

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 – VIRGINIA**

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. You or your attorney-in-fact may cancel the policy by mailing or delivering to us advance written notice of the date cancellation is to take effect. 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 the policy by mailing or delivering to the first Named Insured shown in the Declarations written notice of cancellation, stating the reason(s) for cancellation, at least:
  - (1) 15 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - (2) 45 days before the effective date of cancellation if we cancel for any other reason.
- c. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- d. If this policy is cancelled, we will send the first Named Insured any premium refund due. The cancellation will be effective even if we have not made or offered a refund. The following provisions govern calculation of return premium:
  - (1) We will compute return premium pro rata and round to the next higher whole dollar when this policy is cancelled:
    - (a) At our request;
    - (b) Because you no longer have a financial or insurable interest in the property or business operation that is the subject of insurance;
    - (c) And rewritten by us or a member of our company group; or
    - (d) After the first year, if it is a prepaid policy written for a term of more than one year.
  - (2) When this policy is cancelled at your request (except when Paragraph (1).(b), (1).(c) or 1.(d) applies), we will return 90% of the pro rata unearned premium, rounded to the next higher whole dollar. However, when such cancellation takes place during the first year of a multi-year prepaid policy, we will return the full annual premium for the subsequent years. In addition, earned premium will not be less than our policywriting minimum premium.
- e. If notice is mailed, proof of mailing will be sufficient proof of notice.

### **2. Nonrenewal**

- a. We may nonrenew the policy by mailing or delivering to the first Named Insured shown in the Declarations written notice of nonrenewal, stating the reason for nonrenewal, at least:

- (1) 15 days before the expiration date of the policy if we nonrenew for nonpayment of premium; or
- (2) 45 days before the expiration date of the policy if we nonrenew for any other reason.

b. If we or our agent offers to renew or continue this policy and you or your attorney-in-fact does not accept, this policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you or your attorney-in-fact has not accepted our offer.

### 3. Mailing Of Notices

Any notice of cancellation or nonrenewal will be mailed to the first Named Insured's last known address by certificate of mailing, provided we retain a copy of said notice, or by registered or certified mail pursuant to the applicable sections of the Code of Virginia. However, we may deliver any notice instead of mailing it.

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.