First loss payee and non-vitiation endorsement

You agree that, in respect of each and every claim payment that would be payable to **You** under this insurance where the claim payment exceeds £50,000, such claim payment(s) shall be made payable to the **Finance Company** in full and final settlement of **Our** obligations to indemnify **You**.

For the purposes of this Endorsement, the **Finance Company** shall be:

[ ]

Each of the parties comprising **You** shall for the purpose of this **Policy** be considered a separate co-insured entity, insured on a composite basis, with the word **You** applying to each as if they were separately and individually insured provided that **Our** total liability under each section of this **Policy** to **You** collectively shall not (unless the policy specifically permits otherwise) exceed the **Sum Insured** or amount stated to be insured under that section. Accordingly, **Our** liability under this **Policy** to any one of **You** shall not be conditional upon the due observance and fulfilment by any other of **You** (the "Others") of the terms and conditions of this **Policy** or of any duties imposed upon the Others relating thereto, and shall not be affected by any failure in such observance or fulfilment by the Others.

It is understood and agreed that any payment or payments by **Us** to any one or more of **You** shall reduce, to the extent of that payment, **Our** liability to all such parties arising from any one event giving rise to a claim under this **Policy** and (if applicable) in the aggregate.

We shall be entitled to avoid liability to or (as may be appropriate) claim damages from the relevant party in breach in circumstances of fraud misrepresentation non-disclosure or material breach of warranty or condition of this **Policy** (each referred to in this condition as a vitiating act) committed by that one of **You** save where such misrepresentation non-disclosure or breach of warranty or condition was committed innocently and in good faith.

For the avoidance of doubt it is however agreed that a vitiating act committed by one of **You** shall not prejudice the right of indemnity of any other of **You** who has an insurable interest and who has not committed the vitiating act.

We hereby agree to waive rights of subrogation or recourse which **We** may have or acquire against any of **You** (together with **Your** employees and agents) except where the rights of subrogation or recourse are acquired in consequence of a vitiating act in which circumstances **We** may enforce such rights against those of **You** responsible for the vitiating act.