

## **LEASED MOTOR VEHICLES (Lessor as Additional Insured and Loss Payee)**

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This endorsement is a part of the policy. Except for the changes this endorsement makes, all other provisions of the policy remain the same and apply to this endorsement.

### **1. DEFINITIONS**

The following is added:

**Lessor** means the **person** or organization who leases the **your car** to which this endorsement applies to **you** or **your** employer for **your** regular use, but only if that **person** or organization is shown on the Declarations immediately following the title of this endorsement.

### **2. LIABILITY COVERAGE**

#### **Additional Definition**

**Insured** is changed to include the **lessor** for the ownership, maintenance, or use of the **your car** to which this endorsement applies.

### **3. PHYSICAL DAMAGE COVERAGES**

a. The following is added:

#### **Leased Vehicle**

1. Any Comprehensive Coverage or Collision Coverage provided by this policy applies to the **lessor's** interest in the **your car** to which this endorsement applies. Coverage for the **lessor's** interest is only provided for a **loss** that is payable to **you**.
2. If the policy is cancelled or nonrenewed, then **we** will provide coverage for the **lessor's** interest until **we** notify the **lessor** of the termination of such coverage. This coverage for the **lessor's** interest is only provided for a **loss** that would have been payable to **you** if the policy had not been cancelled or nonrenewed.

The date such termination is effective will be at least 10 days after the date **we** provide a notice of the termination to the **lessor**. This 10 day notification does not apply once **your car** is returned to either the **lessor** or the **lessor's** agent as a result of lease expiration, voluntary surrender, or repossession.

3. If **we** pay such **lessor**, then **we** are entitled to the **lessor's** right of recovery against **you** to the extent of **our** payment. **Our** right of recovery does not impair the **lessor's** right to recover the full amount of its claim.

b. Item 1.a. under **Our Payment Options** is changed to read:

- a. **We** may, at **our** option, make payment to one or more of the following for **loss** to the **your car** to which this endorsement applies or a **newly acquired car**:
  - (1) **you**;
  - (2) the repairer;
  - (3) a creditor shown on the Declarations, to the extent of its interest; or
  - (4) the **lessor**, to the extent of its interest.

### **4. INSURED'S DUTIES**

The following is added:

#### **Lessor – Additional Insured**

The **lessor** must:

- a. report to **us**, any damage for which payment is sought, within 10 days immediately following the date the **your car** to which this endorsement applies has been returned to either the **lessor** or the **lessor's** agent as a result of lease expiration, voluntary surrender, or repossession; and
- b. allow **us** to inspect the damage prior to repair, sale, or any other disposition of the **your car** to which this endorsement applies.

### **5. GENERAL TERMS**

The following is added to **Change of Interest**:

This policy will not be changed as to the interest of the *lessor* without at least 10 days notice to such *lessor*.

**6. LIABILITY COVERAGE, MEDICAL PAYMENTS COVERAGE, UNINSURED MOTOR VEHICLE COVERAGE, UNDERINSURED MOTOR VEHICLE COVERAGE, and PHYSICAL DAMAGE COVERAGES**

The following exclusions are added:

THERE IS NO COVERAGE:

- a. WHILE THE **YOUR CAR** TO WHICH THIS ENDORSEMENT APPLIES IS RENTED, LEASED, OR SUBLEASED TO ANY PARTY OTHER THAN **YOU** OR **YOUR** EMPLOYER WHO LEASED THE VEHICLE FOR **YOUR** REGULAR USE.
- b. FOR:

- (1) **BODILY INJURY**, DAMAGE TO PROPERTY, OR **LOSS** THAT OCCURS; OR
- (2) **DAILY RENTAL CHARGES** INCURRED;

AFTER THE **YOUR CAR** TO WHICH THIS ENDORSEMENT APPLIES HAS BEEN RETURNED TO EITHER THE **LESSOR** OR THE **LESSOR'S** AGENT AS A RESULT OF LEASE EXPIRATION, VOLUNTARY SURRENDER, OR REPOSSESSION.