



### LOSS PAYABLE PROVISIONS

Refer to the Supplemental Declarations if information is not shown on this form.  
The coverage under this endorsement is subject to the *terms* contained in *your* policy.

#### SCHEDULE

Description of Property \_\_\_\_\_

Loss Payee: Name and Address	Check Applicable Loss Payable Provision(s)		
	Loss Payable	Lender's Loss Payable	Contract of Sale
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### LOSS PAYABLE PROVISIONS

- A. Loss Payable
 

For covered property in which both *you* and a Loss Payee shown in the Schedule or in the Supplemental Declarations have an insurable interest, *we* will:

  1. Adjust losses with *you*; and
  2. Pay any claim for loss or damage jointly to *you* and the Loss Payee, as interests may appear.
  
- B. Lender's Loss Payable
  1. The Loss Payee shown in the Schedule or in the Supplemental Declarations is a creditor, including a mortgagee or trustee, with whom *you* have entered a contract for the sale of covered property, whose interest in that property is established by such written contract as:
    - a. Financing statements;
    - b. A contract or deed;
    - c. Bill of lading; or
    - d. Warehouse receipts.
  2. For covered property in which both *you* and a Loss Payee have an insurable interest:
    - a. *We* will pay for covered loss or damage to each Loss Payee in their order of precedence, as interests may appear.
    - b. The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the covered property.
    - c. If *we* deny *your* claim because of *your* acts or because *you* have failed to comply with the *terms* of *your* policy, the Loss Payee will still have the right to receive loss payment if the Loss Payee:
      - 1) Pays any premium due under this policy at *our* request if *you* have failed to do so;
      - 2) Submits a signed, sworn proof of loss within 60 days after receiving notice from *us* of *your* failure to do so; and
      - 3) Has notified *us* of any change in ownership, occupancy or substantial change in risk known to the Loss Payee.

If all of these conditions are met, then the *terms* of this policy will then apply directly to the Loss Payee.

- d. If **we** pay the Loss Payee for any loss or damage and deny payment to **you** because of **your** acts or because **you** have failed to comply with the **terms** of this policy:
  - 1) The Loss Payee's rights will be transferred to **us** to the extent of the amount **we** pay; and
  - 2) The Loss Payee's right to recover the full amount of the Loss Payee's claim will not be impaired.
  - 3) At **our** option, **we** may pay to the Loss Payee the whole principal on the debt plus any accrued interest.

In the event **we** make such payment, **you** will be obligated to pay **your** remaining debt to **us**.

3. If **we** cancel this policy, **we** will give written notice to the Loss Payee at least:
  - a. 10 days before the effective date of cancellation if **we** cancel for **your** nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if **we** cancel for any other reason.
4. If **we** do not renew this policy, **we** will give written notice to the Loss Payee at least 10 days before the expiration date of this policy.

#### C. Contract of Sale

1. The Loss Payee shown in the Schedule or in the Supplemental Declarations is a person or organization **you** have entered a contract with for the sale of covered property.
2. For covered property in which both **you** and the Loss Payee have an insurable interest, **we** will:
  - a. Adjust losses with **you**; and
  - b. Pay any claim for loss or damage jointly to **you** and the Loss Payee, as interests may appear.

All other **terms** and conditions remain unchanged.