

## Automobile Lienholder Endorsement, Form 49-A

With respect to the interest of the Lienholder named below, its successors and assigns in its capacity as conditional Vendor or Mortgagee or otherwise, in the property insured under this policy, this Company hereby agrees as follows:

1. Loss or damage, if any, to the property described in this policy shall be payable firstly to the Lienholder and secondly to the insured, as their interests may appear, provided, nevertheless, that upon demand by the Lienholder upon the Company for separate settlement, the amount of said loss shall be paid directly to the Lienholder to the extent of its interest and the balance, if any, shall be payable to the insured.
2. This insurance covering the interest of the Lienholder shall become invalid because of:
  - (i) The fraudulent acts or omissions of an insured or a loss payee.
  - (ii) The withdrawal of a claim by an insured or by a loss payee, or
  - (iii) The failure of an insured or a loss payee to comply with any duty specified in this endorsement or in the policy.
3. The insurance under this policy, as to the interest only of the Lienholder, shall not be impaired in any way by any change in the title or ownership of the property or by any breach of warranty or condition of the policy, or by any omission or neglect, or by the performance of any act in violation of any terms or conditions of the policy or because of the failure to perform any act required by the terms or conditions of the policy or because of the subjection of the property to any conditions, use or operation not permitted by the policy or because of any false statement concerning this policy or the subject thereof, or by the insured's employees, agents, or representatives, whether occurring before or after the attachment of this agreement, or whether before or after the loss; PROVIDED, however, that the wrongful conversion, embezzlement or secretion by the Purchaser, Mortgagor, or Lessee in possessions of the insured property under mortgage, conditional sale contract, lease agreement or other contract is not covered under this policy, unless specifically insured against and premium paid therefore.
4. In the event of failure of the insured to pay any premium or additional premium which shall be or become due under the terms of this policy, this Company agrees to give written notice to the Lienholder of such non-payment of premium. The Lienholder, when so notified in writing by this Company of the failure of the insured to pay such premium, shall pay or cause to be paid the premium due within ten (10) days following such notice. If the Lienholder shall decline to pay said premium or additional premium, the rights of the Lienholder under this Automobile Loss Payable Endorsement shall not be terminated before ten (10) days after mailing such notice.
5. If the Company elects to cancel this policy in whole or in part for non-payment of premium, or for any other reason, the Company will forward a copy of the cancellation notice to the Lienholder at its office specified hereafter concurrently with the sending of notice to the insured but in such a case this policy shall continue in force for the benefit of the Lienholder only for ten (10) days after written notice of such cancellation. In no event, as to the interest only of the Lienholder, shall cancellation of any insurance under this policy covering the property described in the policy be effected at the request of the insured before ten (10) days after written notice of cancellation shall have been given to the Lienholder by the Company. In the event of cancellations of this policy, the unearned premium shall be paid to the Lienholder, provided the said Lienholder has advanced the premium.
6. If there is any other insurance upon the within-described property, this Company shall be liable under this policy as to the Lienholder only for the proportion of such loss or damage that the sum hereby insured bears to the whole amount of valid and collectible insurance of similar character on said property under policies held by, payable to and expressly consented to by the Lienholder, and to the extent of payment so made this Company shall be subrogated (pro rata with all other insurers contributing to said payment) to all of the Lienholder's rights of contribution under said other insurance.
7. Whenever this Company shall pay to the Lienholder any sum for loss or damage under this policy and shall claim that as to the insured no liability therefore exists, this Company at its option, may pay to the Lienholder the whole principal sum and interest due or to become due from the insured on the obligation secured by the property insured under this policy. (with refund of all interest not accrued) and this Company shall thereupon receive a full assignment and transfer, without recourse, of said obligation and the security held as collateral thereto, but no subrogation shall impair the right of the Lienholder to recover the full amount of its claim.
8. The coverage granted under this policy shall continue in full force and effect as to the interest of the Lienholder only, for a period of ten (10) days after expiration of said policy unless an acceptable policy in renewal thereof with loss hereunder payable to the Lienholder in accordance with the terms of this Automobile Loss Payable Endorsement shall have been issued by some insurance company and accepted by the Lienholder. In the event of a loss not otherwise covered during the extended ten (10) day period herein referred to, an annual policy covering the same hazards to the property insured under the original policy shall be issued and accepted by the Lienholder and Mortgagor.
9. Should the ownership and right of possession of any of the property covered under this policy become vested in the Lienholder or its agent this policy shall continue for the term thereof for the benefit of the Lienholder (with all incidents of ownership of the policy) but, in such event, Paragraphs two (2), five (5), and six (6) of this Automobile Loss Payable Endorsement shall no longer apply; provided, nevertheless, all privileges and endorsements which, by reason of the printed conditions of this policy, are or may be necessary to maintain the validity of the contract are hereby granted for a period of thirty (30) days and all notices likewise required to be given to the Company by the insured are hereby waived for thirty (30) days with the exception of requirements applying at the time of or subsequent to a loss.
10. All notices herein provided to be given by the Company to the Lienholder in connection with this policy and this Automobile Lienholder Endorsement shall be mailed to or delivered to the Lienholder at its office or branch as set forth below.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, agreements or limitations of the above mentioned policy, other than as above stated.