



IR UNDERWRITING SERVICES INC.

LLOYD'S AUTOMOBILE PHYSICAL DAMAGE INSURANCE – AMENDED V2.2023.09

INSURING AGREEMENTS

1. In consideration of the premium paid hereon and the particulars and statements contained in the written Proposal, a copy of which is attached hereto, which particulars and statements are warranted by the Assured to be true and are agreed to be incorporated herein, the Underwriters hereby agree to indemnify the Assured against direct and accidental loss of or damage to the automobiles specified in the Schedule herein, during the period of Insurance specified in the Schedule, while such automobiles are within the United States of America (excluding Hawaii, the Phillippine Islands, the Virgin Islands and Puerto Rico) and the Dominion of Canada.
2. This Insurance covers only such and so many of the Perils named in the Schedule as are indicated by a specific premium set thereunder. The limit of the Underwriters' liability in respect of each of such Perils is the amount insured stated in the Schedule or the actual cash value of the vehicle concerned at the time of loss, whichever is the less.

PROVIDED ALWAYS THAT Underwriters' Liability shall not exceed:

- (a) the limits stated within the Cover Declaration in respect of any combination of automobile, truck, tractor, trailer or semi-trailer, or
- (b) the limit stated within the Cover Declaration in respect of any one event, catastrophe or terminal loss.

DEFINITIONS

1. **DEFINITION OF AUTOMOBILE.** The word "automobile" wherever used herein shall mean each motor vehicle or trailer or semi-trailer described in this Insurance, including its equipment and other equipment permanently attached thereto. The terms of this Insurance and the limits of liability, including any deductible provisions, shall apply to each automobile separately.
2. **DEFINITION OF PERILS.**

SECTION A. FIRE, LIGHTNING AND TRANSPORTATION.

This Section covers

- (i) loss or damage resulting from fire arising from any accidental cause, and lightning,
- (ii) damage by smoke or smudge due to a sudden, unusual and faulty operation of any fixed heating equipment serving the premises in which the automobile is located, and
- (iii) loss or damage resulting from the stranding, sinking, burning, collision or derailment of any conveyance in or upon which the automobile is being transported on land or on water, including general average and salvage charges for which the Assured is legally liable.

SECTION B. THEFT, ROBBERY AND PILFERAGE.

SECTION C. COLLISION OR UPSET.

This Section covers loss of or damage to an automobile caused by accidental collision of the automobile with another object, or by upset, provided always that the deductible specified in the Schedule shall be deducted from the amount of each and every loss or damage to each automobile.

SECTION D. WINDSTORM, EARTHQUAKE, EXPLOSION, HAIL OR WATER.

This Section covers loss or damage caused by windstorm, hail, earthquake, explosion, external discharge or leakage of water, except loss or damage resulting from rain, snow or sleet, whether or not wind-driven.

SECTION E. COMBINED ADDITIONAL COVERAGE.

This Section covers loss or damage caused by windstorm, hail, earthquake, explosion, riot or civil commotion or the forced landing or falling of any aircraft or its parts or equipment, flood or rising waters, external discharge or leakage of water, except loss or damage resulting from rain, snow or sleet, whether or not wind-driven.

SECTION F. COMPREHENSIVE COVERAGE EXCEPT BY COLLISION OR UPSET.

This Section covers loss of or damage to the automobile except loss or damage caused by collision of the automobile with another object or by upset of the automobile or by collision of the automobile with an automobile to which it is attached. Breakage of glass and loss or damage caused by missiles, falling objects, fire, theft, explosion, earthquake, windstorm, hail, water, flood, vandalism, riot or civil commotion shall not be deemed loss caused by collision or upset.

EXCLUSIONS

This Insurance does not cover

1. loss of or damage to any radio transmitting or receiving set and tape recorders unless permanently attached to an insured automobile, radio tubes in any event, robes, wearing apparel, personal effects, or other property of the Assured or of others carried in or upon the automobile;
2. loss of or damage to tyres unless damaged by fire or stolen or unless lost or damaged in an accidental collision or upset which also caused other damage to the insured automobile;
3. loss or damage directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or requisition or destruction or damage by or under the order of any government or public or local authority, or, except under Sections E and F, riot or civil commotion;
4. loss or damage arising from nuclear reaction, nuclear radiation or radioactive contamination;
5. loss of or damage to any automobile
 - (i) while used for any purposes other than those specified in the Schedule,

- (ii) while operated, maintained or used by any person in violation of State Law as to age or by any person under the age of eighteen years in any event,
 - (iii) while operated, maintained or used in any race or speed contest,
 - (iv) while rented or used for livery purposes or to carry passengers for a consideration, express or implied, unless specifically agreed herein,
 - (v) while subject to any bailment lease, conditional sale, mortgage or other encumbrance, not specifically declared and described in this Insurance,
 - (vi) while the automobile is used in connection with any illicit trade or transportation,
 - (vii) which is due and confined to wear and tear, freezing, mechanical or electrical breakdown or failure, unless such damage is the result of other losses covered by this Insurance;
6. under Sections B and F
- (a) loss or damage caused by any person or persons in the Assured's household or in the Assured's service or employment, whether the loss or damage occurs during the hours of such service or employment or not,
 - (b) loss suffered by the Assured as the result of voluntarily parting with title or possession, whether or not induced so to do by any fraudulent scheme, trick, device or false pretence,
 - (c) the theft, robbery or pilferage of tools or repair equipment except in conjunction with the theft of an entire automobile,
 - (d) the wrongful conversion, embezzlement or secretion by a mortgagee, vendee, lessee or other person in lawful possession of the insured property under a mortgage, conditional sale, lease or other contract or agreement, whether written or verbal.

CONDITIONS

1. **LIMITATION OF USE.** It is understood and agreed that the regular and frequent use of the vehicles covered hereunder is and will be confined during the period of this Insurance to the territory within the radius of miles stated in the Schedule of the place of principal garaging of such vehicles; that is, regular or frequent trips will NOT be made during the period of this Insurance to any location beyond such radius of the place of principal garaging of such vehicle.
2. **AUTOMATIC INSURANCE FOR NEWLY ACQUIRED AUTOMOBILES.** If the Assured who is the owner of the insured automobiles acquires ownership of another automobile, such coverage as is afforded by this Insurance shall apply also to such other automobiles from the date of delivery thereof, subject to the following additional conditions:-
 - (a) If the Underwriters insure all automobiles owned by the Assured at the date of such delivery, this Insurance applies to such other automobile if it is used for pleasure purposes or in the business of the Assured but only to the extent applicable to all such previously owned automobiles.
 - (b) If the Underwriters do not insure all automobiles owned by the Assured at the date of such delivery, this Insurance applies to such other automobile if it replaces an automobile described in this Insurance but only to the extent applicable to the replaced automobile.

(c) The coverage afforded hereunder upon the replaced automobile

(i) automatically terminates at the date of such delivery,

(ii) does not apply to any loss or damage against which the Assured has other valid and collectible insurance,

(iii) does not apply unless the Assured notifies the Underwriters within ten (10) days following the date of delivery of the new automobile and pays any additional premium required.

3. NOTICE TO UNDERWRITERS. Upon the occurrence of any accident claimed to be covered under this Insurance, the Assured or someone on his behalf shall give, as soon as reasonably possible, written notice thereof to the Underwriters and in the event of theft, larceny, robbery or pilferage or vandalism to the police, but shall not, except at his own cost, offer or pay any reward for recovery of the vehicle. Such notice shall contain particulars sufficient to identify the insured automobile(s).
4. INSPECTION OF LOSS OR DAMAGE. In the event of any loss or damage covered hereunder, the Assured shall give the Underwriters a reasonable time and opportunity to examine the insured automobile before any repairs are begun or any physical evidence of damage removed.
5. PROOF OF LOSS. Within sixty (60) days after loss or damage, unless such time is extended in writing by the Underwriters, the Assured shall forward to the Underwriters a statement, signed and sworn to by the Assured, stating the place, time and cause of the loss or damage, the interest of the Assured and of all others in the property, the sound value thereof and the amount of loss or damage thereto, all encumbrances thereon and all other insurance, whether valid and collectable or not, covering said property. The Assured, as often as required, shall submit to examination under oath by any person designated by the Underwriters and subscribe the same. As often as required, the Assured shall produce for examination all books of accounts, bills, invoices, and other vouchers, or certified copies thereof if the originals are lost, at such reasonable place as may be designated by the Underwriters, and shall permit extracts and copies thereof to be made.
6. PAYMENT OF LOSS. The loss shall in no event become payable, until sixty (60) days after the verified proof of loss herein required shall have been received by the Underwriters and, if appraisal is demanded, then not until sixty (60) days after an award has been made by the appraisers.

Loss, if any, shall be payable as interest may appear to the Assured and to the person or persons specified in the Schedule for the purpose.

7. PARTIAL LOSS. In the event of partial loss or damage under this Insurance, the Underwriters shall be liable only for the actual cost of (and shall have the option of) repairing, rebuilding or, if necessary, replacing the parts damaged or destroyed.

In the event of loss of or damage to the automobiles described herein, whether such loss or damage is covered by this Insurance or not the liability of the Underwriters shall be reduced by the amount of loss or damage until repairs have been completed.

8. ABANDONMENT - RETURN OF STOLEN PROPERTY. It shall be optional with the Underwriters to take all or any part of the property at the agreed or appraised value, but there can be no abandonment thereof to the Underwriters. If theft is covered hereunder and stolen property is recovered prior to any payment hereunder for such property, the Assured shall take back the recovered property if so required by the Underwriters, who will only be liable, subject to the

terms, limits and conditions of this Insurance, for any damage done to such property by the thief or thieves.

9. PROTECTION OF SALVAGE. In the event of any loss or damage, whether covered hereunder or not, the Assured shall protect the property from other or further loss or damage, and any such other or further loss or damage due directly or indirectly to the Assured's failure to protect shall not be recoverable hereunder. Any such act of the Assured or the Underwriters in recovering, saving and preserving the property described herein, shall be considered as done for the benefit of all concerned and without prejudice to the rights of either party, and where the loss or damage suffered constitutes a claim hereunder, then all reasonable expenses thus incurred shall also constitute a claim hereunder, provided, however, that the Underwriters shall not be responsible for the payment of any reward offered for the recovery of the insured property unless authorized by the Underwriters.
10. OTHER INSURANCE. If the Assured carries a policy of another insurer against a loss covered hereby, the Assured shall not be entitled to recover from the Underwriters a larger proportion of the entire loss than the amount hereby insured bears to the total amount of valid and collectible insurance, and if any person, firm or corporation other than the Assured has valid and collectible insurance against any loss covered hereby then no such person, firm or corporation shall be considered as an Assured hereunder.
11. APPRAISAL. In case the Assured and Underwriters shall fail to agree as to the amount of loss or damage each shall on the written demand of either, select a competent and disinterested appraiser. Before entering upon the reference, the appraisers shall first select a competent and disinterested umpire, and failing for fifteen (15) days to agree upon such umpire, then on the request of the Assured or the Underwriters such umpire shall be selected by a judge of a court of record in the County and State in which the appraisal is pending. The appraisers shall then appraise the loss or damage, stating separately the sound value and loss or damage; and failing to agree, shall submit their differences only to the umpire. The award in writing of any two, when filed with the Underwriters, shall determine the amount of sound value and loss or damage. Each appraiser shall be paid by the party selecting him and the expenses of the appraisal and of the umpire shall be paid by the parties equally.
12. ASSIGNMENT OF INTEREST. If an automobile, to which this Insurance applies, is sold, transferred or assigned, the Insurance provided herein shall not extend to such purchaser, transferee or assignee. In the event of death of the Assured during the period of insurance this Insurance shall continue in force for the benefit of the legal representative of the Assured for sixty (60) days from Noon on the date of such death, but in no event shall the period of this Insurance thereby be extended.
13. SUBROGATION. If the Underwriters become liable for any payment under this Insurance in respect of a loss, the Underwriters shall be subrogated, to the extent of such payment, to all the rights and remedies of the Assured against any party in respect of such loss and shall be entitled at their own expense to sue in the name of the Assured. The Assured shall give to the Underwriters all such assistance in his power as the Underwriters may require to secure their rights and remedies and, at Underwriters' request, shall execute all documents necessary to enable Underwriters effectively to bring suit in the name of the Assured, including the execution and delivery of the customary form of loan receipt.

14. CANCELLATION. This insuring agreement may be cancelled by either you or by us at any time, subject to 10 days prior written notice. If it is cancelled by us, we will pay you a pro rata return of premium. If you cancel it, we shall pay you a short rate return of premium calculated as pro rata less 10%. However, if the policy is cancelled within the first 60 days, 25.00% of Premium will be deemed as fully earned. Cancellations due to sale of the insured vessel or non-payment of the due premium are deemed to be cancellations by you.

15. SERVICE OF SUIT. It is agreed that in the event of the failure of the Underwriters hereon to pay any amount claimed to be due hereunder, the Underwriters hereon, at the request of the Assured, will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States.

It is further agreed that service of process in such suit may be made upon the person or persons specified for the purpose in the Schedule, and that in any suit instituted against any one of them upon this contract, Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The above-named are authorized and directed to accept service of process on behalf of Underwriters in any such suit and/or upon the request of the Assured to give a written undertaking to the Assured that they will enter a general appearance upon Underwriters' behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which make provision therefor, Underwriters hereon hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Assured or any beneficiary hereunder arising out of this contract of insurance, and hereby designate the above named as the person to whom the said officer is authorized to mail such process or a true copy thereof.

16. MISREPRESENTATION AND FRAUD. If the Assured has concealed or misrepresented any material fact or circumstance concerning this Insurance, or if the Assured shall make any claim knowing the same to be false or fraudulent, as regards to amount or otherwise, this Insurance shall become void and all claim hereunder shall be forfeited.

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