage can include:

- Comprehensive and Collision Coverage.
- In certain territories limited 3rd Party Property Damage liability and / or limited 3rd Party Bodily Injury Liability must be provided

Comprehensive coverage covers damage to an insured vehicle caused by perils other than collision. Under this cover an insured is eligible to make a claim whether the accident was their fault or not; it also covers "discovered damage" to the insured vehicle when the insured cannot prove whose fault caused the damage i.e in a car park.

Comprehensive cover can include the following:

- Accident
- Vandalism
- Fire
- Lightning
- Theft
- Collision and upset
- Windstorm,
- Earthquake
- Explosion
- Water

In some international territories comprehensive coverage is known as 'KASKO.'

In Italy coverage would also include 3rd party property damage only whilst the vehicle is stationary.

Optional Covers:

Customers may consider purchasing optional coverages depending on their individual needs which can include but is not limited to the following, dependent on territory & the form(s) being used:

- Additional Insureds
- Coverage for Vehicle verses named driver basis
- Lease GAP
- Increased Towing Storage and Recovery Limits
- Increased Deductible or Aggregate Deductible
- Increased limits for Debris and Removal and Clean up
- Increased Electronic Equipment coverage
- Personal property
- Increased Bodily Injury and 3rd Party Property Damage Limits (Canada only)
- Recreational Vehicles
- Leased Vehicles
- Glass Coverage
- Travel Expenses
- Roadside Assistance
- Courtesy Car
- Hire Cars or Hire Car Expenses
- Replacement Cost Coverage
- Accident benefits
- Lost Keys
- Windscreen



Optional coverage purchased may be subject to specific sub-limits, conditions and exclusions which may differ from those provided under the core cover.

Target market

This product is suitable for all private individuals wishing to insure a motor vehicle which they own, lease, operate or is otherwise in their care, custody or control against physical loss or damage in any territory where Lloyd's has a licence to write automotive physical damage business.

This product is suitable to be sold in all Territories however third-party property or third-party bodily injury cover is not sold by TMK in the USA.

In certain territories this product is available to be sold to non-standard persons that could potentially fall within one or more of the categories that could indicate vulnerability. Where someone has been identified as potentially being a vulnerable customer the distributor is expected to take the appropriate level of due care and attention to ensure the customer fully understands the product offering and is able to access all insurance services as would be expected under the product without facing unnecessary barriers.

While the product is suitable to be sold across numerous territories, it is noted that TMK do not currently facilitate distribution in certain licensed territories, including the United Kingdom.

Types of customers for whom the product would be unsuitable

The product is not appropriate for the following target markets and or customer types:

- Dealers of vehicles / automobiles;
- Motor Fleets;
- Commercial use / businesses.
- While the product is suitable to be sold across numerous territories, it is noted that TMK do not currently facilitate distribution in certain licensed territories, including the United Kingdom.

Any notable exclusions or circumstances where the product will not respond

(i) Exclusions & conditions

- 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;
- 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:

Limits are agreed for each section of the policy and can differ for each defined peril and defined coverage item. This will be agreed with the policyholder and be stated in the policy documentation.

Depending on the needs of the client, there may be sublimits within the policy for certain coverages, extensions of coverage, property covered or perils. Claim amounts made under these perils, property covered or coverages will be paid up to but not above said sub-limits.

(iii) Excesses & deductibles

Policies may be subject to Deductibles or Excesses where Insurers are not liable to pay an amount until the deductible or excess value(s) is exceeded. Claims that are submitted that fall below the deductible or excess value will not be paid.

Excesses and deductibles are agreed with the client based on their individual needs and stated in the policy schedule.

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-brokering), 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	July 2025
Expected date of next assessment	June 2026