

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 – SOUTH CAROLINA

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. We may cancel this policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:
 - (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- c. We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.
- d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

If this policy is canceled during the first 60 days, and is not a renewal or a continuation policy, the cancellation will be effective only on or after the 61st day of the policy period.

e. Cancellation Of Policies In Effect For 120 Days Or More

If this policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this policy only for one or more of the following reasons:

- (1) Nonpayment of premium;
- (2) Material misrepresentation of fact which, if known to us, would have caused us not to issue the policy;
- (3) Substantial change in the risk assumed, except to the extent that we had notice of the risk or should reasonably have foreseen the change or contemplated the risk in writing the policy;
- (4) Substantial breaches of contractual duties, conditions or warranties; or
- (5) Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Item (5), we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

- f. 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.
- g. If notice of cancellation is mailed, proof of mailing shall be considered sufficient proof of notice.

2. Nonrenewal

- a. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.
- b. If we decide not to renew this policy, we will:
 - (1) Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:
 - (a) The expiration date of this policy, if the policy is written for a term of one year or less; or
 - (b) An anniversary date of this policy, if the policy is written for a term of more than one year or for an indefinite term; and
 - (2) Provide at least:
 - (a) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or
 - (b) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.
- c. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

Any notice of nonrenewal will state the precise reason for 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.