

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FALSE PRETENSE COVERAGE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:
Endorsement Effective Date:

SCHEDULE

Limit Of Insurance – \$25,000 unless another limit is shown below or in the Declarations		
\$ Limit Of Insurance		
Named Location Number From Item Three Of The Declarations	Total Inventory Value For Each Named Location	Premium
	\$	\$
	\$	\$
	\$	\$

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Paragraph **F. Physical Damage Coverage** of **Section I – Covered Autos Coverages** is changed as follows:

A. The following is added:

1. Any "auto" you have acquired is a covered "auto" under False Pretense Coverage.
2. We will pay for "loss" to a covered "auto" under False Pretense Coverage caused by:
 - a. Someone causing you to voluntarily part with the covered "auto" by trick or scheme or under false pretenses.
 - b. Your acquiring an "auto" from a seller who did not have legal title.

B. Paragraph **3. Exclusions** is changed as follows:

1. The **False Pretense** Exclusion does not apply.
2. The following exclusions are added:
 - a. The insurance under Paragraph **A.2.a.** of this endorsement does not apply unless:
 - (1) You had legal title to, or consignment papers for, the covered "auto" prior to "loss"; and
 - (2) You make every effort to recover the covered "auto" when it is located.
 - b. False Pretense Coverage does not apply to a loss which, for any reason, a bank or any other drawee fails to pay.

- C. Paragraph **4. Limits Of Insurance** is changed by adding the following:

Under False Pretense Coverage, the Limit Of Insurance shown in the Schedule is the most we will pay for all "loss" caused by any one person within any one year of the policy period.

- D. Paragraph **5. Deductible** is changed by adding the following:

From our obligation under False Pretense Coverage, we will deduct the actual value of any property delivered to you in full or partial payment for title to or possession of a covered "auto".

- E. The following is added to the **Duties In The Event Of Accident, Claim, Offense, Suit, Loss Or Acts, Errors Or Omissions** Condition:

You, or someone on your behalf, must take all reasonable steps to cause a warrant to be issued, as soon as practicable, for the arrest of anyone causing a "loss" defined within the False Pretense Coverage. Failure to cause such warrant to be issued as required by this condition shall not invalidate any claim made by you, if it is shown that reasonable efforts were made.

SAMPLE