

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.

CANCELLATION AND NONRENEWAL ENDORSEMENT – NORTH DAKOTA

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 notice of cancellation. Such advance notice of cancellation should be mailed or delivered to the address indicated in the Declarations under the item entitled Notices to Insurer.

b. Cancellation of Policies In Effect

(1) For Less Than 90 Days

If this policy has been in effect for less than 90 days, we may cancel the policy for any reason by mailing to the first Named Insured, and agent, if any, written notice of cancellation at least 10 days before the effective date of cancellation.

(2) For 90 Days Or More Or Policies With Terms Longer Than One Year Or Continuous Policies

If this policy has been in effect for 90 days or more, is a renewal of a policy we issued, is a policy issued for a term longer than one year or is a continuous policy, we may cancel the policy only for one or more of the following reasons:

- i Nonpayment of premiums;
- ii Misrepresentation or fraud made by the insured or with the insured's knowledge in obtaining the policy or in pursuing a claim under the policy;
- iii The insured's actions that have substantially increased or substantially changed the risk insured;
- iv The insured's refusal to eliminate known conditions that increase the potential for loss, after our notification that the condition must be removed;
- v Substantial change in the risk assumed, except to the extent that we should reasonably have foreseen the change or contemplated the risk in writing the contract;
- vi Loss of reinsurance which provided us with coverage for a significant amount of the underlying risk insured;
- vii A determination by the insurance commissioner that the continuation of the policy could place us in violation of North Dakota insurance laws;
- viii Nonpayment of dues to an association or organization, other than an insurance association or organization, where payment of dues is a prerequisite to obtaining or continuing such insurance.

Cancellation for this reason does not apply to persons who are retired at 62 years of age or older or to any person who is disabled according to social security standards; or

We will mail written notice of cancellation to the first Named Insured, and agent, if any, at least:

- (a) 10 days before the effective date of cancellation for nonpayment of premium; or
- (b) 30 days before the effective date of cancellation for any other reason.

However, for policies with terms longer than one year or continuous policies, notice of cancellation will be mailed at least 30 days prior to any anniversary date for any reason stated in Paragraphs b.(2)i. through viii above.

If we cancel for a reason listed in Paragraphs b.(2)i through viii above, the notice of cancellation will state our reasons for cancellation.

- d. We will mail our notice, by first-class mail, to the first Named Insured and agent, if any, at the last mailing address known to us.
- 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. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the premium refund will be pro rata. If the first 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 premium refund.
- f. If notice of cancellation is mailed, proof of mailing shall be considered sufficient proof of notice.

2. Nonrenewal

- a. If we elect not to renew this policy, we will mail to the first Named Insured shown in the Declarations, and agent, if any, a notice of intention not to renew at least 60 days prior to the expiration date of the policy. The notice of nonrenewal will state our reason for nonrenewal.
- b. We will mail our notice, by first-class mail, to the first Named Insured and agent, if any, at the last mailing address known to us.
- c. We need not mail or deliver this notice if you have:
 - (1) Insured elsewhere;
 - (2) Accepted replacement coverage; or
 - (3) Requested or agreed to nonrenewal.

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.