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

The Personal Motor and Motor Bikes product is specifically designed for private individuals who own, lease, operate, or have motor vehicles in their care, custody, or control. It provides protection against physical loss or damage to vehicles on a comprehensive or collision basis, with optional extensions available to meet individual needs. In certain territories, limited third-party property damage and bodily injury liability may also be included.

Key characteristics include:

(1) Customer Type
- Private individuals only (including non-standard customers who may have limited access to mainstream insurance markets).
- Typical profiles include:
  (a) Standard vehicle owners
  (b) Non-standard individuals such as:
    (i) New drivers
    (ii) Persons previously cancelled for non-payment
    (iii) Individuals released from bankruptcy
    (iv) Drivers with problematic records or light criminal history

(2) Insurance Profile
- Customers seeking coverage for:
  (a) Physical loss or damage to owned, leased, or operated vehicles
  (b) Comprehensive and collision coverage
- Optional extensions may include:
  (a) Lease GAP
  (b) Roadside assistance
  (c) Courtesy car or hire car expenses
  (d) Glass coverage
  (e) Replacement cost coverage
  (f) Increased limits for towing, storage, and recovery

(3) Customer Needs & Behaviours
- Customers who value:
  (a) Financial protection for their personal vehicles
  (b) Flexibility to tailor coverage with optional add-ons
  (c) Reliable claims handling and clear communication

(4) Geographic Scope
- Available in territories where Lloyd's is licensed to write automotive physical damage business.
- Not approved for distribution in the UK.
- TMK does not provide third-party liability cover in the USA.

(5) Distribution Channel
- Sold via Lloyd's brokers and coverholders through:
  (a) Delegated authority arrangements
  (b) Lineslips and open market placements
- Both advised and non-advised sales processes are used, with suitability checks expected even for non-advised sales.

(6) Circumstances Where Product Delivers Greatest Value
- For individuals who:
  (a) Require compulsory motor insurance but face limited options in domestic markets
  (b) Need coverage for non-standard risks (e.g., poor driving history, bankruptcy, or prior cancellations)
- Situations where vehicle damage or loss could cause significant financial hardship.

This product appeals to private individuals seeking peace of mind and financial protection for their vehicles, particularly those who may struggle to access standard insurance solutions.

Types of customers for whom the product would be unsuitable

The Personal Motor and Motor Bikes product is not appropriate for:

(1) Commercial Entities or Business Use
- The product is designed exclusively for private individuals and does not cover vehicles used for business purposes, motor fleets, or commercial operations.

(2) Vehicle Dealers or Automobile Traders
- Businesses engaged in selling vehicles or operating dealership lots are outside the scope of this product.

(3) Policyholders in Restricted Territories
- While the product is available in multiple licensed territories, it is not approved for distribution in the UK and cannot be sold in jurisdictions where Lloyd's does not hold a license.

(4) Customers Seeking Comprehensive Third-Party Liability in Certain Regions
- TMK does not provide third-party property or bodily injury liability coverage in the USA under this product.

(5) Group Policies or Corporate Beneficiaries
- The product is not suitable for group arrangements or entities requiring coverage for multiple drivers under a corporate structure

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

Polices 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-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