



THIS ENDORSEMENT CHANGES THE COVERAGE AGREEMENT. PLEASE READ IT CAREFULLY.

ARIZONA MUNICIPAL RISK RETENTION POOL LESSOR – ADDITIONAL COVERED ENTITY AND LOSS PAYEE ENDORSEMENT

This endorsement modifies insurance provided under the following:

MUNICIPAL AUTO COVERAGE FORM

SCHEDULE

Description of Auto

Name And Address Of Lessor

A. COVERAGE

1. Any “leased auto” designated or described in the Schedule above will be considered a covered “auto” owned by the Member and not a covered “auto” the Member hires or borrows. For a covered “auto” that is a “leased auto”, Who Is Covered is changed to include as a Covered Entity the lessor named in the Schedule.
2. The coverages provided under this endorsement apply to any “leased auto” described in the Schedule until the end of the “rating period”, or when the lessor or his or her agent takes possession of the “leased auto”, whichever occurs first.

B. CONDITIONS

The following Conditions apply in addition to the Conditions in the Municipal Auto Coverage Form:

1. Loss Payable Clause

- a. The Pool will pay, as interest may appear, the Member and the lessor named in this endorsement for “loss” to a “leased auto”.
- b. This coverage covers the interest of the lessor unless the “loss” results from fraudulent acts or omissions on the part of the Member.

- c. If the Pool makes any payments to the lessor, the Pool will obtain his or her rights against any other party.

2. Membership Fees

The lessor is not liable for payment of the Member’s membership fees.

3. Cancellation

With regard to this endorsement, the Cancellation Common Condition is amended by the addition of the following:

- a. If either the Pool or the Member cancels the Coverage Agreement, the Pool will mail notice to the lessor.
- b. Cancellation ends this agreement.

C. DEFINITION

The following Definition applies in addition to the Definitions in the Municipal Auto Coverage Form:

“Leased auto” means an “auto” leased or rented to the Member, including any substitute, replacement or extra “auto” needed to meet seasonal or other needs, under a leasing or rental agreement that requires the Member to provide direct primary coverage for the lessor.