**Amendatory Endorsement – New Jersey**

With respect to coverage provided by this endorsement, all provisions and conditions of the policy apply unless they are changed by this endorsement.

Section I – DEFINITIONS, Family Member, is deleted and replaced by the following:

Family Member means a person related to you by blood, marriage civil union under New Jersey law or adoption that lives in your household.

Section V – GENERAL CONDITIONS, Cancellation, item 2. Our Cancellation is deleted and replaced by the following:

**2. Our Cancellation**

We may cancel this policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice, stating the reasons for

cancellation, may be delivered to you or mailed to you at your mailing address shown on the

Declarations by certified mail, or first class mail if we have obtained, from the U.S. Post Office, a date stamped proof of mailing showing your name and address. Written notice of cancellation will also be mailed to any person or organization entitled to notice under the policy.

**a.** When this policy has been in effect for less than 60 days and is not a renewal with us, we may cancel by letting you know at least:

**(1)** 10 days before the date cancellation takes effect, if we cancel for either: nonpayment of premium; or the existence of a moral hazard, which is defined in N.J.A.C. 11:1-20.2(f) as follows:

**(a)** The risk, danger or probability that you will destroy, or permit to be destroyed, the insured property for the purpose of collecting the insurance proceeds.

Any change your circumstances that will increase the probability of such a

destruction may be considered a moral hazard; and

**(b)** The substantial risk, danger or probability that your character, circumstances or personal habits may increase the possibility of loss or liability for which we will be held responsible. Any change in character or circumstances of an individual, corporate, partnership or other insured that will increase the probability of such a loss or liability may be considered a moral hazard.

**(2)** 30 days before the date cancellation takes effect if we cancel for any other reason.

**b.** When this policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel only for one or more of the following reasons:

**(1)** Nonpayment of premium;

**(2)** Existence of a moral hazard, as defined in N.J.A.C. 11:1-20.2(f) and stated in

**2.a.(1)(a)** and **2.a.(1)(b)** above;

**(3)** Material misrepresentation or nondisclosure to us of a material fact at the time of acceptance of the risk;

**(4)** Increased hazard or material change in the risk assumed which we could not have reasonably contemplated at the time of assumption of the risk;

**(5)** Substantial breaches of contractual duties, conditions or warranties that materially affect the nature and/or insurability of the risk;

**(6)** Lack of cooperation from you on loss control matters materially affecting insurability of the risk;

**(7)** Fraudulent acts against us by you or your representative that materially affect the nature of the risk insured;

**(8)** Loss of or reduction in available insurance capacity;

**(9)** Material increase in exposure arising out of changes in statutory or case law subsequent to the issuance of the insurance contract or any subsequent renewal;

**(10)** Loss of or substantial changes in applicable reinsurance;

**(11)** Failure by you to comply with any Federal, State or local fire, health, safety, building or construction regulation, law or ordinance with respect to an insured risk which substantially increases any hazard insured against within 60 days of written notification of a violation of any such law, regulation or ordinance;

**(12)** Failure by you to provide reasonable and necessary underwriting information to us upon written request therefore and a reasonable opportunity to respond;

**(13)** Agency termination, provided:

**(a)** We document that replacement coverage at comparable rates and terms

has been provided to you, and we have informed you, in writing, of your right to continue coverage with us; or

**(b)** We have informed you, in writing, of your right to continue coverage with us and you have agreed, in writing, to the cancellation based on the termination of your appointed agent; or

**(14)** Any other reason in accordance with our underwriting guidelines for cancellation of the insurance.

**c.** If we cancel this policy based on Paragraph **2.b.1.** or **2.b.2.** above, we may do so by letting you know at least 10 days before the date cancellation takes effect. For cancellation due to nonpayment of premium, the notice will state the effect of nonpayment by the due date. Cancellation for nonpayment of premium will not be effective if payment of the amount due is made before the effective date of cancellation set forth in the notice. If we cancel this policy for any other reason listed in **2.b.** above, we may cancel by letting you know not more than 120 days nor less than 30 days before the date cancellation takes effect.

**d.** We need not send notice of cancellation if you have:

**(1)** Replaced coverage elsewhere; or

**(2)** Specifically requested termination.

**e.** When this policy is cancelled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.

**f.** If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.

Section V – GENERAL CONDITIONS, Nonrenewal is deleted and replaced by the following:

**Nonrenewal**

**1.** We may elect not to renew this policy for any reason permitted to cancel this policy. If we elect not to renew this policy, we will deliver or mail a notice of nonrenewal, stating the reasons for nonrenewal, to you at least 30 days but not more than 120 days before the expiration date of this policy. If this policy does not have a fixed expiration date, it will be deemed to expire annually on the anniversary of its inception.

**2.** This nonrenewal notice may be delivered to you or mailed to you at your mailing address shown on the Declarations by:

**(a)** Certified mail; or

**(b)** First class mail if we have obtained, from the U.S. Post Office, a date stamped proof of mailing showing your name and address.

**3.** We need not mail or deliver this nonrenewal notice if you have:

**(a)** Replaced coverage elsewhere; or

**(b)** Specifically requested termination.

Section V – GENERAL CONDITIONS, is amended to include the following:

**INSURANCE DEPARTMENT REQUIREMENT – CANCELLATION AND NONRENEWAL**

Pursuant to New Jersey law, this policy cannot be cancelled or nonrenewed for any underwriting reason or guideline which is arbitrary, capricious or unfairly discriminatory or without adequate prior notice to you. The underwriting reasons or guidelines that an insurer can use to cancel or nonrenew this policy are maintained by the insurer in writing and will be furnished to you and/or your lawful representative upon written request. This provision shall not apply to any policy which has been in effect for less than 60 days at the time notice of cancellation is mailed or delivered, unless the policy is a renewal policy.

**INSURANCE DEPARTMENT REQUIREMENT – STANDARD FIRE INSURANCE POLICY**

This policy provides coverage to you on an equivalent or more favorable basis than that provided by the statutory provisions cited in N.J.S.A. 17:36-5.20.