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AUTOMOBILE INSURANCE POLICY CONDITIONS

(US FORCES PERSONNEL USE ONLY)

Policy Conditions & Clauses

CHUBB®

AUTOMOBILE INSURANCE POLICY CONDITIONS
(US Forces Personnel Use Only)
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AUTOMOBILE INSURANCE POLICY CONDITIONS
(US Forces Personnel Use Only)

The Insurer agrees with the Named Insured, in consideration of the payment of the premium and in reliance upon the statements in the application and subject to the policy conditions and clauses contained herein or endorsed hereto,

<Definitions>

For the purpose of the policy conditions and clauses under this policy, the following terms shall have the following meanings:

Term	Definition
Named Insured	means the Insured stated in the Schedule.
Insured	means a person covered by policy conditions and clauses under this policy.
Automobile	means an automobile stipulated in Article 2 (Definitions), Paragraph 2 of the Road Transport Vehicles Act (Act No. 185 of 1951), and a motor bike stipulated in Paragraph 3 of the same Article.
Insured Automobile	means an automobile or trailer **(Note 1)** stated in the Schedule and shall, under their respective coverage, include the following: (i) Under Coverages A and B items affixed to or equipped within an Insured Automobile, electronic car navigation devices installed in the said automobile solely for the purpose of use therein, car equipment installed for usage of highway toll electronic payment systems, and other items analogous thereto. However, Insured Automobile shall not include the following: a. fuel, car covers and goods used for car washing; b. items which, by law, are prohibited from being affixed to, or equipped within an automobile; and c. items which are normally considered to be accessories. (ii) Under Coverages C, D and E a. Utility Trailers means a trailer which, even if not stated as such in the Schedule, is designed to be used with the Insured Automobile, and which is not towed by a different type of automobile. However, Utility Trailers shall not include trailers which are for use as a house, as an office, as a

	shop, for display or for transporting passengers. b. Temporary Substitute Automobile means an automobile which is temporarily used as a substitute vehicle while the Insured Automobile cannot be used due to breakdown, repair, servicing, loss or destruction. However, Temporary Substitute Automobile shall not include any automobile owned **(Note 2)** by the Named Insured. **(Note 1)** Includes semitrailers. **(Note 2)** Includes cases where the automobile was purchased under a sale agreement with retention of title clause.
Newly Acquired Automobile	means an automobile which is newly acquired **(Note)**, or loaned by the Named Insured. **(Note)** Including purchases under sale agreement with retention of title clause.
Limit of Liability	means the insurance amount stated on the Schedule, and which is the limit of insurance benefits the Insurer will pay.
Deductible Amount	means the deductible amount stated on the Schedule, and which is the amount to be borne individually by the Policyholder or the Insured.
Declarations	means declarations requested by the Insurer by items described in the policy application regarding material matters relating to risk **(Note)**. **(Note)** This includes matters pertaining to Other Insurance.
Risk Increase	means the situation where risk is increased with respect to Declarations, and the premium set forth herein falls short of the premium calculated based on that increased risk.
Cancellation	means the full or partial invalidation of this policy.
Void	means full invalidation of the policy, retroactively as of the inception date of the policy period.
Remaining Period	means the period of time between: (i) the day on which the terms of this policy are amended (including adjustment of the Limit of Liability) or (ii) the day on which this policy is cancelled; and the last day of the policy period.
Rightful Claimant	means the party that is entitled to make a claim against the Insured for any loss or injury caused by an insured event.
Entitled Party	means the party, other than the Policyholder and the Insured, that is entitled to receive payment under this policy.

INSURING AGREEMENTS

I Coverage A – Comprehensive - Risks other than those caused by Collision or Upset:

(a) The Insurer shall pay for accidental loss of or damage to the Insured Automobile (hereinafter referred to as "Loss"). However, the Insurer shall not pay for Loss caused by collisions between the Insured Automobile and other objects(including the Insured Automobile with a vehicle attached thereto), by upset of the Insured Automobile, or collisions of the Insured Automobile with a vehicle attached thereto. Loss caused by Breakage of glass, Loss caused by missiles, falling objects, falling aircraft or parts thereof and Loss caused by fire, theft, explosion, earthquake, windstorm, tornado, cyclone, typhoon, hail, water, flood or vandalism shall not be deemed loss caused by collision or upset.

(b) The Deductible Amount shall apply to each accident covered under this policy and such the Deductible Amount shall be deducted from the total of Losses resulting from each such accident covered under this policy.

Coverage B – Collision or Upset

(a) The Insurer shall pay for Loss caused by collision of the Insured Automobile with other objects(including the Insured Automobile with a vehicle attached thereto), or by upset of the Insured Automobile.

(b) The Deductible Amount shall apply to each accident covered under this policy and such the Deductible Amount shall be deducted from the total of Losses resulting from each such accident covered under this policy.

Coverage C - Bodily Injury Liability

The Insurer shall pay for all sums which the Insured becomes legally obligated to pay as damages as a result of the death or bodily injury of another person, arising out of the ownership, use or maintenance of an Insured Automobile.

Coverage D – Property Damage Liability

(a) The Insurer shall pay for all sums which the Insured becomes legally obligated to pay as damages as a result of destruction, damage or spoiling of another person's property arising out of the ownership, use or maintenance of an Insured Automobile.

(b) The Deductible Amount shall apply to each accident covered under this policy and such the Deductible Amount shall be deducted from the total of Losses resulting from each such accident covered under this policy, in cases the Deductible Amount is stated in the Schedule as applicable hereto.

Coverage E – Medical Payment

The Insurer shall pay all reasonable expenses incurred

within one year from the date of accident for medical, surgical, ambulance, hospital, professional nursing and funeral services, to or for an Insured who sustained bodily injury **(Note)** caused by accident, while in or upon, entering or alighting from the Insured Automobile if the Insured Automobile was being used by the Named Insured or someone with his permission.

(Note) Including death arising from sickness and injury.

II Scope of Insureds

(a) Insureds under Coverages A and B shall mean either of the following:

(i) a Named Insured; or

(ii) the actual owner of an Insured Automobile **(Note)**

(Note) This means a person who falls under any of the following items

(1) purchaser under a contract of sale subject to a retention of title clause if the automobile is sold and purchased under such contract;

(2) lessee under a lease agreement of not less than a period of one-year if the automobile is under lease under such agreement; or

(3) person who owns the automobile in cases neither a. nor b. applies

(b) Insureds under Coverages C and D shall mean the Named Insured, any individual who is using the Insured Automobile, and any individual or organization legally responsible for the use thereof; provided that the Named Insured or the individual with the Named Insured's permission was actually using the Insured Automobile.

(c) Notwithstanding the provisions of Paragraph (b), an Insured (other than the Named Insured) shall not include:

(i) any person or organization, or any agent or employee thereof, operating an automobile repair shop, public garage, sales agency, service station or public parking place, with respect to any accident arising out of the operation thereof; and

(ii) any employee who, during the course of employment, caused the death or bodily injury of another employee working for the same employer in an accident arising out of the use or maintenance of an Insured Automobile.

(d) An Insured under Coverage E shall mean any person who is riding in the Insured Automobile.

III Defense, Settlement, Supplementary Payments:

(a) The Insurer shall, in connection with Coverages C and D, carry out the following:

(i) defend**(Note)** in the name, and on behalf of, the Insured in any suit filed against the Insured alleging death, bodily injury, or destruction, loss or spoiling of property caused by the Insured and seeking damages

on account thereof.
The Insurer shall, upon obtaining the consent of the Insured, conduct negotiations, settlements and reconciliation, to the extent the Insurer owes payment obligations to the Insured under this policy.
(Note) This includes selection of an attorney.

(ii) defend in the name, and on behalf of, the Insured in any suit filed against the Insured alleging death, bodily injury, or destruction, loss or spoiling of property caused by the Insured and seeking damages on account thereof, even if such suit is groundless, false or fraudulent.
The Insurer may conduct investigations, negotiations and settlements, as it deems appropriate, concerning any claim made against the Insured, within or outside a court of law.

(iii) pay all expenses incurred by the Insurer, all litigation expenses the Insured has been ordered to pay and all interest accruing from the amount it is required to pay under such judgment, from the time the judgment is given until the time the Insurer has paid, tendered or deposited the same, up to the limit of the Insurer's liability thereon;

(iv) pay expenses incurred by the Insured for emergency medical treatment to aid an injured person in the event of an accident; and
reimburse the Insured for all reasonable expenses, other than loss of earnings, incurred at the Insurer's request.

(b) The Insurer shall not pay for the expenses of investigation, settlement or defense arising out of any criminal action against the Insured.

(c) The Insurer shall pay insurance for amounts incurred under the terms herein, even when such exceeds Limit of Liability applicable with respect to settlements reached in or out of court.

(d) The provisions of Paragraph (a) shall not apply:

(i) if the sum of damages for which the Insured is legally liable to the claimant-for-damages evidently exceeds the limit of liability; or

(ii) if the claimant-for-damages does not agree to negotiate directly with the Company;

IV Special Privilege for Immediate Repairs:

The Named Insured may carry out the repair of any Insured Automobile necessitated by damage for which the Insurer may be liable under Coverages A and/or B without the Insurer's prior approval provided all the following items are satisfied:

(i) the estimated cost of repairs does not exceed 45,000 yen;

(ii) the Insurer is furnished with a detailed estimate of the repair cost; and

(iii) the Insured is able to sufficiently explain the necessity

of those repairs and that the repair costs are reasonable.

V Use of Other Automobiles:

(a) In cases where the Named Insured is an individual, Coverages C, D and E shall apply to other automobiles, as the Insured Automobile, while such automobile is driven by the following;

(i) the Named Insured;

(ii) if the Named Insured is an individual, the spouse who resides with the Named Insured;or

(iii) any other individual or organization legally responsible for the use by a. the Named Insured, or b. spouse who resides with the Named Insured of any other automobile not owned or hired by such individuals or organizations.;

(b) Notwithstanding the provisions (b) and (c) of Ⅱ (Scope of Insureds), the meaning of "Insured" shall be limited to the following;

(i) the Named Insured;

(ii) if the Named Insured is an individual, the spouse who resides with the Named Insured;or

(iii) any other individual or organization legally responsible for the use by a. the Named Insured, or b. spouse who resides with the Named Insured of any other automobile not owned or hired by such individuals or organizations.;

(c) Provision (a) shall not apply to the following;

(i) to any other automobile:

a. owned by the Named Insured, etc. **(Note)**;

b. other than the Insured Automobile and frequently hired by the Named Insured, etc. **(Note)**; or

c. other than the Insured Automobile and regularly used by the Named Insured, etc. **(Note)**.

(Note) This means the Named Insured or any person residing with the Named Insured, and excludes any chauffeur and domestic employee of the Named Insured or spouse thereof.

(ii) to any other automobile while used by the Named Insured or spouse thereof for business or work, except a private passenger automobile operated or occupied by the Named Insured, its spouse, chauffeur or domestic employee;

(iii) to any accident arising out of the operation of an automobile repair shop, public garage, sales agency, service station or public parking place;

(iv) to Coverage E, unless any bodily injury results from:

a. driving of any other automobile by the Named Insured or its spouse, or driving of any other automobile by a chauffeur or domestic employee on behalf of the Named Insured or its spouse;

b. riding in any other automobile by the Named Insured or its spouse.

(v) under Coverage C, to the death or bodily injury of the Named Insured.

VI Insurer's Limit of Liability, Payment in Kind, No Abandonment – Coverages A and B

(a) The amount payable by the Insurer for each accident under Coverages A and B shall be the lower of the following and shall in no event exceed the Limit of Liability for Coverages A and B:

(i) value of the Insured Automobile at the time and place of damage **(Note)**; or

(ii) repair costs; provided, however, that depreciation is deducted.

(Note) This shall mean the market selling price of an automobile with a similar degree of wear, and which has the same use, classification, make, model, specification, month-and-year of the initial registration (including the same month and year of initial inspection as the Insured Automobile).

(b) The Insurer may, for all or a part of the Loss for the Insured Automobile, provide repairs or a replacement in lieu of payment of insurance; provided, however, that if the Schedule sets forth a Deductible Amount, the Deductible Amount shall be deducted.

(c) The Insurer may take all or such part of the Insured Automobile at a price agreed to with the Insured, or at an appraised value under the provisions of Basic Agreements, Article 23. Appraisers and Umpires – Coverages A and B; provided, however that the Insurer shall not allow abandonment.

VII Insurer's Limit of Liability – Coverage C

Under Coverage C, for each person who lost a life or sustained bodily injuries, the amount of insurance payable by the Insurer for each accident shall be the limit of liability under Coverage C respectively.

VIII Insurer's Limit of Liability – Coverage D

The amount of insurance payable by the Insurer for all damage **(Note 2)** under Coverage D, arising out of the destruction, damage or spoiling of property of an individual or organization **(Note 1)** with respect to any one accident, shall not exceed the Limit of Liability of Coverage D.

(Note 1) May apply to more than one individual or organization.

(Note 2) Includes damage due to loss of use.

IX Insurer's Limit of Liability – Coverage E

The amount of insurance payable by the Insurer for all expenses under Coverage E arising from bodily injury **(Note)** sustained by any one Insured for each accident, shall not exceed the Limit of Liability under Coverage E.

(Note) Including death resulting from sickness and injury.

X Insurer's Limit of Liability – Coverages C, D and E
Even when there are two or more Insureds under Coverages C, D and E, the amount of the Insurer's Limit of Liability shall not increase as a result thereof.

EXCLUSIONS

I Under All of the Coverages

The Insurer shall not pay insurance in any of the following cases:

(i) while the Insured Automobile is used for passenger transport or is made available for the use of others under a rental agreement

(ii) any accident or loss arising from, whether directly or indirectly, or in any way relevant to, war, invasion, acts of a foreign enemy, warlike acts **(Note)**, riots, civil war, rebellion, revolution, insurrection, military regime or coup d'etat;

(iii) while the automobile is used for racing, as a pace car, or for speed-testing;

(iv) any accident or damage, regardless of whether resulting directly or indirectly, from atomic fission, nuclear fusion, or radioactive contamination.

(Note) Regardless of whether or not war is declared.

II Under Coverages A and B

The Insurer shall not pay insurance under Coverages A and B in any of the following cases:

(i) Tire damage; provided, however, that this shall exclude cases where other parts of the Insured Automobile are damaged at the same time **(Note)**, or when such damage is caused by fire or theft;

(ii) any damage to the Insured Automobile which is due and confined to wear and tear, freezing, mechanical or electrical damage or breakdown; provided, however, that this shall exclude cases where other parts of the Insured Automobile are damaged at the same time**(Note)**.

(iii) damage to lap robes, clothes or personal effects;

(iv) damage due to confiscation, nationalization or requisition by, or under the order of, any national or local authority; or damage sustained subsequent to abandonment or relinquishment of ownership of the automobile, due to an order of such authority;

(v) damage sustained while the Insured Automobile is subject to any sale agreement with retention of title clause, or other conditional sale agreement; or while the Insured Automobile is under any mortgage or other encumbrance; provided, however, that this shall exclude cases where such provisions are specified in the Schedule.

(vi) damage sustained while the Insured Automobile is being transported by water or being loaded on, or unloaded from, any ship, lighter or connecting vessel; provided, however, that this exclusion shall not apply when such automobile is in transit on inland waterways within Japan;

(vii) when any of the following persons drives the Insured

Automobile without holding a driving qualification:

a. the Named Insured or a relative who resides therewith; or
b. any employee while engaged in the work of the Named Insured.

(Note) This shall only apply to damage which is covered under this policy.

III Under Coverage A

The Insurer shall not pay insurance under Coverage A for damage arising from appropriation, embezzlement or secretion by any person in lawful possession of the Insured Automobile when such automobile is subject to a sale agreement with retention of title clause, other conditional sale agreement; or when there is a mortgage or other encumbrance thereon.

IV Under Coverage B

The Insurer shall not pay insurance under Coverage B for damage due to glass breakages, if such breakages are covered by Coverage A or any other policy.

V Under Coverages C, D and E

Under Coverages C, D and E, if the Insured concludes a special contract for damages with a third party, the Insurer shall not pay for any damages arising out of, based upon or attributable to any contractual liability that results in the increased amount of damages;

VI Under Coverages C and D

The Insurer shall not pay insurance, under Coverages C and D, for damage which is sustained while the Insured Automobile is used for the towing of any trailer which is owned or hired by the Named Insured, and which is not covered by the Insurer' s automobile insurance; or while any trailer covered by this policy is towed by any automobile which is owned or hired by the Named Insured, and which is not covered by the Insurer's automobile insurance.

VII Under Coverage C

The Insurer shall not pay insurance, under Coverage C, for damage which falls under any of the following:

(i) any damage for which the Insured or any company as his insurer may be held liable under the Workers' Accident Compensation Insurance Act (Act No. 50 of 1947), or other analogous schemes thereto;
(ii) damage due to the death or bodily injury of members of the family of the Insured who reside with the Insured which resides therewith.

VIII Under Coverage D

The Insurer shall not pay insurance, under Coverage D, for damage sustained for which the Insured bears legal liability

for compensation due to the destruction, damage or spoiling of property which is owned, rented, maintained or transported by the Insured.

IX Under Coverage E

The Insurer shall not pay insurance, under Coverage E, for expenses resulting from bodily injury **(Note)** sustained by any person covered under the Workers' Accident Compensation Insurance Act (Act No. 50 of 1947), or other analogous schemes thereto;

(Note) Includes death arising from sickness or injury.

BASIC AGREEMENTS

Article 1. Commencement and Termination of Liability

(a) The Insurer's liability shall commence at precisely at noon **(Note)** of the inception date of the policy period and shall terminate at noon on the last day of the policy period.

(Note) Unless otherwise specified in the Schedule, in which case the Insurer's liability shall commence and terminate at the time so specified.

(b) The clock time provided in Paragraph (a) shall be the standard time in Japan.

(c) Even after commencement of the policy period, the Insurer shall not pay for any loss or injury caused by an insured event which occurs prior to the receipt of the relevant premium by the Insurer.

Article 2. Policy Territory

The Insurer shall pay only for loss or injury sustained in insured events that occur while the Insured Automobile is in Japan **(Note)**.

(Note) Including while on board any Japanese watercraft outside of Japan.

Article 3. Duty of Disclosure

(a) The entity or natural person becoming the Policyholder or Named Insured **(Note)** shall accurately disclose the facts regarding the Declarations to the Insurer at the time of concluding this policy.

(Note) This shall mean the Insured under Coverages A and B.

(b) If, at the time of concluding this policy, the Policyholder or Named Insured **(Note)** intentionally or with gross negligence omits or misrepresents facts regarding the Declarations, the Insurer shall be entitled to cancel this policy by serving a written notice to the Policyholder.

(Note) Shall mean the Insured under Coverages A and B.

(c) The provisions of Paragraph (b) shall not apply in cases which fall under any of the following:

(i) the facts provided in Paragraph (b) no longer exist;

(ii) the Insurer, at the time of concluding this policy, knew or reasonably should have known **(Note 1)** the facts provided in Paragraph (b);

(iii) the Policyholder or Named Insured **(Note 2)** requests to the Insurer in writing, prior to occurrence of an insured event, that the Declarations be corrected, and the Insurer consents to such correction; provided, however, that the Insurer shall consent to such correction only if the Insurer determines that it would have concluded this policy even if such corrected fact had been disclosed to the Insurer at the time of concluding this policy; or

(iv) a period of one month has elapsed after the Insurer

becomes aware of a cause for cancellation pursuant to Paragraph (b), or a period of five years has elapsed after the conclusion of this policy.

(Note 1) Including cases in which the party concluding the policy for and on behalf of the Insurer is found to have impeded such facts from being disclosed or is found to have suggested that such facts be misrepresented or not disclosed.

(Note 2) This shall mean the Insured under Coverages A and B.

(d) Notwithstanding Article. 14 (Effect of Cancellation of Policy), the Insurer shall not pay insurance even if this policy is cancelled pursuant to Paragraph (b) after the occurrence of loss or injury; and the Insurer shall be entitled to reimbursement of any payment it made before cancellation of this policy.

(e) The provisions of Paragraph (d) shall not apply to any loss or injury arising from an insured event that is not caused by the facts provided in Paragraph (b).

Article 4. Duty of Notification

(a) If, after the conclusion of this policy, there is any change to the Insured Automobile's purpose of use or registration number **(Note)**, the Policyholder or Insured shall notify the Insurer of any such fact without delay; provided, however, that the Insurer need not be notified if such fact no longer exists.

(Note) Including vehicle number and identification number.

(b) If there is a Risk Increase due to the occurrence of facts provided in Paragraph (a), and the Policyholder or the Insured intentionally or with gross negligence fails to notify the Insurer without delay pursuant to the provisions of Paragraph (a), the Insurer shall be entitled to cancel this policy by serving a written notice to the Policyholder.

(c) The provisions of Paragraph (b) shall not apply if a period of one month has elapsed since the Insurer became aware of a cause for cancellation pursuant to the provisions of Paragraph (b), or a period of five years has elapsed since the occurrence of the Risk Increase.

(d) Notwithstanding Article 14 (Effect of Cancellation of Policy), the Insurer shall not pay for any loss or injury caused by an insured event that may occur prior to the cancellation of this policy on or after the time Risk Increase giving rise to cancellation occurred even if this policy is cancelled pursuant to Paragraph (b) after occurrence of such loss or injury; and the Insurer shall be entitled to reimbursement of any payment it made before cancellation of this policy.

(e) The provisions of Paragraph (d) shall not apply to any loss or injury arising from an insured event that is not based on the cause of Risk Increase.

(f) Notwithstanding the provisions of Paragraph (b), the Insur-

er shall be entitled to cancel this policy by serving a written notice to the Policyholder if a Risk Increase arises from the occurrence of facts provided in Paragraph (a) and such risk exceeds the scope of insurance **(Note)**.

(Note) Means the maximum scope of insurance that the Insurer may underwrite by charging additional premiums, as set forth in documents or materials furnished by the Insurer at the time of concluding this policy.

(g) Notwithstanding Article 14 (Effect of Cancellation of Policy), the Insurer shall not pay for any loss or injury caused by an insured event that may occur prior to the cancellation of this policy on or after the time Risk Increase giving rise to cancellation occurred even if this policy is cancelled pursuant to Paragraph (f) after occurrence of such loss or injury; and the Insurer shall be entitled to reimbursement of any payment it made before cancellation of this policy.

Article 5. Change of Address of Policyholder

The Policyholder shall notify the Insurer any change of its address or contact information described in the Schedule without delay.

Article 6. Assignment of Insured Automobile

(a) Even if the Insured Automobile is assigned to another party **(Note 1)**, the rights and obligations under the policy conditions and clauses under this policy shall not be transferred to the assignee **(Note 2)**; provided, however, that if the Policyholder notifies the Insurer in writing and requests approval of the assignment **(Note 1)** of those rights and obligations to the assignee **(Note 2)** of the Insured Automobile, and the Insurer grants such approval, rights and obligations thereof may be assigned to the assignee.

(Note 1) Including the return of the Insured Automobile in the case of policies in which the Policyholder or Named Insured is the purchaser under a sale agreement with retention of title clause or the lessee under a lease agreement.

(Note 2) Including the seller under a sale agreement with retention of title clause and the lessor under a lease agreement.

(b) The Insurer shall not pay for any loss or injury sustained in any insured event that occurs after **(Note 2)** the assignment **(Note 1)** of the Insured Automobile.

(Note 1) Including the return of the Insured Automobile in the case of policies in which the Policyholder or Named Insured is the purchaser under a sale agreement with retention of title clause or the lessee under a lease agreement.

(Note 2) Except after the receipt of the written request in the provision in Paragraph (a).

Article 7. Replacement of Insured Automobile

(a) In the event of the new acquisition **(Note 1)** of an automobile by a person who falls under any of the following, if the Named Insured notifies the Insurer in writing of same and requests consent to replace the Insured Automobile with the newly acquired automobile, the policy will cover the newly acquired automobile when such consent has been granted by the Insurer.

(i) the owner of the Insured Automobile;

(ii) the Named Insured **(Note 2)**;

(iii) the spouse of the Named Insured **(Note 2)**;

(iv) a relative of the Named Insured **(Note 2)** or of the Named Insured's spouse, who resides therewith;

(Note 1) Including purchase of an automobile under a sale agreement with retention of title clause or leasing of an automobile under a lease agreement of no less than one year.

(Note 2) If there are no damage liability provisions, the owner of the Insured Automobile.

(b) "Owner" as provided in Paragraph (a) means a person who falls under any of the following:

(i) as respects an Insured Automobile sold under a sale agreement with retention of title clause, the purchaser;

(ii) as respects an Insured Automobile used on a lease agreement, the lessee;

(iii) as respects an Insured Automobile not falling in (i) or (ii), above, the owner of the Insured Automobile;

(c) The Insurer shall not pay for any loss or injury sustained in any insured event that occurs in connection with the newly acquired automobile after **(Note 2)** the new acquisition **(Note 1)**.

(Note 1) Including purchase of an automobile under a sale agreement with retention of title clause or leasing of an automobile under a lease agreement of no less than one year.

(Note 2) Except after the receipt of the written request in the provision in Paragraph (a).

Article 8. Changes to Policy Terms and Conditions

For any request for correction or notification **(Note)** as provided in this policy and endorsements attached hereto, changes shall not be made without the consent of the Insurer.

(Note) Excluding notifications as provided for in Paragraph (a) of Article 4 (Duty of Notification) and Article 5 (Change of Address of Policyholder).

Article 9. Void Policy

Any policy that the Policyholder may conclude with the specific intent of fraudulently obtaining payment or causing a third party to fraudulently obtain payment shall be null and void.

Article 10. Rescission of Policy

If the Insurer concludes this policy as a result of fraud or duress by the Policyholder or the Insured, the Insurer shall be entitled to rescind this policy by serving a written notice to the Policyholder.

Article 11. Adjustment of Limit of Liability – Coverages A and B

(a) If, at the time of concluding the policy, the Limit of Liability for Coverages A and B exceeded the value of the Insured Automobile without the malicious intent or gross negligence of the Policyholder and the Insured, the Policyholder shall be entitled to cancel the excessive portion of this policy by notifying the Insurer.

(b) If, after the conclusion of the policy, there is a material decrease in the value of the Insured Automobile, the Policyholder shall be entitled to notify the Insurer and request a reduction in the Limit of Liability for Coverages A and B to the decreased value of the Insured Automobile, which shall be in effect from the time of the notification.

Article 12. Cancellation of Policy

(a) If the Insurer receives a request for approval as provided in Paragraph (a) of Article 6 (Assignment of Insured Automobile), or Paragraph (a) of Article 7 (Replacement of Insured Automobile), and does not approve thereof, the Insurer shall be entitled to cancel this policy by serving a written notice to the Policyholder; provided, however, that this only applies to an Insured Automobile which is disposed of, assigned or returned.

(b) If the Policyholder fails to pay any additional premium provided in Paragraphs (a) and (b) of Article 15 (Return of Premium or Charge for Additional Premium – Duty of Disclosure and Duty of Notification) **(Note)**, the Insurer shall be entitled to cancel this policy by serving a written notice to the Policyholder.

(Note) This only applies when the Policyholder fails to pay an additional premium within a reasonable period of time, despite the Insurer having charged the Policyholder for the additional premium.

(c) The Policyholder shall be entitled to cancel this policy by serving a written notice to the Insurer.

(d) The Insurer's cancellation rights pursuant to Paragraph (a) shall cease to exist unless exercised within 30 days from and including the date it received said notification.

Article 13. Cancellation on Material Grounds

(a) The Insurer shall be entitled to cancel this policy by serving a written notice to the Policyholder if:

(i) the Policyholder, the Insured or the Entitled Party causes loss or injury, or attempts to cause loss or injury, with the specific intent of causing the Insurer to make

payment under this policy;

(ii) the Insured or the Entitled Party perpetrates or attempts to perpetrate fraud on a claim for payment under this policy; or

(iii) the Policyholder, the Insured or the Entitled Party undermines the Insurer's confidence in the Policyholder, the Insured or Entitled Party to a material degree comparable to the fraudulent activities provided in Sub-Paragraphs (i) and (ii), such that it would make it difficult for the Insurer to maintain this policy.

(b) Notwithstanding the provisions of the following article, the Insurer shall not pay for any loss or injury caused by an insured event that may occur prior to the cancellation of this policy on or after the time at which any of the events provided in Sub-Paragraphs (i) through (iii) of Paragraph (a) occurs even if this policy is cancelled pursuant to Paragraph (a) after occurrence of such loss or injury, and the Insurer shall be entitled to reimbursement of any payment it made before cancellation of this policy.

Article 14. Effect of Cancellation of Policy

Cancellation of this policy shall only have effect from the time of cancellation.

Article 15. Return of Premium or Charge for Additional Premium – Duty of Disclosure and Duty of Notification

(a) If the disclosure made pursuant to Paragraph (a) of Article 3 (Duty of Disclosure) is not accurate and it is necessary to amend the amount of the premium, the Insurer shall return or charge any difference in the amount of the premium, which is calculated as the difference in the amount of the premium before and after such amendment.

(b) If a Risk Increase occurs or there is a risk decrease and it is necessary to amend the amount of the premium, the Insurer shall return or charge the amount of the premium for the period after the time of the Risk Increase or risk decrease **(Note)**, which is calculated as the difference in the amount of the premium before and after such amendment.

(Note) This means the period from the time at which a substantial alteration occurred by the Risk Increase or risk decrease occurs, as notified by the Policyholder or the Insured.

(c) If the Insurer charges an additional premium pursuant to Paragraphs (a) and (b), and the Insurer is entitled to cancel this policy pursuant to Paragraph (b) of Article 12 (Cancellation of Policy), the Insurer shall not pay for any loss or injury **(Note)**; provided, however, that in the case of a Risk Increase, the Insurer shall pay for loss or injury caused by an insured event that may occur prior to such Risk Increase.

(Note) If the Insurer has already made any payment, it shall be entitled to reimbursement thereof.

(d) If it is necessary to amend premiums as a result of any approval pursuant to Paragraph (a) of Article 6 (Assignment of Insured Automobile) or Paragraph (a) or Article 7 (Replacement of Insured Automobile), the Insurer shall return or charge premiums for the Remaining Period, which is calculated as the difference in the amount of the premium before and after such amendment.

(e) If the Insurer charges additional premium pursuant to Paragraph (d) and the Policyholder fails to pay such additional premium when due, the Insurer shall not pay for any loss or injury caused by an insured event occurring prior to the Insurer's receipt of such additional premium.

(f) In addition to (a), (b) and (d), if, after concluding this policy, the Policyholder serves a written notice to the Insurer and requests that the Insurer approve amendment of the terms and conditions of this policy which the Insurer approves, and it is necessary to amend the amount of the premium, the Insurer shall return or charge premiums for the Remaining Period, which is calculated as the difference in the amount of the premiums before and after such amendment.

(g) If the Insurer charges additional premium pursuant to Paragraph (f) and the Policyholder fails to pay such additional premium when due, the Insurer shall pay for the loss or injury with respect to any insured event occurring prior to the Insurer's receipt of such additional premium pursuant to the terms and conditions of this policy and the clauses applicable to the Insured Automobile that were in effect before the amendment was approved.

Article 16. Return of Premium – Void Policy

The Insurer shall not return any premium if this policy becomes null and void pursuant to Article 9 (Void Policy).

Article 17. Return of Premium – Rescission of Policy

The Insurer shall not return any premium if this policy is rescinded pursuant to Article 10 (Rescission of Policy).

Article 18. Return of Premium – Adjustment of Limit of Liability

(a) If the Policyholder cancels a portion of the policy pursuant to Paragraph (a) of Article 11 (Adjustment of Limit of Liability), the Insurer shall return the amount of the premium corresponding to the cancelled portion, retrospective to the time of the conclusion of the policy.

(b) If the Policyholder requests a reduction in the Limit of Liability pursuant to Paragraph (b) of Article 11 (Adjustment of Limit of Liability), the Insurer shall return the amount of the premium with respect to the Remaining Period, which is calculated as the difference between the amount of the premium before and after such reduction.

Article 19. Return of Premium – Cancellation of Policy

(a) If the Insurer cancels this policy pursuant to Paragraph (b) of Article 3 (Duty of Disclosure), Paragraph (b) or (f) of Article 4 (Duty of Notification), Paragraph (a) or (b) of Article 12 (Cancellation of Policy), Paragraph (a) of Article 13 (Cancellation of Policy on Material Grounds), or the provisions of the clauses endorsed to this policy, the Insurer shall return the premium for the Remaining Period calculated on a pro rata basis.

(b) If the Insurer cancels this policy pursuant to Paragraph (c) of Article 12 (Cancellation of Policy), the Insurer shall return the premium for the Remaining Period calculated using the short-term rate stipulated by the Insurer.

Article 20. Obligations at Time of Insured Event

The Policyholder, the Insured or the Entitled Party shall perform the following acts upon becoming aware that an insured event has occurred:

(i) endeavor to prevent or mitigate the losses and cause the driver and any other person to do the same;

(ii) notify the Insurer immediately of the date, time and location of the insured event and provide a brief description of the insured event;

(iii) notify the Insurer of the following matters in writing without delay;

(iv) circumstances of the insured event and the name and address of the aggrieved party;

(v) names and addresses of witnesses (if any) to the date, time, location and circumstances of the insured event; and

(vi) particulars of the claim (if made);

(vii) Under Coverage A, if the Insured Automobile has been stolen, report the theft to the police without delay;

(viii) Under Coverage A and B, if the Insured Automobile is to be repaired, obtain the prior consent of the Insurer, unless emergency repairs are required;

(ix) if the Insured is entitled to right of recovery **(Note 1)** from a third party, take any and all procedures necessary to preserve or exercise such right;

(x) not to admit or assume any liability **(Note 2)** in whole or in part without the prior consent of the Insurer, except when carrying out first aid, providing escort or other emergency treatment for any injured parties;

(xi) notify the Insurer without delay if intending to file a lawsuit or a lawsuit has been filed against the Insured;

(xii) cooperate with the Insurer, attend hearings and trials if requested by the Insurer, and assist the Insurer in effecting settlements, securing and giving evidence, obtaining the attendance of witnesses and in the conduct of suits;

(xiii) notify the Insurer without delay of the existence and particulars of any other insurance or cooperative insur-

ance contracts **(Note 3)**;

(xiv) submit to the Insurer without delay, any other documents or evidence other than those provided in Sub-Paragraphs (i) through (x) that the Insurer may require and cooperate with the Insurer in the investigation of the loss.

(Note 1) Including recourse to claim against any other joint tort-feasors for recovery, in whole or in part, of any damages already paid.

(Note 2) Including any liability against any other joint tort-feasors who may have recourse to claim against the Policyholder, the Insured or the Entitled Party (as the case may be) in respect of any damages already paid.

(Note 3) Including the fact of any payment already made under any other insurance contracts or cooperative insurance contracts, if any.

Article 21. Breach of Obligations at Time of Insured Event

(a) If the Policyholder, Insured or Entitled Party breaches the provisions of Article 20 (Obligations at Time of Insured Event) without any reasonable cause, the Insurer shall deduct the following amounts from its payment under this policy:

(i) in the case of a breach of Sub-Paragraph (i) of Article 20, the amount of loss that could have been prevented or mitigated;

(ii) in the case of a breach of Sub-Paragraphs (ii) through (v) or of Sub-Paragraph (viii) through (xi) of Article 20, the amount of damage that the Insurer may suffer as a result of such breach;

(iii) in the case of a breach of Sub-Paragraph (vi) of Article 20, the amount that could have been recovered by making a claim to a third party **(Note)**; or

(iv) in the case of a breach of Sub-Paragraph (vii) of Article 20, the amount for which the Insured is not liable.

(Note) Including recourse to claim against any other joint tort-feasors for recovery, in whole or in part, of any damages already paid.

(b) If the Policyholder, the Insured or the Entitled Party misrepresents facts without any justifiable reason in the documents prescribed in Sub-Paragraph (iii) , (iv) or (xi) of Article 20, or forges or falsifies the documents prescribed therein, the Insurer shall deduct from its payment under this policy the amount of damages that it may suffer as a result of such misrepresentation, forgery, or falsification.

Article 22. Other Insurance

(a) Even when other insurance or cooperative insurance contract exists, the Insurer shall still pay the amount payable under this policy; provided, however, that, under Cover-

ages C and E, if any amount is payable under the Automobile Liability Security Law (Law No. 97 of 1955) and the Automobile Liability Security Law Enforcement Ordinance (Government Ordinance No. 286 of 1955) for loss from each insured event, the Insurer shall pay only the amount in excess of the amount payable under said Law and Ordinance.

(b) Notwithstanding the provisions of Paragraph (a), if a benefit from other insurance or cooperative insurance is recoverable or has already been paid as a priority, the Insurer shall pay only the following amount less the sum of such recoverable or already paid amounts:

(i) in respect of Coverages A and B, the amount of the loss **(Note)**;

(ii) in respect of Coverages C and D, the amount of the loss;

(iii) in respect of Coverage E, the amount of the loss **(Note)**;

(iv) in respect of interest and expenses provided in Sub-Paragraphs (ii) through (iv) of Paragraph (a) of Insuring Agreements III (Defense, Settlement, Supplementary Payments), the highest of each of the amounts recoverable under each such other insurance or cooperative insurance contract calculated on the assumption that there are no other insurance or cooperative insurance contract.

(Note) If the amount of loss is different under the respective insurance or cooperative insurance contract, this shall mean the largest of those amounts.

(c) The amount of the loss as provided in Sub-Paragraphs (i) and (ii) of Paragraph (b) shall be the amount of the loss less the smallest of all applicable retentions or deductibles under such insurance or cooperative insurance contract (if any).

Article 23. Arbitrators and Umpires – Coverages A and B

(a) If any dispute arises between the Insurer and the Insured or the Entitled Party over the amount payable by the Insurer under this policy, the said dispute shall be referred to the decision of two arbitrators, one to be appointed in writing by each respective party. If the arbitrators can not agree, such dispute shall be referred to the decision of a single umpire to be appointed jointly by the arbitrators.

(b) Each party to the dispute shall bear the costs and expenses **(Note 1)** of its own arbitrator, and both parties shall equally bear all other costs and expenses **(Note 2)**.

(Note 1) Including remuneration.

(Note 2) Including remuneration for the umpire.

Article 24. Claim for Payment

(a) The right to claim for payment under this policy shall accrue from the following points in time:

(i) with respect to the right to claim for payment under Coverages A and B, the time the loss arises;
(ii) with respect to the right to claim for payment under Coverages C and D, when the court judgment is finalized or a judicial compromise, mediation, or written settlement is reached between the Insured and the Rightful Claimant over the amount of damages to be paid by the Insured to the Rightful Claimant; or
(iii) with respect to the right to claim for payment under Coverage E:
a. with respect to payment for funerals, upon the death of the Insured;
b. with respect to payment for medical or surgical treatment, use of ambulance, hospitalization, and employment of a trained nurse, the earlier of either the time at which the Insured no longer requires treatment by a physician, or when a period of one year has elapsed since the day of occurrence of the insured event.

(b) The Insured or Entitled Party claiming for payment shall submit to the Insurer the relevant Schedule and such other documents and evidence listed below as the Insurer may require; provided, however, that the traffic accident certificates **(Note 1)** provided in Paragraph (ii) below need not be submitted if there is any reasonable cause for not submitting the same:
(i) written claim for payment;
(ii) a traffic accident certificate **(Note 1)** issued by a public agency ;
(iii) if loss is due to theft of the Insured Automobile, a certificate issued by a competent police department, or an alternative document thereto;
(iv) with respect to payment for death, a death certificate, documents which show the amount of earnings based on which the assessment of estimated lost earnings shall be made, and an official copy of the Family Register;
(v) with respect to payment for funerals, documents which show the amount of funeral expenses;
(vi) with respect to payment for dismemberment and permanent disablement, a medical certificate diagnosing dismemberment or permanent disablement, and documents which show the amount of earnings based on which the assessment of estimated lost earnings shall be made;
(vii) with respect to payment for medical or surgical treatment, use of ambulance, hospitalization, and employment of a trained nurse, a medical certificate and receipts for expenses incurred for medical treatment, etc.
(viii) with respect to payment under Coverages C and D, an out-of-court settlement document showing the amount of the damages to be paid by the Insured to the Rightful

Claimant, and the documents showing that the damages have been paid to the Rightful Claimant or that the Rightful Claimant consents to the Insurer's payment to the Insured;

(ix) with respect to payment under Coverages A and B or Coverage D, the documents to verify the actual value of the damaged item, a written estimate of the cost of repairs etc. **(Note 2)**, and a photograph of the damaged item **(Note 3)**;

(x) such other documents and evidence as may be specified by the Insurer in documents delivered at the time of concluding this policy as being critically important in verifying the matters specified in Paragraph (a) of Article 25 (Time Frame for Payment).

(Note 1) Only applies to an insured event involving the death or injury of a person, or an insured event involving the destruction of property arising from collision or contact between the Insured Automobile and other automobiles.

(Note 2) If payment has already been made, then the receipts thereof.

(Note 3) Including image data.

(c) If there are circumstances whereby the Insured is unable to claim for payment and there is no authorized representative to claim for payments on behalf of the Insured, any of the following persons may, after providing the Insurer with documents which demonstrate such circumstances and obtaining the Insurer's approval, claim for payment as the Insured's authorized representative:

(i) the legal spouse of the Insured who resides or shares a livelihood with the Insured;

(ii) if there is no such person as provided in Sub-Paragraph (i) or if the person provided in Sub-Paragraph (i) is unable to claim for payment, a relative within the third degree of kinship to the Insured who resides or shares a livelihood with the Insured; or

(iii) if there is no such person as provided in Sub-Paragraphs (i) and (ii) or if person provided in Sub-Paragraphs (i) and (ii) is unable to claim for payment, a legal spouse who does not fall under Sub-Paragraph (i) or a relative within the third degree of kinship who does not fall under Sub-Paragraph (ii).

(d) Once the Insurer makes payment for the claim filed by any of the authorized representative of the Insured provided in Paragraph (c), the Insurer shall not pay for any subsequent claim it may receive.

(e) Depending on the particulars of an insured event, the amount of loss and the severity of the injury, etc., the Insurer may require the Policyholder, the Insured or Entitled Party to submit documents or evidence other than those listed in the Paragraph (b) or to cooperate in investigations that the Insurer may conduct, in which case any such person shall promptly submit the documents or evidence required by the Insurer

and offer all necessary cooperation.
(f) Claims for interest and expenses as provided in Sub-Paragraphs (ii) through (iv) of Paragraph (a) of Insuring Agreements III (Defense, Settlement, Supplementary Payments) shall be filed through the Named Insured.
(g) If the Policyholder, Insured or Entitled Party breaches the obligation provided in Paragraph (e), misrepresents facts without any justifiable reason in the documents prescribed in Paragraphs (b), (c), or (e), or forges or falsifies the documents prescribed therein, the Insurer shall deduct from its payment under this policy the amount of damages that it may suffer as a result of such breach, misrepresentation, forgery, or falsification.

Article 25. Time Frame for Payment

(a) The Insurer shall verify the matters listed below required for payment by the Insurer, and make payment within thirty (30) days from and including the Claim Completion Date **(Note)**.
  (i) cause of insured event, circumstances leading to occurrence of insured event, any damage or injury incurred, and facts concerning the Insured, as matters necessary for determining whether or not there are grounds for payment of insurance;
  (ii) any facts that are prescribed in this insurance policy to constitute the grounds for non-payment of insurance, as matters necessary for determining whether or not there are grounds for non-payment;
  (iii) amount of loss or severity of injury, the relationship between the insured event and the loss or injury, and the progress and particulars of treatment as matters necessary for assessing the amount of insurance;
  (iv) any facts constituting the grounds for termination, invalidation or cancellation that are provided in this policy, as matters necessary for determining whether or not this policy is valid; and
  (v) in addition to the matters provided in Sub-Paragraphs (i) through (iv), any other insurance or cooperative insurance contract (if any) and the particulars thereof, the Insured's right to claim for compensation or other claims that the Insured may hold, any indemnity or contribution that the Insured may already have acquired from a third party by exercising the said right or other claims, and other matters necessary for determining the amount of insurance payable by the Insurer.
    (Note) This means the date on which the Insured or Entitled Party completes the procedures pursuant to Paragraphs (b) and (c) of Article 24 (Claim for Payment).
(b) If, for the purpose of conducting the verifications specified in Paragraph (a), it is absolutely necessary to conduct the special inquiries or investigations listed below, the Insurer

shall, notwithstanding the provisions of Paragraph (a), make payment within the number of days specified below **(Note 2)** from and including the Claim Completion Date **(Note 1)**, in which case the Insurer shall inform the Insured or the Entitled Party of the matters that need to be verified and the time frame within which the said inquiries or investigations should be completed:

(i) 180 days for an inquiry **(Note 3)** as to the outcome of investigations conducted by the police department, prosecutors' office, fire department or other public agency that may be necessary for verifying the matters provided in Sub-Paragraphs (i) through (iv) of Paragraph (a).

(ii) 90 days for an inquiry as to the outcome of evaluations or assessments conducted by a medical institution, testing agency and other expert agency that may be necessary for verifying the matters provided in Sub-Paragraphs (i) through (iv) of the Paragraph (a);

(iii) 120 days for an inquiry as to the outcome of diagnosis by a medical institution or assessment by an expert agency of dismemberment or permanent disablement that may be necessary to verify the particulars and extent of dismemberment or permanent disablement as provided in Paragraph (a), Sub-Paragraph (iii);

(iv) 60 days for verifying the matters provided in Paragraph (a), Sub-Paragraphs (i) through (v), in a region stricken by a disaster to which the National Disaster Act (Law No. 118 of 1947) has been applied;

(v) 180 days for an investigation of the matters provided in Paragraph (a), Sub-Paragraphs (i) through (v) which is conducted outside of Japan in the absence of an alternative means of investigation in Japan; and

(Note 1) This means the date on which the Insured or Entitled Party completes the procedures pursuant to Paragraphs (b) and (c) of Article 24. (Claim for Payment).

(Note 2) If multiple inquiries or investigations are required, within the longest of all applicable periods specified.

(Note 3) Including any inquiry made pursuant to the Act for Attorney-at-Law (Law No. 205 of 1949) or other laws and regulations.

(c) If the Policyholder, Insured of Entitled Party obstructs or refuses to respond to **(Note)**, the Insurer's verifications, inquiries or investigations provided in Paragraphs (a) and (b), without any justifiable reason, any length of time for which the relevant verifications, inquiries or investigations are delayed due to such obstruction, refusal or failure shall not be counted as part of the time frame provided therein.

(Note) Including failing to offer necessary cooperation.

Article 26. Requirement for Medical Certificates, etc. Prepared by a Physician Designated by the Insurer - Coverage E

(a) If the Insurer, in respect of Coverage E, has received a notification pursuant to Sub-Paragraph (ii) or (iii) of Article 20 (Obligations at Time of Insured Event), or a claim pursuant to Article 24 (Claim for Payment), the Insurer shall be entitled to require the Policyholder, the Insured or the Entitled Party to submit a medical certificate or autopsy certificate prepared by a physician designated by the Insurer, to the extent necessary for the payment of the claim.

(b) The cost **(Note 2)** of the medical certificate or autopsy certificate **(Note 1)** required by the Insurer pursuant to Paragraph (a) shall be borne by the Insurer.

(Note 1) With respect to a corpse, this means medical confirmation of death.

(Note 2) This shall not include loss of earnings.

Article 27. Rightful Claimant's Right to Claim Directly – Coverages C and D

(a) Where the Insured incurs legal liability for damages due to the death or bodily injury of another person or the destruction, damage or spoiling of property arising from the ownership, use or maintenance of the Insured Automobile, the Rightful Claimant shall be entitled to file a claim to the Insurer for payment for the damages provided in Paragraph (c) up to an amount the Insurer is liable to pay the Insured.

(b) The Insurer shall pay the damages provided in Paragraph (c) to the Rightful Claimant in any of the following cases; provided, however, that payment thereof shall not exceed the amount payable to the Insured by the Insurer pursuant to the terms and conditions of this policy and Basic Agreements **(Note)**:

(i) if the amount of the damages payable by the Insured to the Rightful Claimant is finalized by judgment or by judicial compromise or mediation;

(ii) if the amount of the damages payable by the Insured to the Rightful Claimant is finalized by written agreement between the Insured and the Rightful Claimant;

(iii) if the Rightful Claimant provides the Insured with a written consent that the Rightful Claimant shall not claim for damages against the Insured;

(iv) in the case of Coverage C only, if it has become evident that the damages provided in Paragraph (c) exceed the Limit of Liability under Coverage C **(Note)**; or

(v) with respect to all Insureds who are legally liable for damages:

a. if the Insured or its legal heirs are bankrupt or it is uncertain whether the same is still living; or

b. if the Insured is deceased and there are no legal heirs thereof.

(Note) If the Insurer has already paid for the same insured

event, the total amount already paid by the Insurer shall be deducted from such amount.

(c) Damages as provided in this Article shall be the amount calculated by the following formula:

(i) In the case of Coverage C:

Damages = [the amount of Insured's legal liability to the Rightful Claimant] − [the amount covered by automobile liability insurance, etc.] − [the amount of compensation already paid by the Insured to the Rightful Claimant]

(ii) In the case of Coverage D

Damages = [the amount of Insured's legal liability to the Rightful Claimant] − [the amount which is the higher of:
a. the amount of compensation already paid by the Insured to the Rightful Claimant or
b. the Deductible Amount is stated in the policy, if any]

(d) If the claim for payment by the Rightful Claims in respect of damages payable hereunder shall become pending concurrently with a claim for payment by the Insured under this policy, the Insurer shall make payment to the Rightful Claimant prior to making payment to the Insured.

(e) With respect to Coverage C only, if the Insurer pays for the damages to the Rightful Claimant pursuant to Paragraph (b), the Insurer shall be deemed to have paid damages to the Insured up to the amount so paid to the Rightful Claimant.

(f) With respect to Coverage D only, if the Insurer pays for the damages to the Rightful Claimant pursuant to Paragraphs (b) or (h), the Insurer shall be deemed to have paid damages to the Insured up to the amount so paid to the Rightful Claimant.

(g) With respect to Coverage D only, once the amount of damages that the Insured is legally liable to pay for each accident **(Note)** exceeds the Limit of Liability under Coverage D, the Rightful Claimant shall not be entitled to file a claim as provided in Paragraph (a), and notwithstanding the provisions of Paragraph (b), the Insurer shall not pay for such damages unless:

(i) Paragraph (b), Sub-Paragraph (v) applies;

(ii) the Rightful Claimant, when claiming for damages, cannot negotiate with the Insured nor its legal heirs; or

(iii) an agreement has been reached in writing, between all Rightful Claimants and Insureds, with respect to the claim for damages filed to the Insurer.

(Note) Including the amount already paid by the Insurer in respect of the same accident, if any.

(h) With respect to Coverage D only, if Paragraph (g) Sub-Paragraphs (ii) or (iii) applies, notwithstanding the provisions of Paragraph (b), the Insurer shall pay the damages to the Rightful Claimant up to the amount payable to the Insured by the Insurer for each accident pursuant to the terms and conditions of this policy and Basic Agreements **(Note)**.

(Note) Including the amount already paid by the Insurer in respect of the same accident, if any.

Article 28. Claim for and Payment of Damages – Coverages C and D

(a) The Rightful Claimant claiming for payment of damages pursuant to Article 27 (Rightful Claimant's Right to Claim Directly – Coverages C and D) shall submit to the Insurer such documents or evidence listed below as the Insurer may require; provided, however, that the traffic accident certificate provided in Sub-Paragraph (ii) below need not be submitted if there is any reasonable cause for not submitting the same:

(i) written claim for payment of damages;

(ii) traffic accident certificate issued by a public agency;

(iii) with respect to claims for payment of damages related to loss of life, a death certificate, documents to prove or verify the amount of earnings on which the assessment of estimated lost earnings shall be based, and an official copy of the Family Register;

(iv) with respect to payment of damages related to dismemberment and permanent disablement, a medical certificate diagnosing dismemberment or permanent disablement, and documents to demonstrate the amount of earnings based on which the assessment of estimated lost earnings shall be made;

(v) with respect to payment of damages related to bodily injury, a medical certificate, receipts for the costs of treatment, etc., and documents to demonstrate damages due to taking leave of absence from work;

(vi) a settlement document to demonstrate the amount of the Insured's legal liability to the Rightful Claimant;

(vii) with respect to payment under Coverage D, documents to verify the actual value of the damaged item, a written estimate of the cost of repairs, etc. **(Note 1)**, and a photograph of the damaged item **(Note 2)**;

(viii) such other documents and evidence as may be specified by the Insurer in the documents delivered at the time of concluding this policy as being critically important in verifying the matters specified in Paragraph (f).

(Note 1) If payment has already been made, then the receipts thereof.

(Note 2) Including image data.

(b) If there are circumstances whereby the Rightful Claimant is unable to claim for payment and there is no authorized representative to claim for payment on behalf of the Right-

ful Claimant, any of the following persons may, after providing the Insurer with documents which demonstrate said circumstances and obtaining the Insurer's approval, claim for payment of damages as the authorized representative of the Rightful Claimant:

(i) the legal spouse of the Rightful Claimant who resides or shares a livelihood with the Rightful Claimant;

(ii) if there is no such person as provided in Sub-Paragraph (i) or if the person provided in Sub-Paragraph (i) is unable to claim for payment of damages, a relative within the third degree of kinship to the Rightful Claimant who resides in the same household or shares a livelihood with the Rightful Claimant; or

(iii) if there is no such person as provided in Sub-Paragraph (i) or (ii) or if the person provided in Sub-Paragraph (i) or (ii) is unable to claim for payment of damages, a legal spouse who does not fall in Sub-Paragraph (i) or a relative within the third degree of kinship to the Rightful Claimant who does not fall in Sub-Paragraph (ii).

(c) If the Insurer pays for the damages in response to a claim from a representative of the Rightful Claimant pursuant to Paragraph (b), the Insurer shall be deemed to have paid to the Insured for the loss suffered by the Insured up to the amount of damages so paid to the representative of the Rightful Claimant.

(d) Depending on the particulars of the insured event, the amount of the loss and other factors, the Insurer may require the Rightful Claimant to submit documents or evidence other than those listed in Paragraph (a) or to cooperate in investigations that the Insurer may conduct, in which case the Rightful Claimant shall promptly submit the documents or evidence required by the Insurer and offer all necessary cooperation.

(e) If the Rightful Claimant breaches the obligations provided in Paragraph (d), misrepresents facts without any justifiable reason in the documents prescribed in Paragraphs (a), (b), or (d), or forges or falsifies the documents prescribed therein, the Insurer shall deduct from its payment under this policy the amount of damages that it may suffer as a result of such breach, misrepresentation, forgery, or falsification.

(f) In the event of any of the cases provided for in Paragraph (b), Sub-Paragraphs (i) through (v) of Article 27 (Right of the Claimant – Coverages C and D), the Insurer shall verify the matters listed below required for payment of damages by the Insurer and make payment of the damages within thirty (30) days from and including the Claim Completion Date **(Note)**:

(i) cause of the insured event, circumstances leading to the insured event, occurrence of any loss, and the facts concerning the Insured, as matters necessary for determining whether or not there are grounds for payment of damages;

(ii) any facts provided in this policy as grounds for non-payment of damages, as matters necessary for determining whether or not there are grounds for non-payment;

(iii) amount of loss, the relationship between the insured event and the loss, and the progress and particulars of treatment as matters necessary for assessing the amount of damages;

(iv) any facts provided in this policy as the grounds for termination, invalidation or cancellation of this policy, as matters necessary for determining whether or not this policy is valid;

(v) in addition to the matters provided in Sub-Paragraphs (i) through (iv) any other insurance or cooperative insurance contract (if any) and the particulars thereof, the Insured's right to claim for compensation or other claims that the Insured may hold, any indemnity or contribution that the Insured may already have acquired from a third party by exercising the said right or other claims, and other matters necessary for determining the amount of damages payable by the Insurer.

(Note) This means the date on which the Rightful Claimant completes the procedures pursuant to Paragraphs (a) and (b).

(g) If, for the purpose of conducting the verifications specified in Paragraph (f), it is absolutely necessary to conduct the special inquiries or investigations listed below, the Insurer shall, notwithstanding the provisions of Paragraph (f), make payment of damages within the number of days specified below **(Note 2)** from and including the Claim Completion Date **(Note 1)**, in which case the Insurer shall inform the Rightful Claimant of the matters that need to be verified and the time frame within which the said inquiries or investigations should be completed:

(i) 180 days for an inquiry **(Note 3)** as to the outcome of investigations conducted by the police department, prosecutors' office, fire department or other public agency that may be necessary for verifying the matters provided in Sub-Paragraphs (i) through (iv) of Paragraph (f).

(ii) 90 days for an inquiry as to the outcome of evaluations or assessments conducted by a medical institution, testing agency and other expert agency that may be necessary for verifying the matters provided in Sub-Paragraphs (i) through (iv) of the Paragraph (f);

(iii) 120 days for an inquiry as to the outcome of diagnosis by a medical institution or assessment by an expert agency of dismemberment or permanent disablement that may be necessary to verify the particulars and extent of dismemberment or permanent disablement as provided in Paragraph (f), Sub-Paragraph (iii);

(iv) 60 days for verifying the matters provided in Paragraph (f), Sub-Paragraphs (i) through (v), in a region stricken

by a disaster to which the National Disaster Act has been applied;

(v) 180 days for an investigation of the matters provided in Paragraph (f), Sub-Paragraphs (i) through (v) which is conducted outside of Japan in the absence of an alternative means of investigation in Japan; and

(Note 1) that is, the date on which the Rightful Claimant completes the procedures pursuant to Paragraphs (a) and (b).

(Note 2) If multiple inquiries or investigations are required, within the longest of all applicable periods specified.

(Note 3) Including any inquiry made pursuant to the Act for Attorney-at-Law or other laws and regulations.

(h) If the Rightful Claimant obstructs or refuses to respond to **(Note)** the Insurer's verifications, inquiries or investigations provided in Paragraphs (f) and (g) without any reasonable cause,, any length of time for which the relevant verifications, inquiries or investigations are delayed due to such obstruction, refusal or failure shall not be counted as part of the time frame provided therein.

(Note) Including failing to offer necessary cooperation.

Article 29. Statutory Liens – Coverages C and D

(a) The Rightful Claimant involved in any insured event under Coverage C or D shall have a statutory lien on the Insured' s right to claim payment **(Note)** against the Insurer.

(Note) Excluding the right to claim payment for interest and expenses as provided in Sub-Paragraphs (ii) through (iv) of Paragraph (a) of Insuring Agreements III (Defense, Settlement, Supplementary Payments).

(b) The Insurer shall make payment as follows:

(i) the Insurer shall make payment to the Insured if the Insured has already paid the damages to the Rightful Claimant **(Note 1)**;

(ii) the Insurer shall make payment directly to the Rightful Claimant, if the Insured has not yet paid the damages to the Rightful Claimant and if so instructed by the Insured;

(iii) the Insurer shall make payment directly to the Rightful Claimant if the Insured has not yet paid the damages to the Rightful Claimant and if the Rightful Claimant exercises a statutory lien provided in Paragraph (a); or

(iv) the Insurer shall make payments to the Insured if the Insured has not yet paid the damages to the Rightful Claimant and if the Rightful Claimant consents to the Insurer's payment to the Insured **(Note 2)**.

(Note 1) The Insurer shall pay up to the amount paid by the Insured.

(Note 2) The Insurer shall pay up to the amount consented to by the Rightful Claimant.

(c) The right to claim for payment under this policy **(Note)**

may not be assigned to any third party other than the Rightful Claimant. The right to claim for payment under this policy **(Note)** may not, except in the case of Paragraph (b) Sub-Paragraph (iii), be pledged nor seized; except where the Insured may require that the Insurer make payment pursuant to Paragraph (b) Sub-Paragraph (i) or (iv).

(Note) Excluding the right to claim for payment for interest and expenses provided in Sub-Paragraphs (ii) through (iv) of Paragraph (a) of Insuring Agreements III (Defense, Settlement, Supplementary Payments).

Article 30. Statute of Limitations

The right to claim for payment under this policy shall cease to exist by the statute of limitation upon the lapse of a period of three years commencing from the day immediately following the time provided in Paragraph (a) of Article 24 (Claim for Payment).

Article 31. Rightful Claimant's Exercise Period – Coverages C and D

The right to claim for payment pursuant to Article 27 (Rightful Claimant's Right to Claim Directly – Coverages C and D) may not be exercised:

(i) if a period of three years has elapsed from the day immediately following the day when the court judgment is finalized or a judicial compromise, mediation, or written settlement is reached between the Insured and the Rightful Claimant over the amount of damages to be paid by the Insured to the Rightful Claimant; or

(ii) if the Rightful Claimant's right to claim for payment against the Insured has ceased to exist by the statute of limitation.

Article 32. Subrogation – Coverages A, B, C and D

(a) If, as a result of occurrence of loss, the Insured acquires the right to claim compensation or any other claims **(Note)**, and if the Insurer pays for such loss, the right to make said claims shall transfer to the Insurer up to the amount specified below:

(i) if the Insurer pays for the entire loss:
the entire amount of claims acquired by the Insured; or

(ii) in all other cases:
the amount of claims acquired by the Insured less the amount of loss for which the Insurer did not pay.

(Note) Including recourse to the right to claim against any other joint tort-feasors for recovery, in whole or in part, of any damages already paid.

(b) For the purpose of Paragraph (a), Sub-Paragraph (ii) above, those claims that the Insured would continue to hold shall be paid in priority to the claims transferred to the Insurer.

(c) If the Insurer acquires the right to claim compensation or any other claims in connection with Coverages A and B,

the Insurer shall not exercise such rights against any person who was justly entitled to use or maintain the Insured Automobile; provided, however, that the Insurer may exercise such rights for:

(i) any loss sustained while a person who was justly entitled to use or maintain the Insured Automobile was driving the Insured Automobile without holding a driving qualification; or

(ii) any loss sustained while any person or organization, or any agent or employee thereof, operating an automobile repair shop, public garage, sales agency, service station or public parking place was using or maintaining the Insured Automobile under its custody in the course of business.

Article 33. Change of Policyholder

(a) After concluding the insurance policy, the Policyholder may, upon obtaining the consent of the Insurer, transfer its rights and obligations under this insurance policy to a third party; provided, however, that if the Policyholder intends to transfer such rights and obligations to an assignee of an Insured Automobile **(Note)**, Paragraph (a) of Article 6 (Assignment of Insured Automobile) shall apply.

(Note) Including the seller under a sale agreement with retention of title clause and the lessor under a lease agreement.

(b) The Policyholder shall seek written approval from the Insurer if it intends to transfer its rights and obligations pursuant to Paragraph (a).

(c) If the Policyholder has deceased subsequent to the conclusion of this policy, the rights and obligations of the Policyholder under this policy shall transfer to a legal heir at the time of the Policyholder's death.

Article 34. Multiple Policyholders or Entitled Parties

(a) If there are two or more Policyholders or Entitled Parties, the Insurer may require that one representative be appointed, in which case the said representative shall act for and on behalf of each and every Policyholder and Entitled Party.

(b) If a representative provided in Paragraph (a) is not appointed or if its whereabouts cannot be ascertained, the actions that the Insurer may take vis-a-vis one of the Policyholders or Entitled Parties shall be valid vis-a-vis the other Policyholders or Entitled Parties.

(c) If there are two or more Policyholders, such Policyholders shall be jointly and severally liable to perform and fulfill their obligations with respect to policy conditions and clauses under this policy.

Article 35. Jurisdiction

Any lawsuit arising out of or in connection with this policy

shall be filed with a Japanese court of law.

Article 36. Governing Law
Any and all matters not specifically provided in this policy and clauses endorsed hereto shall be governed by and construed in accordance with the laws of Japan.

CLAUSES

(1) Two Wheelers Theft Exclusion Clause

Notwithstanding the provisions of Insuring Agreement I of the policy conditions, insurance as is provided hereunder on vehicles that fall under either of the following two categories shall not cover theft **(Note)**, howsoever caused thereto.

(i) Two-wheelers.

(ii) Motorbikes.

(Note) Including such loss by theft sustained prior to discovery.

(2) Driver/Passengers Accident Coverage Clause

1. Cases in Which Payment Shall Be Made

(a) The Insurer shall pay, subject to the provisions of this clause and the policy conditions, the benefit provided herein **(Note 1)**, if the Insured sustains bodily injury through any sudden and accidental means of external cause, which falls under any of the following cases, and such injury shall not give rise to the right of claim for damages under Article 3 (Automobile Liability) of the Automobile Liability Security Law (No. 97 of 1955, as amended).

(i) External cause arising out of operation of the Insured Automobile.

(ii) Collision with other flying or falling articles, fire, explosion or falling of the Insured Automobile during operation of the Insured Automobile, provided that the Insured is riding in a regular seat installed in the Insured Automobile or inside the Insured Automobile where the regular seat is installed **(Note 2)**.

(Note 1) Benefit provided herein, for the purposes of this clause, means Loss of Life Benefit, Dismemberment and Permanent Disablement Benefit, Care Expense Benefit and Daily Medical Care Benefit; hereinafter the same.

(Note 2) Excluding places blocked by partitions or otherwise to prevent passage.

(b) The term "injury" as used in (a) shall include gas poisoning.

(c) The term "injury" as used in (a) shall not include the following:

(i) Disablement arising out of sunstroke, heatstroke or mental shock.

(ii) Injury that lacks medical objective finding that is sufficient to endorse the injury even if the Insured complains of symptoms.

2. Scope of the Insured

(a) The term "the Insured" as used herein, means persons who

fall under any of the following:

(i) the owner of the Insured Automobile **(Note 1)**;

(ii) the driver of the Insured Automobile **(Note 2)**; or

(iii) any person, other than those defined in (i) and (ii) above, who is riding in a regular seat installed in the Insured Automobile or inside the Insured Automobile where the regular seat is installed **(Note 3)**.

(Note 1) Owners as defined in Article 2, Paragraph 3 of the Automobile Liability Security Law.

(Note 2) Drivers as defined in Article 2, Paragraph 4 of the Automobile Liability Security Law.

(Note 3) Excluding places blocked by partitions and the like to prevent passage.

(b) Notwithstanding the provisions of (a), any person who is riding in the Insured Automobile in an extremely abnormal and dangerous manner shall not be included in the Insured.

3. Exclusions (I)

(a) This insurance shall not apply to any injury sustained by the Insured

(i) as a result of his or her intentional or malicious act;

(ii) while personally driving the Insured Automobile without qualification thereof as required by law, while driving the Insured Automobile under the influence of alcohol **(Note)** or while driving the Insured Automobile under the influence of a narcotic, hemp, opium, a stimulant, thinner or the like so as to impair the normal driving faculties;

(iii) while driving the Insured Automobile without the consent of a person lawfully entitled to the use thereof;

(iv) as a result of his fighting, suicide or criminal act.

(Note) A state in which a person is under the influence of alcohol and in a danger of being unable to drive a car normally.

(b) If the injury is caused as a result of an intentional or malicious act of any Entitled Party hereunder, the Insurer shall not be liable for that portion of such benefit payment that would have been payable to him or her.

(c) The Insurer shall not be liable for any pyogenic infection **(Note)** originating from such minor cut or wound that would not prevent the Insured from engaging in or attending to normal activities of daily personal life or work.

(Note) including, but not limited to, erysipelas, inflammation of the lymphatic gland, septicaemia and tetanus.

4. Exclusions (II)

(a) This insurance shall not apply to any injury arising out of any of the following events:

(i) war, military act of foreign nations, revolution, insurrection, civil war, armed rebellion or other similar disturbance or riot **(Note 1)**;

(ii) earthquake, volcanic eruption or tsunami caused by earthquake or volcanic eruption;

(iii) radioactivity, explosiveness or other harmful nature of nuclear fuel materials **(Note 2)** or nuclear fuel contaminants **(Note 3)** or any accident incidental thereto;

(iv) nuclear radiation or radioactive contamination other than as provided for in (iii), above;

(v) any accident incidental to any of the occurrences as provided for in (i) through (iv), above, or any accident arising out of disturbance of public peace incidental thereto.

(Note 1) For the purposes of this clause, meaning the state of affairs in which the national or local good order is seriously disturbed by the collective action of a group or groups of persons and in which a serious threat to peace and order is deemed to exist.

(Note 2) Including spent fuel.

(Note 3) Including nuclear fission products.

(b) This insurance shall not apply to any injury sustained by the Insured while the Insured Automobile is in the care, custody or control of an automobile repair shop, public garage or parking place, service station, car wash, sales agency, automobile delivery agency or any other automobile business **(Note)** in the course of such business.

(Note) Including employees thereof and, in case of any legal entity, trustees, directors or other executive officers thereof.

5. Loss of Life Benefit

(a) If the injury, as provided for in "1. Cases in Which Payment Shall Be Made," sustained by the Insured results directly in loss of his or her life, the Insurer shall pay Loss of Life Benefit to his or her legal heirs in the amount of ¥14,000,000 **(Note)**.

(Note) In a case in which any Dismemberment and Permanent Disablement Benefit has been paid to the same Insured in one insured event, the remainder shall be the amount obtained by deducting the amount already paid from ¥14,000,000.

(b) In a case in which there are two or more legal heirs of the Insured, the Insurer shall pay the Loss of Life Benefit to the heirs in accordance with the ratio of legal inheritance allocated to each heir.

6. Dismemberment and Permanent Disablement Benefit

(a) If the injury, as provided for in "1. Cases in Which Payment Shall Be Made," sustained by the Insured results directly in any of dismemberment and permanent disablement **(Note)** as enumerated in the Table attached hereto, the Insurer shall pay a Dismemberment and Permanent Disablement Benefit in the sum specified therein.

(Note) For the purposes of this clause, meaning the state in which medically, the effectiveness of treatment is not expected and symptoms or injuries to the body of the Insured has resulted in material disablement of physical functions from which he or she will not recover, or any dismemberment; herein after the same.

(b) Any dismemberment or permanent disablement that does not fall under the classifications in the Table shall be deemed to have fallen under the corresponding classification according to the extent of such physical disablement.

(c) If the same injury results in two or more differently classified dismemberments and/or permanent disablements, the Insurer shall pay the amount of the Benefit payable for:

(i) a classification three classes above the heaviest thereof, if two or more of such dismemberment and permanent disablement fall between Class 1 and Class 5 of the Table;

(ii) a classification two classes above the heaviest thereof, if, other than as provided for in (i), above, two or more of such dismemberments and permanent disablements fall between Class 1 and Class 8 of the Table;

(iii) a classification immediately above the heaviest thereof, if, other than as provided for in (i) and (ii) above, two or more of such dismemberments and permanent disablements fall between Class 1 and Class 13 of the Table. However, in a case in which the total of respective amounts do not reach the aforementioned amount, the total amount shall be paid; and

(iv) the heaviest thereof, if such dismemberment or permanent disablement does not fall under (i), (ii) or (iii), above.

(d) In the case of an Insured who already has a dismemberment or permanent disablement, where the degree of dismemberment or permanent disablement of the same part of the body increases as a result of the injury, as provided for in "1. Cases in Which Payment Shall Be Made," the Insurer shall pay the amount calculated by the following formula as a Dismemberment and Permanent Disablement Benefit.

Amount of Dismemberment and Permanent Disablement Benefit	=	Amount specified in the class in the Table, under which the weighted dismemberment or permanent disablement falls	−	Amount specified in the class under which the existing dismemberment or permanent disablement falls

7. Care Expense Benefit

(a) If the injury, as provided for in "1. Cases in Which Payment Shall Be Made," sustained by the Insured shall result directly in any of dismemberment and permanent disablement for which such amount of a Dismemberment and Permanent Disablement Benefit as stated in Class 1 or Class 2 of the Table attached hereto shall be payable or which falls under Class 3 (3) or Class 3 (4) of the Table, and which in either case requires care by another person, the Insurer shall pay the Insured the following amounts as a Care Expense Benefit;

(i) with respect to such dismemberment and permanent disablement as is falling under Class 1 (3) or Class 1 (4) of the Table, ¥3,500,000;

(ii) with respect to such dismemberment and permanent disablement as is falling under Class 1 **(Note)**, Class 2, Class 3 (3) or Class 3 (4) of the Table, ¥2,000,000; and

(iii) with respect to such dismemberment and permanent disablement for which the amounts stated in Class 1 or Class 2 of the Table shall be payable in accordance with the provisions of (b) or (c) of 6 Dismemberment and Permanent Disablement Benefit, ¥2,000,000.

(Note) Excluding dismemberment and permanent disablement stated in Class 1 (3) and Class 1 (4).

(b) If the Insured dies within 30 days including and from the day when the accident occurred, the Insurer shall, notwithstanding the provisions of (a), not pay the Care Expense Benefit.

(c) If an accident has resulted in such dismemberment and permanent disablement as falls under two or more of (i) through (iii) of (a), the Insurer's liability hereunder shall be restricted to one.

8. Daily Medical Care Benefit

(a) If an injury, as provided for in "1. Cases in Which Payment Shall Be Made," is sustained by the Insured and as a direct result of such, the Insured is totally or partially disabled and prevented from engaging in or attending to personal activities or work and requires treatment by a doctor, the Insurer shall pay the amount calculated by the following formulas as a Daily Medical Care Benefit to the Insured, for such number of days, in excess of the first 5 days under such treatment, that has been be required for him or her to resume normal personal activities or work:

(i) In a case in which the Insured is confined in a hospital or a clinic:

$$¥6{,}000 \times \text{Number of days of hospitalization} = \text{Amount of Daily Medical Care Benefit}$$

(ii) In a case in which the Insured regularly visits a hospital or a clinic:

$$¥4{,}000 \times \text{Number of days of hospitalization}\textbf{(Note)} = \text{Amount of Daily Medical Care Benefit}$$

(Note) Excluding the number of days that fall under (i) above.

(b) If treatment is given to the body of the Insured after the body was judged to be the "body of a brain-dead person" pursuant to the provisions of Article 6 (Extraction of Organs) of the Organ Transplant Law (Law No. 104 of 1997) by a doctor specified by Paragraph 4 of the same article and the treatment is one that is deemed to be medical benefit in accordance with the provisions of medical benefit-related laws specified in Article 11 of the Supplementary Provisions to the law **(Note)**, the number of days required by the treatment shall be included in the number of days for medical treatment.

(Note) In a case in which medical benefit-related laws are not applied, treatment that shall be deemed to be treatment given as medical benefit if medical benefit-related laws are applied shall be included.

(c) In no event shall the payment of the Benefit hereunder exceed ¥1,000,000 in respect of any one Insured for any one accident.

(d) Any additional injury sustained by the Insured at any time during the period for which he is entitled to payment of the Daily Medical Care Benefit hereunder shall not entitle the Insured to recovery of additional payment hereunder.

9. Other Physical Disablement or Sickness

(a) If the injury, as provided for in "1. Cases in Which Payment Shall Be Made," is aggravated on account of any physical disablement or sickness existing at the time of such injury or of any injury or sickness originating after the injury, as provided for in "1. Cases in Which Payment Shall Be Made," independently from the accident out of which the injury took place, the Insurer shall pay an amount of the Benefit which otherwise would have been payable.

(b) Provisions of (a) shall also apply for payment in a case in which the injury as provided for in "1. Cases in Which Payment Shall Be Made" is aggravated as a result of the failure of the Insured, without justifiable reason, to receive treatment, or failure of the Policyholder or any person entitled to recovery of insurance hereunder, without justifiable reason, to cause the Insured to receive reasonable treatment.

10. Limits of Insurer's Liability

(a) Amount of Loss of Life Benefit payable by the Insurer to each Insured on account of an accident shall be as provided for in "5. Loss of Life Benefit," not to exceed ¥14,000,000.

(b) Amount of the Dismemberment and Permanent Disablement Benefit payable by the Insurer to each Insured on account of an accident shall be as provided for in "6. Dis-

memberment and Permanent Disablement Benefit" and "9. Other Physical Disablement or Sickness," not to exceed ¥14,000,000.

(c) In addition to the Benefits provided for in (a) and (b), the Insurer shall pay each Insured on account of an accident a Care Expense Benefit as provided for in "7. Care Expense Benefit" and "9. Other Physical Disablement or Sickness" and Daily Medical Care Benefit as provided for in "8. Daily Medical Care Benefit" and "9. Other Physical Disablement or Sickness."

11. Other Insurance

(a) The Insurer shall pay the amount payable under this policy even where there is other insurance.

(b) Notwithstanding the provision in (a), if payment is made or to be made from any other insurance contract or cooperative insurance contract in priority to this policy, the Insurer shall make payment only for the amount calculated by deducting the sum of payments made or to be made from the largest of the amounts under each respective insurance contract or cooperative insurance contract calculated separately on its own.

(c) The provisions of (a) and (b) shall apply respectively, after classifying the benefits specified in (a) of "1. Cases in Which Payment Shall Be Made" into Care Expense Benefit, Daily Medical Care Benefit and other benefits **(Note)**.

(Note) Other benefits mean Loss of Life Benefit and Dismemberment and Permanent Disablement Benefit.

12. Claim for Payment

The Policyholder or the Insured's right to claim for payment under this policy shall accrue from the following points in time:

(i) with respect to Loss of Life Benefit, upon the occurrence of loss of life of the Insured;

(ii) with respect to a Dismemberment and Permanent Disablement Benefit, upon the occurrence of dismemberment or permanent disablement of the Insured;

(iii) with respect to a Care Expense Benefit, upon the occurrence of dismemberment or permanent disablement of the Insured; but always after 30 days from the date of the insured event, including that day.

(iv) with respect to a Daily Medical Care Benefit, when the Insured recovers so as to be able to resume normal personal activities or work or when 160 days have passed since the day when the insured event occurred, including that day, whichever is sooner.

13. Coverage for Driving Other Automobiles

(a) Insurance as is afforded under "13. Coverage For Driving Other Automobiles" shall be extended to apply to other automobiles, as the Insured Automobile, while such automo-

biles are driven **(Note 1)** by the Named Insured or his or her spouse; provided, however, that, for the purposes hereof, the Insured shall be restricted to the Named Insured, his or her parents, spouse and children, while seated in a regular seat installed in such other automobile, or inside such other automobile where a regular seat is installed **(Note 2)**.

(Note 1) Excluding a case in which such automobile is parked or stationary.

(Note 2) Excluding places blocked by partitions or otherwise to prevent passage.

(b) The provisions of (a) above shall apply if use and classification of the Insured Automobile is a private passenger automobile, private subcompact passenger automobile or private mini 4-wheel passenger car of which an individual is the owner and the Named Insured.

(c) When used in "13. Coverage for Driving other Automobiles";

(i) "Named Insured" means the Insured named in the policy conditions;

(ii) "owner" means;

a. with respect to an Insured Automobile sold on a contract of sale subject to a retention of title clause, the purchaser, but only while the ownership is retained by the seller;

b. with respect to an Insured Automobile used on a lease agreement of no less than a period of one year, the lessee; and,

c. with respect to an Insured Automobile not falling in a. or b., above, the owner of the Insured Automobile.

(iii) "other automobile" means any automobile **(Note)** not owned by the Named Insured or any of his or her relatives resident in the same household, use and classification of which shall be a private passenger automobile, private subcompact passenger automobile or private mini 4-wheel passenger car, but always excluding any automobile customarily used by or furnished for use of the Named Insured or his or her spouse.

(Note) Including, for the purposes hereof, any automobile purchased on a contract of sale subject to a retention of title clause or used on a lease agreement covering a period of no less than one year; hereinafter the same.

(d) The Insurer shall not pay for injury sustained by the Insured, arising out of an accident that falls under any of the following cases:

(i) while an automobile owned by the employer of the Insured is driven in the course of his or her employment **(Note 1)**;

(ii) while an automobile owned by any legal entity of which the Insured is an officer **(Note 2)** is driven;

(iii) while such other automobile is driven in the course of an automobile repair shop, public garage or parking

place, service station, car wash, sales agency, automobile delivery agency, automobile rental agency or any other automobile business; or

(iv) while such other automobile is driven without lawful authority in respect of such use.

(Note 1) Excluding domestic use.

(Note 2) Meaning, for the purposes hereof, trustees, directors or any other executive officers.

14. Subrogation

Any payment under this insurance shall not subrogate the Insurer to any rights of recovery which the Insured or his or her legal heir may have against other persons in respect of such injury.

15. Relationship with the Policy Conditions

With respect to this clause, "24. Claim for Payment (a)" in the provisions of "Basic Agreements 30 Statute of Limitations" of the policy conditions shall be translated as "12. Claim for Payment" of this clause.

16. Applicable Rule

With respect to the matters not stipulated in this clause, the provisions of the policy conditions and other clauses attached thereto shall apply so far as they do not come into conflict with this clause.

Table

Classifications of Dismemberment and Permanent Disablement

Class	Dismemberment and permanent disablement	Amount payable
Class 1	(1) Complete and irrecoverable loss of vision in both eyes; (2) Permanent and total disablement of chewing and speaking functions; (3) Permanent and material disablement or disorder in the nervous system or mental activities so as to require constant care; (4) Permanent and material disablement or disorder in any chest or abdominal organ so as to require constant care; (5) Complete severance of both upper limbs through or above the elbow joint; (6) Permanent and total disablement of both upper limbs; (7) Complete severance of both lower limbs through or above the knee joint; or (8) Permanent and total disablement of both lower limbs.	¥14,000,000
Class 2	(1) Complete and irrecoverable loss of vision in either eye with irrecoverable loss of corrected vision in the other eye (subject to International Vision Chart; hereinafter the same) to or below 0.02; (2) Irrecoverable loss of corrected vision in both eyes to or below 0.02; (3) Permanent and material disablement or disorder in the nervous system or mental activities so as to require care from time to time; (4) Permanent and material disablement or disorder in any chest or abdominal organ so as to require constant care from time to time; (5) Complete severance of both upper limbs through or above the wrist joint; or (6) Complete severance of both lower limbs through or above the ankle joint.	¥12,450,000
	(1) Complete and irrecoverable loss of vision in either eye with irrecoverable	

Class 3	loss of corrected vision in the other eye to or below 0.06; (2) Permanent and total disablement of chewing or speaking functions; (3) Permanent and material disablement or disorder in the nervous system or mental activities so as to prevent the Insured from engaging in or attending to any work for the rest of life; (4) Permanent and material disablement or disorder in any chest or abdominal organ so as to prevent the Insured from engaging in or attending to any work for the rest of life; or (5) Complete severance of all thumbs and fingers of both hands (meaning complete severance through or above the phalangeal joint with respect to thumb, and, with respect to any finger, through or above the first phalangeal joint; hereinafter the same).	¥10,950,000
Class 4	(1) Irrecoverable loss of corrected vision in both eyes to or below 0.06; (2) Permanent and material disablement of chewing and speaking functions; (3) Complete and irrecoverable loss of hearing in both ears; (4) Complete severance of either upper limb through or above the elbow joint; (5) Complete severance of either lower limb through or above the knee joint; (6) Permanent and total disablement of all thumbs and fingers of both hands (meaning complete severance of the majority of the lowest phalanx or permanent and material motor disturbance in the metacarpo-phalangeal joint or the first phalangeal joint (with respect to thumb, the phalangeal joint); hereinafter the same)); or (7) Complete severance of both feet through or above the Lisfranc' s joint.	¥9,600,000
	(1) Complete and irrecoverable loss of vision in either eye with irrecoverable loss of corrected vision in the other eye to or below 0.1; (2) Permanent and material disablement or disorder in the nervous system or mental activities so as to prevent the Insured from engaging in or attending to any work other than particularly easy tasks;	

Class 5	(3) Permanent and material disablement or disorder in any chest or abdominal organ so as to prevent the Insured from engaging in or attending to any work other than particularly easy tasks; (4) Complete severance of either upper limb through or above the wrist joint; (5) Complete severance of either lower limb through or above the ankle joint; (6) Permanent and total disablement of either upper limb; (7) Permanent and total disablement of either lower limb; or (8) Complete severance of all toes of both feet (meaning severance of such toes in entirety hereinafter the same).)	¥8,250,000
Class 6	(1) Irrecoverable loss of corrected vision in both eyes to or below 0.1; (2) Permanent and material disablement of chewing or speaking functions; (3) Impairment of hearing in both ears so as to prevent a loud voice from being heard unless spoken very near to the ear; (4) Complete and irrecoverable loss of hearing in either ear with impairment in the other ear so as to prevent a normal conversation from being heard at a distance of 40 centimeters or more; (5) Permanent and material deformation or motor disturbance of spinal column; (6) Permanent and total disablement of two of the three major joints of either upper limb; (7) Permanent and total disablement of two of the three major joints of either lower limb; or (8) Complete severance of thumb and all fingers, or of the thumb and index finger and two other fingers, of either hand.	¥7,000,000
	(1) Complete and irrecoverable loss of vision in either eye with irrecoverable loss of corrected vision in the other eye to or below 0.6; (2) Impairment of hearing in both ears so as to prevent a normal conversation being heard at a distance of 40 centimeters or more; (3) Complete and irrecoverable loss of	

Class 7	hearing in either ear with impairment in the other ear so as to prevent a normal conversation from being heard at a distance of 1 meter or more; (4) Permanent disablement or disorder in the nervous system or mental activities so as to prevent the Insured from engaging in or attending to any work unless it is easy work; (5) Permanent disablement or disorder in any chest or abdominal organ so as to prevent the Insured from engaging in or attending to any work other than easy tasks; (6) Complete severance of thumb and index finger, or of thumb or index fingers, and two other fingers, of either hand; (7) Permanent and total disablement of thumb and all fingers, or of thumb and index finger with two other fingers, or either; and (8) Complete severance of either foot through or above the Lisfranc' s joint; (9) Use of a false joint in either upper limb, with permanent and material motor disturbance therein; (10) Use of a false joint in either lower limb, with permanent and material motor disturbance therein; (11) Permanent and total disablement of all toes of both feet (meaning complete severance of the majority of the lowest phalanx with respect to the first toe, and, with respect to any other toe, complete severance through or above the lowest joint, or permanent and material motor disturbance in the metacarpophalangeal joint or the first phalangeal joint (with respect to the first toe, the phalangeal joint; hereinafter the same); (12) Permanent and material deformation in appearance (13) Loss of both testicles.	¥5,850,000
	(1) Complete and irrecoverable loss of vision in either eye with irrecoverable loss of corrected vision in the other eye to or below 0.02; (2) Permanent motor disturbance of spinal column; (3) Complete severance of thumb and a	

Class 8	finger of either hand; (4) Permanent and total disablement of thumb and index finger, or of thumb or index finger with two other fingers, of either hand; (5) Shortening of either lower limb by 5 centimeters or more; (6) Permanent and total disablement of any one of the three major joints, of either upper limb; (7) Permanent and total disablement of any one of the three major joints of either lower limb; (8) Use of a false joint in either upper limb; (9) Use of a false joint in either lower limb; (10) Complete severance of all toes of either foot; or (11) Loss of spleen or either kidney.	¥4,700,000
Class 9	(1) Irrecoverable loss of corrected vision in both eyes to or below 0.6; (2) Irrecoverable loss of corrected vision in either eye to or below 0.06; (3) Irrecoverable hemiopia or stricture or distortion of visual field of both eyes; (4) Material deformation of eyelids of both eyes; (5) Deformation of nose with permanent and material functional impairment therein; (6) Permanent impairment to chewing and speaking functions; (7) Impairment of hearing in both ears so as to prevent a normal conversation from being heard at a distance of 1 meter or more; (8) Impairment of hearing in either ear so as to prevent a loud voice from being heard unless it is spoken very near to the ear with impairment in the other ear so as to make it difficult to hear a normal conversation at a distance of 1 meter or more; (9) Complete and irrecoverable loss of hearing in either ear; (10) Permanent disablement or disorder in the nervous system or mental activities so as to require material restrictions to be placed on the types of work that may be performed; (11) Permanent disablement or disorder in any chest or abdominal organ so as	¥3,650,000

	to require material restrictions to be placed on the types of work that may be performed; (12) Complete severance of thumb, or of any two fingers including index finger, or any three fingers other than thumb and index finger of either hand; (13) Permanent and total disablement of thumb and another finger of either hand; (14) Complete severance of two or more toes including the first of either foot; (15) Permanent and total disablement of all toes of either foot; or (16) Permanent and considerable deformation in appearance. (17) Permanent and material disablement of any reproductive organ.	
Class 10	(1) Irrecoverable loss of corrected vision in either eye to or below 0.1; (2) Permanent disablement of chewing or speaking functions; (3) Dental repairs on 14 or more teeth; (4) Impairment of hearing in both ears so as to make it difficult to hear a normal conversation at a distance of 1 meter or more; (5) Impairment of hearing in either ear so as to prevent a loud voice from being heard unless spoken very near the ear; (6) Complete severance of index finger or of any two fingers other than thumb and index finger of either hand; (7) Permanent and total disablement of thumb or of index finger and another finger or of three fingers other than thumb and index finger of either hand; (8) Shortening of either lower limb by 3 centimeters or more; (9) Complete severance of the first toe or of four other toes of either foot; (10) Permanent and material disablement of any one of the three major joints of either upper limb; or (11) Permanent and material disablement of any one of the three major joints of either lower limb.	¥2,800,000
	(1) Irrecoverable and material aniso-accommodation or motor disturbance in both eyeballs; (2) Permanent and material motor disturbance in eyelids of both eyes;	

Class 11	(3) Material deformation of eyelids of either eye; (4) Dental repairs on 10 or more teeth; (5) Impairment of hearing in both ears so as to prevent a quiet voice from being heard at a distance of 1 meter or more; (6) Impairment of hearing in either ear so as to prevent a normal conversation from being heard at a distance of 40 centimeters or more; (7) Permanent deformation of spinal column; (8) Complete severance of third or fourth finger of either hand; (9) Permanent and total disablement of index finger or of two fingers other than thumb and index finger of either hand; (10) Permanent and total disablement of first toe and one or more toes of either foot; or (11) Permanent disablement or disorder in any chest or abdominal organ.	¥2,100,000
Class 12	(1) Permanent and material aniso-accommodation or motor disturbance in either eyeball; (2) Permanent and material motor disturbance in either eyelid; (3) Dental repairs on 7 or more teeth; (4) Deformation of the majority of either auricle; (5) Permanent and material deformation of collar bone, breastbone, rib, shoulder blade or pelvis; (6) Permanent and material disablement or disorder of any one of the three major joints of either upper limb; (7) Permanent and material disablement or disorder of any one of the three major joints of either lower limb; (8) Permanent deformation of along bone; (9) Permanent and total disablement of the third or fourth finger of either hand; (10) Complete severance of the second toe with or without another toe or of three toes of the third to fifth of either foot; (11) Permanent and total disablement of the first toe or of all four other toes of either foot; (12) Permanent and malignant symptoms	¥1,450,000

	of any nervous disease in any affected part; (13) Permanent deformation in appearance	
Class 13	(1) Irrecoverable loss of corrected vision in either eye to or below 0.6; (2) Permanent hemiopia or stricture or distortion of visual field in either eye; (3) Permanent and partial deformation of eyelids or permanent eyelash baldness of both eyes; (4) Dental repairs on 5 or more teeth; (5) Complete severance of the fifth finger of either hand; (6) Severance of any phalanx of thumb or any part thereof of either hand; (7) Severance of any phalanx of index finger or any part thereof of either hand; (8) Permanent disablement of the lowest phalangeal joint of index finger of either hand; (9) Shortening of either lower limb by 1 centimeter or more; (10) Complete severance of any one or two toes of the third to the fifth of either foot; or (11) Permanent and total disablement of the second toe with or without another toe or of three toes of the third to the fifth toes of either foot.	¥950,000
Class 14	(1) Permanent and partial deformation of eyelids or permanent eyelash baldness of either eye; (2) Dental repairs on 3 or more teeth; (3) Impairment of hearing in either ear so as to prevent a quiet voice from being heard at a distance of 1 meter or more; (4) Permanent palm-size scar on exposed area of either upper limb; (5) Permanent palm-size scar on exposed area of either lower limb; (6) Permanent and total disablement of the fifth finger of either hand; (7) Severance of any phalanx of any finger other than thumb and index finger or of any part thereof on either hand; (8) Permanent and total disablement of the lowest phalangeal joint of any finger other than thumb and index finger of either hand; (9) Permanent and total disablement of	¥500,000

	any one or two toes of the three of the third to the fifth toes of either foot; (10) Permanent symptoms of nervous disease in any affected area; or	

(3) Loss of Use by Theft Clause

1. Application Conditions of This Clause

This clause shall apply only if the stolen Insured Automobile was a private passenger automobile and not used as a vehicle for transportation of passengers or as a rental car or similar, which was leased to unspecified borrowers **(Note)**.

(Note) Excluding those leased for one year or more under lease contracts.

2. Cases in Which Payment Shall Be Made

(a) If the Insured Automobile cannot be used following a theft covered under this insurance, the Insurer shall pay the amount specified in (b) below as expenses on automobiles **(Note)**, including rental cars, as substitute means of transport used by the Insured.

(Note) Including taxicabs.

(b) Amounts payable by the Insurer shall be obtained by multiplying the daily payment, not exceeding the limit of payment as stated in the Schedule for any one day, by the number of days covered specified in (c) below, not totaling more than thirty times (days) the said daily payment or the actual cash value of the automobile at time of theft, whichever is less.

(c) Reimbursement is limited to such expenses incurred during the period commencing 72 hours after such theft has been reported to both the Insurer and the police and terminating, regardless of expiration of the Policy Period, on either of the following dates, whichever is sooner:

(i) when the whereabouts of the automobile becomes known to the Insured or the Insurer; or

(ii) when the Insurer makes payment for such theft.

3. Claim for Payment

The Policyholder or the Insured's right to claim for payment under this policy shall accrue and shall be exercised when the number of days covered is determined pursuant to the provisions of (c) of "2. Cases in Which Payment Shall Be Made."

4. Relationship with the Policy Conditions

With respect to this clause, "24. Claim for Payment (a)" in the provisions of "Basic Agreements 30. Statute of Limitations" of the policy conditions shall be translated as "3. Claim for Payment under this clause".

5. Applicable Rule
With respect to the matters not stipulated in this clause, the provisions of the policy conditions and other clauses attached thereto shall apply so far as they do not come into conflict with this clause.

(4) Bodily Injury Liability Clause – Heavy Size Automobile

1. Applicable Automobiles Defined
This clause shall apply to any Insured Automobile, if such automobile has:

(i) a seat capacity, as described in the automobile inspection certificate, of no less than 11;

(ii) a maximum loading capacity **(Note 1)**, as described in the automobile inspection certificate, of no less than 5 tons; or

(iii) a gross vehicle weight **(Note 2)**, as described in the automobile inspection certificate, of no less than 8 tons.

(Note 1) With respect to a trailer truck while towing a trailer or a trailer while being towed by a trailer truck, the sum of the maximum loading capacity of each.

(Note 2) With respect to a trailer truck while towing a trailer or a trailer while being towed by a trailer truck, the sum of the gross vehicle weight of each.

2. Limit of Liability of the Insurer
In no event shall the Insurer's liability **(Note 1)** hereunder exceed ¥3,000,000,000 in aggregate for any one bodily injury accident **(Note 2)**.

(Note 1) Including the sum of damages for bodily injury accident **(Note 2)** for which the Insurer shall be liable to pay as provided for under "Basic Agreements 27. Rightful Claimant's Right to Claim Directly– Coverages C and D" of the policy conditions.

(Note 2) Meaning, for the purposes hereof, an accident resulting in damages to the life or body of any other person, arising out of the ownership, use or maintenance of the Insured Automobile.

3. Restrictions on Filing of Claim by Claimant
The provisions of right of the claimant regarding bodily injury accident **(Note 1)**, specified in "Basic Agreements 27. Rightful Claimant's Right to Claim Directly – Coverages C and D" of the policy conditions, shall be inoperative whenever the sum of payment **(Note 2)** for any one bodily injury accident **(Note 1)** is known to exceed ¥3,000,000,000.

(Note 1) Meaning, for the purposes hereof, an accident resulting in damages to the life or body of any other person, arising out of the ownership, use or maintenance of

the Insured Automobile.

(Note 2) Including the damages specified in "Basic Agreements 27. Right of the Rightful Claimant – Coverages C and D" of the policy conditions.

(5) Agreed Value-Insurance Clause

1. Application Conditions of This Clause

This clause shall apply if the use and classification of the Insured Automobile falls under any of the following, except where such Insured Automobile is of foreign make or the use of the Insured Automobile, as described in the automobile inspection certificate thereof, is of a special purpose category:

(i) private passenger automobile;
(ii) private subcompact passenger automobile;
(iii) private mini 4-wheel passenger car;
(iv) private-use small truck; or
(v) private-use mini 4-wheel truck.

2. Replacement Value and Agreed Insurable Value

(a) If less than 1 year has passed since the Insured Automobile underwent its initial statutory registration **(Note)**, the market selling price of a new automobile of the same use, classification, make, model and specification as the Insured Automobile at the time of effecting of the insurance contract hereunder shall, as between the Insurer and the Policyholder or the Insured, be regarded as value of such Insured Automobile (hereinafter called the "replacement value") which shall then be the limit of liability hereunder;

(Note) Including its initial statutory inspection.

(b) Unless otherwise provided for in (a) above, the market selling price of an automobile of the same use, classification, make, model, specification and the month and year of the initial statutory registration **(Note)** as the Insured Automobile at the time of effecting of the insurance contract hereunder shall, as between the Insurer and the Policyholder or the Insured, be regarded as the value of such Insured Automobile (hereinafter called the "agreed insurable value") which shall then be the limit of liability hereunder.

(Note) Including the month and year of the initial statutory inspection.

(c) For the purposes hereof, the term "the market selling price" means the value as stated in the "Standard Automobile Price List for Automobile Insurance" published by the Insurer.

(d) If, after the insurance hereunder has gone into effect, any remodeling of the Insured Automobile or mounting of any accessories thereof shall have resulted in a material increase in the value of the Insured Automobile, the Policyholder or the Insured shall notify the Insurer thereof in

writing without delay for approval.

(e) If, after the insurance hereunder has gone into effect, any remodeling of the Insured Automobile or dismounting of any accessories thereof shall have resulted in a material decrease in the value of the Insured Automobile, the Policyholder or the Insured may demand the Insurer in writing to reduce the replacement value or the agreed insurable value and the limit of liability to the value of the Insured Automobile after the reduction of value.

(f) In the case of (d) and (e) above, the Insurer and the Policyholder or the Insured shall, thereupon, amend the replacement value or agreed insurable value, as stated in the Schedule, as well as the limit of liability hereunder to the extent of the increase in the value resulting from the event specified in (d) or the decrease in the value resulting from the event specified in (e).

(g) In the case of (f) above, the Insurer shall return or charge the premium with respect to the Remaining Period, calculated based on the difference between the amount of premium corresponding to the limit of liability before the amendment and the amount of premium corresponding to the limit of liability after the amendment.

(h) If the Insurer charges an additional premium pursuant to the provisions of (g) above, and the Policyholder fails to pay such additional premium when due, then the Insurer shall pay for the loss with respect to any insured event occurring prior to the Insurer's receipt of such additional premium pursuant to the provisions of this clause **(Note)** that were in effect before the amendment is approved.

(Note) Including the policy conditions and other clauses applicable to the Insured Automobile.

(i) In the case in which an automobile is newly acquired, specified in (a) of "Basic Agreements 7. Replacement of Insured Automobile" of the policy conditions, if the Policyholder requests for approval for the replacement of the Insured Automobile in writing and the Insurer approves it, value of the automobile newly acquired or leased shall be determined pursuant to the provisions of (a) or (b) above, and the replacement value or the agreed insurable value and the limit of liability shall be amended to that value.

(j) In the case of (i) above, if the premium needs to be amended, the Insurer shall return or charge the premium with respect to the Remaining Period calculated based on the difference between the amount of premium before the amendment and the amount of premium after the amendment.

(k) If the Insurer charges an additional premium pursuant to the provisions of (j) above and the Policyholder fails to pay such additional premium when due, then the Insurer shall not pay for the loss with respect to any insured event occurring prior to the Insurer's receipt of such additional premium

3. Adjustment of Limit of Liability
If this clause is applied, the Insurer shall not apply the provisions of "Basic Agreements 11. Adjustment of Insurance Amount" of the policy conditions.

4. Amount of Loss or Damage Payable
Notwithstanding the provisions of the policy conditions, the amount of any loss or damage payable hereunder shall be:

(i) if damage to the Insured Automobile is unrepairable, and
  a. if, as of the time that the policy hereunder goes into effect or as of the time when an amendment is made to the replacement value or the agreed insurable value as provided for in "2. Replacement Value and Agreed Insurable Value (i)," less than 1 year has passed since the Insured Automobile underwent the initial registration thereof, then the replacement value;
  b. if otherwise than as provided for in a., above, the agreed insurable value; and

(ii) if otherwise than as provided for in (i), above; the sum of a. and b. minus c. below:
  a. repair cost, as defined as;
    i. cost of such repairs as shall reasonably be necessary as at the time and place of such loss or damage for restoration of the Insured Automobile to the condition which existed immediately before such loss or damage; and
    ii. in case the Insured Automobile is disabled by reason of any covered loss or damage, any cost of such transportation as shall reasonably be necessary for delivery to the nearest repairer or any other place designated by Insurer or of such temporary repairs as shall reasonably be necessary for driving of the same, with its own power, to the said repairer or place; and
  b. cost or expense paid by the Policyholder or the Insured **(Note)**;
    i. necessary or useful for preventing or minimizing of loss or damage specified in "Basic Agreements 20. Obligations at Time of Insured Event (i)" of the policy conditions; and
    ii. necessary for the preservation or exercise of any right or recovery of damages, specified in "Basic Agreements 20. (vi)" of the policy conditions; and
    iii. necessary for taking delivery of the stolen Insured Automobile after recovery; and
    for general average contributions apportionable to the Insured Automobile, in case of transportation on a ferry;
    (Note) Not including loss of revenue.
  c. any residual value after repairs.

(iii) if the Policyholder or the Insured has incurred only cost or expense, as provided for in (ii) b. above, then the sum of such cost or expense.

5. Amount of Insurance Recoverable

Notwithstanding the provisions of the policy conditions, the amount of insurance recoverable hereunder for loss or damage arising out of each accident shall be as follows, up to the limit of liability:

(i) the amount as defined in Item (i) of "4. Amount of Loss or Damage Payable", in case of total loss **(Note 1)**; and

(ii) in all other cases **(Note 2)**, any balance of the amount as defined in Item (ii) or (iii) of "4. Amount of Loss or Damage Payable" whichever is applicable, after deductible amount.

(Note 1) Total loss, for all purposes hereinafter, shall exist where repairing of the Insured Automobile is reasonably impracticable or the repair cost as defined in Item (ii) a. of "4. Amount of Loss or Damage Payable" is not less than the replacement value or the agreed insurable value (in the case of Coverage A, including a case in which the vehicle was stolen and has not been discovered); hereafter the same.

(Note 2) All other cases, for all purposes hereinafter, shall mean where the repair cost as defined in Item (ii) a. of "4. Amount of Loss or Damage Payable" is less than the replacement value or the agreed insurable value; hereinafter the same.

6. Case in Which the Agreed Insurable Value Significantly Exceeds the Insurable Value

If the agreed insurable value significantly exceeds the insurable value **(Note)**, the insurable value **(Note)** shall be the agreed insurable value and the limit of liability when applying the provisions of "4. Amount of Loss or Damage Payable" and "5. Amount of Insurance Recoverable."

(Note) The insurable value means the amount equivalent to the market selling price (at the time and place of damage) of an automobile with a similar degree of wear, which has the same use, classification, make, model specification and the month and year of the initial statutory registration (including the month and year of the initial statutory inspection).

7. Disclosure for Valuation

At the time of determining the replacement value or the agreed insurable value of the Insured Automobile, the Policyholder or the Insured shall accurately disclose the facts in answer to any question brought up by the Insurer as being necessary for valuation of the Insured Automobile.

8. Extra Expense Benefit

(a) If loss or damage to be payable by the Insurer is a total loss, the Insurer shall pay the Insured as Extra Expense Benefit, a sum equal to 5% of the limit of liability, but not exceeding ¥100,000.

(b) If the sum of the Extra Expense Benefit that should be paid pursuant to the provisions of (a) above and the amount of insurance as provided for in "5. Amount of Insurance Recoverable" exceeds the limit of liability, the Insurer shall still be liable to pay the Extra Expense Benefit.

(c) If there are any other insurance contract or cooperative insurance contract in force providing an extra expense benefit on the same terms as are provided for in (a) above, the Insurer shall still be liable to pay the Extra Expense Benefit under this policy.

(d) Notwithstanding the provision in (c) above, if payment is to be made or has been made from any other insurance contract or cooperative insurance contract in force providing an extra expense benefit on the same terms as are provided for in (a) above, in priority to this policy, the Insurer shall pay the extra Expense Benefit only for the amount calculated by deducting the sum of payments made or to be made from the largest of the amounts under each respective insurance contract or cooperative insurance contract calculated separately on its own.

(e) The claim for the Extra Expense Benefit shall accrue and be exercisable upon occurrence of the accident.

(6) Loss Payable Clause

1. Cases in Which Payment Shall Be Made

(a) Under this clause, the Insurer shall deem that the Insured has assigned to the rightful claimant of rights in rem **(Note)** in relation to the Insured Automobile, the right to claim for payment regarding Coverages A and B under the policy which includes this clause, up to the amount of the claim at the time of loss, and shall pay the amount of insurance payable under the policy which includes this clause to the rightful claimant of rights in rem up to the same amount.

(Note) Meaning, for the purposes hereof, a seller under a contract of sale subject to a retention of title clause, a mortgagee or their successor specified as such in the insurance policy application; hereinafter the same.

(b) If there are other rights that have priority to the right to claim regarding rights in rem specified in (a), the maximum amount payable of (a) shall not exceed the amount calculated by subtracting the amount of claims to be compensated by other rights that have priority when the damage occurs from the total amount of insurance payable under all insurance contracts on the Insured Automobile.

(c) Where a payment becomes due under the provisions of (a), payment may be made separately to each interested party in amounts corresponding to the amount of the payment obligation.

2. Treatment of Duty of Disclosure

(a) If Risk Increase occurs as a result of the occurrence of facts specified in "Basic Agreements 4. Duty of Notification (a)" of the policy conditions and the Policyholder or the Insured intentionally or with gross negligence fails to make a report pursuant to the provisions of "Basic Agreements 4. Duty of Notification (a)," the Insurer shall still make payment to the rightful claimant of rights in rem pursuant to the provisions of "1. Cases in Which Payment Shall Be Made."

(b) If the occurrence of facts specified in "Basic Agreements 4. Duty of Notification (a)" of the policy conditions comes to the knowledge of the rightful claimant of rights in rem, the rightful claimant of rights in rem should notify the Insurer of the fact. However, this provision shall not apply if the fact no longer exists or if the Policyholder or the Insured has already notified the Insurer of that fact without delay.

3. Direct Request for Payment of Additional Premium and the Treatment of Payment

If the Policyholder fails to pay an additional premium charged pursuant to the provisions regarding notifications to be made by the rightful claimant of rights in rem under "2. Treatment of Duty of Disclosure (b)" and regarding "Basic Agreements 15. Return of Premium or Charge for Additional Premium: Duty of Disclosure and Duty of Notification" of the policy conditions, the rightful claimant of rights in rem shall pay the additional premium charged by the Insurer.

4. Treatment of Failure to Pay Additional Premium Directly Charged

(a) With respect to additional premiums specified in "3. Direct Request for Additional Premium and Treatment of Payment," while the rightful claimant of rights in rem, without reasonable cause, fails to pay additional premium charged pursuant to (a) and (b) of "Basic Agreements 15. Return of Premium or Charge for Additional Premium: Duty of Disclosure and Duty of Notification" of the policy conditions, the Insurer shall be entitled to cancel this policy, in which case the Insurer shall serve a written notice to the rightful claimant of rights in rem with an extended period of at least 10 days.

(b) Cancellation specified in (a) shall be carried out by serving a written notice to the Policyholder, and cancellation shall only have effect from the time of cancellation.

(c) If the Insurer cancels this policy pursuant to (a) and there is premium corresponding to the Remaining Period, the Insurer shall return the premium with respect to the Remain-

ing Period calculated based on the difference between the premium already received and the premium with respect to the Elapsed Period.

(d) With respect to additional premiums specified in "3. Direct Request for Payment of Additional Premium and Treatment of Payment," if the Insurer charges an additional premium pursuant to (a) and (b) of "Basic Agreements 15. Return of Premium or Charge for Additional Premium: Duty of Disclosure and Duty of Notification" of the policy conditions and the Insurer is entitled to cancel this policy pursuant to (a), the Insurer shall not pay for any loss **(Note 1)**, excluding, however, loss caused by an insured event that occurred during a period prior to the occurrence of the Risk Increase **(Note 2)** in the case in which Risk Increase occurred.

(Note 1) The Insurer shall be entitled to reimbursement of any payment he or she made.

(Note 2) That is, the period before the occurrence of Risk Increase as notified by the Policyholder or the Insured.

(e) With respect to additional premiums specified in (b) of "3. Direct Request for Payment of Additional Premium and Treatment of Payment," if the rightful claimant of rights in rem, without reasonable cause, fails to pay an additional premium charged pursuant to (d) of "Basic Agreements 15. Return of Premium or Charge for Additional Premium: Duty of Disclosure and Duty of Notification" of the policy conditions, then the Insurer shall not pay for the loss or injury with respect to any insured event occurring prior to the Insurer's receipt of such additional premium

(f) With respect to additional premiums specified in (b) of "3. Direct Request for Payment of Additional Premium and Treatment of Payment," if the Policyholder, without reasonable cause, fails to pay an additional premium charged pursuant to (f) of "Basic Agreements 15. Return of Premium or Charge for Additional Premium: Duty of Disclosure and Duty of Notification" of the policy conditions, then the Insurer shall pay for the loss or injury with respect to any insured event occurring prior to the Insurer's receipt of such additional premium pursuant to the policy conditions and provisions of other clauses attached thereto that were in effect before the amendment was approved.

5. Treatment of Claim for Payment

If the Insured or the person entitled to receive payment fails to submit documents or evidence specified in (b) of "Basic Agreements 24. Claim for Payment" of the policy conditions, the rightful claimant of rights in rem shall submit the documents or evidence pursuant to (b) of "Basic Agreements 24. Claim for Payment."

6. Subrogation

(a) If the Insurer made payment pursuant to "1. Cases in Which

Payment Shall Be Made" and the Insurer declares to purchaser and obligators, including the mortgagor, that the Insurer has fulfilled its liability, the Insurer shall receive assignment of the claim and other rights attendant upon the claim from the rightful claimant of rights in rem, in which case the rightful claimant of rights in rem shall take any and all procedures necessary for the assignment, up to the amount specified below:

(i) If the Insurer pays for the whole loss:
Amount of payment made.

(ii) In all other cases:
Amount of claims acquired by the rightful claimant of rights in rem less the amount of loss for which the Insurer did not pay.

(b) For the purpose of (ii) of (a), those claims that the rightful claimant of rights in rem would continue to hold and accompanying rights thereto shall be paid in priority to the claims and accompanying rights assigned to the Insurer.

7. Effect of This Clause

This clause shall lose effect when the payment of the contract of sale subject to a retention of title clause is completed or the mortgage ceases to exist.

8. Applicable Rule

With respect to the matters not stipulated in this clause, the provisions of the policy conditions and other clauses attached thereto shall apply so far as they do not come into conflict with this clause.

(7) Premium Payment By Credit Card Clause

1. Application Conditions of This Clause

This clause shall apply if the Policyholder is a member as provided under the membership agreement **(Note 1)** or an authorized person to use the credit card **(Note 2)** and at the same time the Insurer agrees to payment of the premium under this policy **(Note 3)** by the Policyholder by use of credit card.

(Note 1) A membership agreement made between a member and the credit card issuing agent; hereinafter the same.

(Note 2) A credit card designated by the Insurer; hereinafter the same.

(Note 3) Including any additional premiums to be charged by the Insurer pursuant to provisions of the policy conditions; hereinafter the same.

2. Payment of Premium

(a) The Policyholder shall pay premium by credit card under this clause.

(b) In the event the Policyholder requests payment of premiums by credit card, the Insurer shall effect confirmation by the credit card firm of the validity of the subject credit card and that such payment is within the limit of use.

(c) After making confirmation specified in (b), the Insurer shall consider that the payment of premium is made when it gives approval of such payment of premium by credit card.

3. Treatment of Accidents Occurring Prior to the Receipt of Premium

(a) After the Insurer gives approval for payment of premium by credit card **(Note)** pursuant to the provisions of "2. Payment of Premium," the Insurer shall not apply the provision to the effect that the Insurer shall not pay for the loss or injury with respect to any insured event occurring prior to the Insurer's receipt of premium, pursuant to the provisions of the policy conditions.

(Note) If approval was given prior to the commencement of the Policy Period, this provision shall apply when the Policy Period commences.

(b) The Insurer, in such event where any of the following Items becomes applicable, shall not apply the provisions of (a):

(i) Where the Insurer is not able to collect the amount equivalent to the insurance premium from the credit card firm; however, where the Policyholder has made use of a credit card in accordance with the membership agreement, and has already paid the entire amount equivalent to the premium under this policy to the credit card firm, the Insurer shall consider that the premiums have been paid and apply the provisions of (a);

(ii) Where the procedures as provided for under the membership agreement were not undertaken.

4. Direct Request for Payment of Premium and the Treatment After the Payment of Requested Premium

(a) When the payment of the amount equivalent to the insurance premium could not be made, as per (b) (i) of "3. Treatment of Accidents Occurring Prior to the Receipt of Premium," the Insurer shall be entitled to request payment of the premium directly of the Policyholder. In this event, when the Policyholder had already paid to the credit card firm the amount equivalent to the premium of this policy, the Insurer shall not be allowed to request such payment from the Policyholder.

(b) Where the Policyholder has made use of a credit card in accordance with the membership agreement, when the Insurer requests the payment of a premium as per (a) and the Policyholder pays the subject premium without delay, the provisions of (a) of "3. Treatment of Accidents Occurring Prior to the Receipt of Premium" shall become applicable.

5. Treatment of Failure to Pay Directly Requested Premium

(a) The Insurer, in such event where any of the following Items becomes applicable, shall be entitled to cancel this policy:

(i) where, with respect to premiums specified in (b) of "4. Direct Request for Payment of Premium and the Treatment After the Payment of Such Requested Premium," the Policyholder, without reasonable cause, fails to pay the whole premium to be paid in a lump sum under this policy **(Note)**;

(ii) where, with respect to premiums specified in (b) of "4. Direct Request for Payment of Premium and the Treatment After the Payment of Such Requested Premium," the Policyholder, without reasonable cause, fails to pay additional premiums charged pursuant to (a) and (b) of "Basic Agreements 15. Return of Premium or Charge for Additional Premium: Duty of Disclosure and Duty of Notification" of the policy conditions **(Note)**.

(Note) Only where payment was not made within a due period despite the request made by the Insurer for the payment of the whole premium to be paid in a lump sum under this policy or additional premiums.

(b) Cancellation specified in (a) shall be carried out by serving a written notice to the Policyholder, and cancellation shall only have effect from the following points in time:

(i) in the case of cancellation pursuant to (a) (i): The inception date of the Policy Period

(ii) in the case of cancellation pursuant to (a) (ii): The day of cancellation

(c) If the Insurer cancels this policy pursuant to (a) and there is premium corresponding to the Remaining Period, the Insurer shall return the premium with respect to the Remaining Period calculated based on the difference between the premium already received and the premium with respect to the Elapsed Period.

(d) With respect to premiums specified in (b) of "4. Direct Request for Payment of Premium and the Treatment After the Payment of Such Requested Premium," if the Insurer charges an additional premium pursuant to (a) and (b) of "Basic Agreements 15. Return of Premium or Charge for Additional Premium: Duty of Disclosure and Duty of Notification" of the policy conditions and the Insurer is entitled to cancel this policy pursuant to (a) (ii) above, the Insurer shall not pay for any loss **(Note 1)**, excluding, however, the loss or injury caused by an insured event that occurred during a period before the occurrence of the Risk Increase **(Note 2)** in the case in which Risk Increase occurred.

(Note 1) The Insurer shall be entitled to reimbursement of any payment it made.

(Note 2) The period before the occurrence of Risk Increase as notified by the Policyholder or the Insured.

(e) With respect to premiums specified in (b) of "4. Direct Re-

quest for Payment of Premium and the Treatment After the Payment of Such Requested Premium," if the Policyholder, without reasonable cause, fails to pay an additional premium charged pursuant to (d) of "Basic Agreements 15. Return of Premium or Charge for Additional Premium: Duty of Disclosure and Duty of Notification" of the policy conditions, then the Insurer shall not pay for the loss or injury with respect to any insured event occurring prior to the Insurer's receipt of such additional premium

(f) With respect to premiums specified in (b) of "4. Direct Request for Payment of Premium and the Treatment After the Payment of Such Requested Premium," if the Policyholder, without reasonable cause, fails to pay an additional premium charged pursuant to (f) of "Basic Agreements 15. Return of Premium or Charge for Additional Premium: Duty of Disclosure and Duty of Notification" of the policy conditions, then the Insurer shall pay for the loss or injury with respect to any insured event occurring prior to the Insurer's receipt of such additional premium pursuant to the policy conditions and provisions of other clauses attached thereto that were in effect before the amendment was approved.

6. Exception to the Return of Premium

Whenever the Insurer returns the premium pursuant to the provisions of the policy conditions, the Insurer shall return the premium upon confirming the receipt of the amount equivalent to the premium from the credit card firm. However, this shall not apply in such event where the Policyholder had paid the premium directly to the Insurer as per the provisions of (b) of "4. Direct Request for Payment of Premium and the Treatment After the Payment of Such Requested Premium," and/or where the Policyholder had made use of credit card as per the membership agreement and had already paid to the credit card firm the entire amount equivalent to the premium pertaining to this policy.

7. Applicable Rule

With respect to the matters not stipulated in this clause, the provisions of the policy conditions and other clauses attached thereto shall apply so far as they do not come into conflict with this clause.

As for contents of contract, or
In the event of an accident,
please contact any of our offices shown below.

Toll Free Phone No. (for accident report only)	0120-011-313
Branch	Telephone No.
Head Office	(03) 6364-7000
Hokkaido	(011) 261-1501
Tohoku	(022) 262-7791
Aomori	(0176) 53-4413
Kita Kanto	(048) 644-1233
Niigata	(025) 245-7291
Utsunomiya	(028) 635-6699
Maebashi	(027) 235-7071
Travel Insurance Sales Department	(03) 6364-7060
Realtor Insurance Sales Department	(03) 6364-7050
Tokyo	(03) 6364-7070
Corporate Sales Department	(03) 6364-7182
Central	(03) 6364-7080
Kanagawa	(045) 683-3600
Shizuoka	(054) 254-0331
Hamamatsu	(053) 454-4401
Nagoya	(052) 747-7000
Gifu	(058) 264-6271
Mie	(059) 352-2164
Realtor Insurance Sales Department, Chubu	(052) 747-7000
Osaka	(06) 6343-7591
Kyoto	(075) 211-5501
Tokushima	(088) 626-3511
Realtor Insurance Sales Department, Kansai	(06) 6343-7591
Hiroshima	(082) 221-9311
Okayama	(086) 224-6285
Fukuoka	(092) 751-5061
Kita Kyushu	(093) 511-5012
Kumamoto	(096) 354-8221
Okinawa	(098) 911-6660
Broker Sales & Marketing Department	(03) 6364-7181

Contact information for complaint, request, etc.

■ **If You Have Any Complaints or Requests Related to Our Company:**
Please contact the following.

Chubb Customer service Personal
Mail address: jpcspi@chubb.com

■ **If You Have Problems Resolving Issues with Us:**
We are under a contract with General Association Insurance Ombudsman, Inc. (hereinafter referred to as "The Insurance Ombudsman"), which is designated financial ADR organization. You may file request for resolution if you cannot resolve an issue with us.

The Insurance Ombudsman
Phone: 03-5425-7963 (Japanese only)
Day: Monday through Friday (except holidays)
Time: 9:00-12:00 and 13:00-17:00 (Japan time)
Website: http://www.hoken-ombs.or.jp/