

N.S.E.F. No. 23b
MORTGAGE ENDORSEMENT
(BROAD FORM)

INSURER:	Attached to and forming part of Policy No.:	
INSURED:	Effective Date Year Month Day	Expiry Date Year Month Day

In consideration of a premium of \$ _____, it is agreed that a loss, if any, under Section A.1 Direct Compensation—Property Damage and/or any subsection(s) of Section C “Loss of or Damage to Insured Automobile” of the Insuring Agreements of the Policy to which this endorsement is attached, shall in the event that the automobile is not repaired or the lost or damaged parts are not replaced, be payable to –

Lienholder Name and Address (the “Lienholder”)

to the extent of the lienholder’s interest.

The Insurer agrees that, as to the interest only of the lienholder, the insurance provided by Section A.1 and/or any subsection(s) of Section C shall not be invalidated by:

- (a) a breach of any Mandatory Condition or by the application of any exclusion in Section A.1 and/or any subsection(s) Section C relating to the use of the automobile while the operator is under the influence of intoxicating liquor or drugs; or
- (b) any false statement or misrepresentation in the application or any failure to disclose facts required to be stated; or
- (c) the commission of any fraud or the making of a false statement in respect of a claim under the Policy by the Insured.

The lienholder agrees:

- (a) that if the Insured does not pay any premium due under the Policy, the lienholder will, on demand, pay the same;
- (b) to notify the Insurer within fifteen days of any change material to the risk which comes to the knowledge of the lienholder and to pay, on demand, any increased premium resulting therefrom;
- (c) to notify the Insurer within fifteen days of any other breach of a condition of the Policy or false statement or misrepresentation in the Application or any failure to disclose facts required to be stated therein which comes to the knowledge of the lienholder.

If the insurance provided by Section A.1 and/or any subsection(s) of Section C of the Policy is cancelled, the Insurer agrees to give fifteen days’ written notice by registered mail of cancellation to the lienholder. Notwithstanding anything contained in any renewal certificate issued subsequent to the date of this endorsement, the obligation to notify the lienholder or mortgagee shall not be effective after the expiry date specified in this endorsement.

Whenever the Insurer pays the lienholder any amount for loss or damage to the automobile under the Policy and claims that it had no liability to the Insured therefor, the Insurer shall be subrogated to all rights of the lienholder under all the securities held as collateral to the lien or mortgage debt to the extent of such payment, or the Insurer, at its option, may pay to the lienholder the whole principal due or to grow due on the lien or mortgage with interest then accrued, and shall thereupon receive a full assignment and transfer of the lien or mortgage and all securities held as collateral to the lien or mortgage debt, but no such subrogation shall impair the rights of the lienholder to recover the full amount of its claim.

Description of Automobile Insured			
Veh. No.	Model Year	Trade Name	V.I.N. (Serial No.)

X below indicates the insurance provided under Section A.1 and Section C of this Policy.

- Direct Compensation—Property Damage (\$ _____ Deductible)
- All Perils (\$ _____ Deductible); Collision or Upset (\$ _____ Deductible);
- Comprehensive (\$ _____ Deductible); Specified Perils (\$ _____ Deductible).

Except as otherwise provided in this endorsement, all limits, terms, conditions, provisions, definitions and exclusions of the Policy shall have full force and effect.