



CANCELLATION AND NON-RENEWAL AMENDATORY ENDORSEMENT - ARIZONA

In consideration of the premium, the policy is amended as follows:

- I. Section XVIII, Cancellation is deleted and replaced with the following:
 - A. The **named insured** may cancel this policy at any time by:
 - (i) returning the policy to us or any of our authorized representatives, indicating the effective date of cancellation; or
 - (ii) providing a written notice to us stating when the cancellation is to be effective.We must receive the policy or written notice before the cancellation date.
 - B. We may cancel this policy by giving written notice to the **named insured** at least:
 - (i) ten (10) days for cancellation for non-payment of premium; or
 - (ii) forty-five (45) days for cancellation for any other reason,prior to the effective date of cancellation.
 - C. If this policy has been in effect for more than sixty (60) days or is a renewal policy, we shall not cancel this policy except for one or more of the following conditions:
 - (i) non-payment of premium;
 - (ii) any act or omission by the named insured or the named insured's representative constituting fraud or material misrepresentation in obtaining the policy, in continuing the policy or in presenting a claim under the policy;
 - (iii) substantial change in the risk assumed, except to the extent we should reasonably have foreseen the change or contemplated the risk in writing the contract;
 - (iv) substantial breach of contractual duties or conditions;
 - (v) acts or omissions by the **named insured** or the **named insured's** representative which materially increases the hazard insured against;
 - (vi) conviction of the **named insured** of a crime arising out of acts increasing the hazard insured against;
 - (vii) loss of reinsurance affecting this particular type of insurance, but only if initiated or implemented by the reinsurer;
 - (viii) a determination by the insurance regulatory authority that continuation of the policy will jeopardize our solvency or will place us in violation of the insurance laws of Arizona.
 - D. The notice of cancellation will state the specific facts that constitute the grounds that are relied on and the effective date of cancellation. The policy will end on that date.
 - E. We will send the notice of cancellation to the **named insured** and the agent. If the notice is mailed, proof of mailing will be sufficient proof of notice.



F. If we cancel, the refund will be pro rata. If the **named insured** cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

II. Section XIX, Non-Renewal is deleted and replaced with the following:

A. We reserve the right to non-renew this policy by providing written notice to the **named insured** at least forty-five (45) days prior to the expiration date.

B. We will send the notice of cancellation to the **named insured** and the agent. If the notice is mailed, proof of mailing will be sufficient proof of notice.

C. If notice of non-renewal is mailed less than forty-five (45) days before the expiration date, the coverage shall remain in effect until forty-five (45) days after the notice is mailed. Earned premium for any period of coverage that extends beyond the expiration date shall be considered pro-rata based upon the previous year's rate.

D. Notice of non-renewal is not required if either of the following occurs:

1. We or a company within the same insurance group has offered to issue a renewal policy.
2. The **named insured** has obtained replacement coverage or has agreed in writing to obtain replacement coverage.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.