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 the General Policy Provisions.

SCHEDULE

Premises No.	Bldg. No.	Description of Property

Loss Payee:
(Name & Address):

Provisions Applicable
(Check Applicable Provision(s))

Loss Payable	Lender's Loss Payable	Contract of Sale
☐	☐	☐

A. ***Loss Payable***.

For covered property in which both ***you*** and a ***Loss Payee*** shown in the Schedule or on the Declarations page 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. ***Lenders' Loss Payable***.

1. The ***Loss Payee*** shown in the schedule or on the Declarations page is a creditor (including a mortgage holder 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;
   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 the General Policy Provisions, 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 on the Declarations page 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.