

Endorsement No. \_\_\_\_\_

Effective Date: \_\_\_\_\_ @12:01 a.m. Standard Time at the address of the **Named Insured**

Policy Number: \_\_\_\_\_

Insured Name: \_\_\_\_\_

Issuing Company: \_\_\_\_\_

Additional (Return) Premium: \_\_\_\_\_

*If the Endorsement Effective Date is blank, then the effective date of this Endorsement is the Inception Date of the Policy.*

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## CANCELLATION AND NONRENEWAL ENDORSEMENT – GEORGIA

It is agreed that:

Except as specifically set forth herein, any Cancellation or Nonrenewal provision in this policy is replaced by the following. If the policy does not contain a Cancellation and/or Nonrenewal provision, the following is added to the policy:

### 1. Cancellation

a. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation stating a future date on which the policy is to be cancelled, subject to the following:

(1) If only the interest of the first Named Insured is affected, the effective date of cancellation will be either the date we receive notice from the first Named Insured or the date specified in the notice, whichever is later. However, upon receiving a written notice of cancellation from the first Named Insured, we may waive the requirement that the notice state the future date of cancellation, by confirming the date and time of cancellation in writing to the first Named Insured.

(2) If by statute, regulation or contract this policy may not be cancelled unless notice is given to a governmental agency, mortgagee or other third party, we will mail or deliver at least 10 days notice to the first Named Insured and the third party as soon as practicable after receiving the first Named Insured's request for cancellation.

Our notice will state the effective date of cancellation, which will be the later of the following:

(a) 10 days from the date of mailing or delivering our notice; or

(b) The effective date of cancellation stated in the first Named Insured's notice to us.

### b. Premium Refund

(1) If this policy is cancelled, we will send the first Named Insured any premium refund due.

(2) If we cancel, the refund will be pro rata, except as provided in c. below.

(3) If the cancellation results from failure of the first Named Insured to pay, when due, any premium to us or any amount, when due, under a premium finance agreement, then the refund may be less than pro rata. Calculation of the return premium at less than pro rata represents a penalty charged on unearned premium.

(4) If the first Named Insured cancels, the refund may be less than pro rata.

(5) The cancellation will be effective even if we have not made or offered a refund.

### c. If we decide to:

(1) Cancel or nonrenew this policy; or

(2) Increase current policy premium by more than 15% (other than any increase due to change in risk, exposure or experience modification or resulting from an audit of auditable coverages); or

(3) Change any policy provision which would limit or restrict coverage;

then:

We will mail or deliver notice of our action (including the dollar amount of any increase in renewal premium of more than 15%) to the first Named Insured and lienholder, if any, at the last mailing address known to us. Except as applicable as described in Paragraph e. below, we will mail or deliver notice at least:

- (1) 10 days before the effective date of cancellation if this policy has been in effect less than 60 days or if we cancel for nonpayment of premium; or
- (2) 45 days before the effective date of cancellation if this policy has been in effect 60 or more days and we cancel for a reason other than nonpayment of premium; or
- (3) 45 days before the expiration date of this policy if we decide to nonrenew, increase the premium or limit or restrict coverage.

d. Notice of cancellation will state the effective date of cancellation and will be effective for all Insureds. All coverage will end on the effective date of cancellation.

e. With respect to a policy that is written to permit an audit:

If you fail to submit to or allow an audit for the current or most recently expired term, we may cancel this policy subject to the following:

- (1) We will make two documented efforts to send you and your agent notification of potential cancellation. After the second notice has been sent, we have the right to cancel this policy by mailing or delivering a written notice of cancellation to the first Named Insured at least 10 days before the effective date of cancellation, but not within 20 days of the first documented effort.
- (2) If we cancel this policy based on your failure to submit to or allow an audit, we will send the written notice of cancellation to the first Named Insured at the last known mailing address by certified mail or statutory overnight delivery with return receipt requested.

f. If notice is mailed, a receipt provided by, or such other evidence of mailing as prescribed or accepted by, the U.S. Postal Service shall be sufficient proof of notice.

As used herein, "us" and "we" refers to the insurance company named on the Declarations.

As used herein, "you", "your" or "named insured" refers to the person or entity first named as such on the Declarations.

If any provision of the policy contains cancellation or nonrenewal terms that are more favorable to the insured than those provided in this endorsement, then, except where prohibited by applicable state law, the more favorable terms control.

All other provisions of the policy remain unchanged.