

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 – NEW MEXICO

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. 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. If this policy has been in effect less than 60 days and is not a renewal or continuation policy we issued, we may cancel for any reason by mailing or delivering written notice of cancellation to the first Named Insured at least 10 days before the effective date of cancellation, provided that the cancellation becomes effective before the policy has been in effect for 60 days.
- c. If Paragraph b. does not apply, we may cancel only for one or more of the following reasons:
 - (1) Nonpayment of premium. If we cancel for this reason, we will mail or deliver to the first Named Insured at least 10 days notice.
 - (2) There has been a substantial change in the risk assumed by us since the policy was issued. If we cancel for this reason, we will mail or deliver to the first Named Insured at least 30 days notice.
 - (3) The policy was obtained through material misrepresentation, fraudulent statements, omissions or concealment of fact material to the acceptance of the risk or to the hazard assumed by us. If we cancel for this reason, we will mail or deliver to the first Named Insured at least 15 days notice.
 - (4) Willful and negligent acts or omission by the insured have substantially increased the hazards insured against. If we cancel for this reason, we will mail or deliver to the first Named Insured at least 15 days notice.
 - (5) Revocation or suspension of your driver's license or that of another operator who either resides in the same household or customarily operates the auto. If we cancel for this reason, we will mail or deliver to the first Named Insured at least 15 days notice.
 - (6) You presented a claim based on fraud or material misrepresentation. If we cancel for this reason, we will mail or deliver to the first Named Insured at least 15 days notice.

The written notice of cancellation will state the reason for cancellation, except that such statement may be omitted from a notice mailed to an additional insured or lienholder under this policy.

- d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- e. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If you cancel, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

2. Nonrenewal

- a. If we decide not to renew or continue this Coverage Part, we will mail to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.
- b. If we offer to renew or continue and you do not accept, this Coverage Part will end on the expiration date of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.
- c. If we fail to mail proper notice of nonrenewal and you obtain other insurance, this Coverage Part will end on the effective date of that other insurance.

3. Mailing Of Notices

We will mail or deliver our notice of cancellation or nonrenewal to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will 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.