

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ILLINOIS CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM  
BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

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 us advance written notice of cancellation.
2. When this policy is in effect 61 days or more or is a renewal or continuation policy, we may cancel only for one or more of the following reasons by mailing you written notice of cancellation, stating the reasons for cancellation.
  - a. Nonpayment of premium.
  - b. The policy was obtained through a material misrepresentation.
  - c. Any "insured" has violated any of the terms and conditions of the policy.
  - d. The risk originally accepted has measurably increased.
  - e. Certification to the Director of Insurance of the loss of reinsurance by the insurer which provided coverage to us for all or a substantial part of the underlying risk insured.
  - f. A determination by the Director of Insurance that the continuation of the policy could place us in violation of the Illinois insurance laws.
3. If we cancel for nonpayment of premium, we will mail you at least 10 days' written notice.
4. If this policy is cancelled for other than nonpayment of premium and the policy is in effect:
  - a. 60 days or less, we will mail you at least 30 days' written notice.

- b. 61 days or more, we will mail you at least 60 days' written notice.

5. If this policy is cancelled, we will send you 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.
  6. The effective date of cancellation stated in the notice shall become the end of the policy period.
  7. Our notice of cancellation will state the reason for cancellation.
  8. A copy of the notice will also be sent to your agent or broker and the loss payee.
- B. The following is added and supersedes any provision to the contrary:**

**Nonrenewal**

If we decide not to renew or continue this policy, we will mail you, your agent or broker and the loss payee written notice, stating the reason for nonrenewal, at least 60 days before the end of the policy period. If we offer to renew or continue and you do 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 have not accepted our offer.

If we fail to mail proper written notice of nonrenewal and you obtain other insurance, this policy will end on the effective date of that insurance.

**C. Mailing Of Notices**

We will mail cancellation and nonrenewal notices to the last addresses known to us. Proof of mailing will be sufficient proof of notice.