



# Policy Endorsements

## Loss Payable Provisions (J6934 - 1st Edition)

Subject to the Loss Payable Provisions or any other loss payable endorsement attached to the policy, payment for loss thereunder is payable as interest may appear to the named insured and the Lienholder or Other Interest in the Declarations.

### **Loss Payable Provisions**

It is agreed that any payment for loss or damage to the vehicle described in this policy shall be made on the following basis:

- (1) At our option, loss or damage shall be paid as interest may appear to the policyholder and the lienholder shown in the Declarations, or by repair of the damaged vehicle.
- (2) Any act or neglect of the policyholder or a person acting on his behalf shall not void the coverage afforded to the lienholder.
- (3) Change in title or ownership of the vehicle, or error in its description shall not void coverage afforded to the lienholder.

The policy does not cover conversion, embezzlement or secretion of the vehicle by the policyholder or anyone acting in his behalf while in possession under a contract with the lienholder.

A payment may be made to the lienholder which we would not have been obligated to make except for these terms. In such event, we are entitled to all the rights of the lienholder to the extent of such payment. The lienholder shall do whatever is necessary to secure such rights. No subrogation shall impair the right of the lienholder to recover the full amount of its claim.

We reserve the right to cancel this policy at any time as provided by its terms. In case of cancellation or lapse we will notify the lienholder at the address shown in the Declarations. We will give the lienholder advance notice of not less than 10 days from the effective date of such cancellation or lapse as respects his interest. Mailing notice to the loss payee is sufficient to effect cancellation.

The following applies as respects any loss adjusted with the mortgagee interest only:

- (1) Any deductible applicable to Comprehensive Coverage shall not exceed \$250.
- (2) Any deductible applicable to Collision Coverage shall not exceed \$250.