

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

IOWA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- A. The **Cancellation** Common Policy Condition is replaced by the following:**

CANCELLATION

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
 2. We may cancel this policy, by mailing or delivering to the first Named Insured and any loss payee written notice of cancellation at least 10 days before the effective date of cancellation.
 - a. If this policy is a new policy and has been in effect for less than 60 days, we may cancel for any reason.
 - b. If this policy has been in effect for 60 days or more, or is a renewal of a policy we issued, we may cancel only for one or more of the following reasons:
 - (1) Nonpayment of premium;
 - (2) Misrepresentation or fraud made by or with your knowledge in obtaining the policy, when renewing the policy, or in presenting a claim under the policy;
 - (3) Acts or omissions by you that substantially change or increase the risk insured;
 - (4) Determination by the commissioner that the continuation of the policy would jeopardize our solvency or would place us in violation of the insurance laws of this or any other state;
 - (5) You have acted in a manner which you knew or should have known was in violation or breach of a policy term or condition;
- (6) Loss of reinsurance, subject to c. below.
 - (7) A material change in the limits, scope of coverage, or exclusions in one or more of the "underlying insurance."
 - (8) Cancellation or nonrenewal of one or more of the "underlying insurance" where the policies are not replaced without lapse.
 - (9) A reduction in the financial rating or grade of one or more of the insurers insuring one or more of the "underlying insurance" based on an evaluation by a recognized financial rating organization.
- c. We may cancel due to loss of reinsurance which provides coverage to us for a significant portion of the underlying risk insured, but only if the commissioner determines that such cancellation is justified.
3. We will mail or deliver our notice to the first Named Insured's and any loss payee's last mailing address known to us.
 4. Notice of cancellation will state:
 - a. The reason for cancellation; and
 - b. The effective date of cancellation. The policy period will end on that date.
 5. 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 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 refund.

6. If notice is mailed, a post office department certificate of mailing is proof of receipt of notice. However, if cancellation is for nonpayment of premium, a certificate of mailing is not required.
- B.** The following is added and supersedes any other provision to the contrary:

NONRENEWAL

1. If we decide not to renew this policy, we will mail or deliver written notice of nonrenewal to the first Named Insured and any loss payee at least 45 days before the expiration date of this policy, except if:
 - a. We have offered to issue a renewal policy;
or
 - b. You have failed to pay a premium due or any advance premium required by us for renewal.

- c. If we conditionally renew this policy based upon requirements relating to the "underlying insurance". In this case, if the requirements are not satisfied as of the expiration date of this policy, or 30 days after mailing or deliver of the notice, whichever is later, the conditional renewal notice shall be deemed to be an effective notice of nonrenewal.
2. If notice is mailed, a post office department certificate of mailing is proof of receipt of notice.