

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

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 (Bodily Injury and Property Damage) and PROPERTY DAMAGE 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** mail or electronically transmit a notice of the termination to the **lessor**. The mailing or electronic transmittal of the notice will be sufficient proof of notice. However, 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 written notice or electronic notice to such **lessor**.

6. LIABILITY COVERAGE (Bodily Injury and Property Damage), PROPERTY DAMAGE LIABILITY COVERAGE, MEDICAL PAYMENTS COVERAGE, UNINSURED MOTOR VEHICLE COVERAGE (Stacking and Non-Stacking), 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.

4097S