

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

## **NEW MEXICO 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 may cancel the policy by mailing or delivering to us advance written notice of cancellation.
2. When this policy is in effect less than 60 days and is not a renewal or continuation policy, we may cancel for any reason provided we mail written notice of cancellation to the first Named Insured within this period. If we cancel, we will mail the first Named Insured at least 10 days notice.
3. When this policy is in effect 60 days or more or is a renewal or continuation policy, we may cancel only for one or more of the following reasons:
  - a. Nonpayment of premium. If we cancel for this reason, we will mail the first Named Insured at least 10 days notice.
  - b. There has been a substantial change in the risk assumed by us since the policy was issued. If we cancel for this reason, we will mail the first Named Insured at least 30 days notice.
  - c. The policy was obtained through material misrepresentation, fraudulent statements, omissions or concealment of fact material to the acceptance of the risk or to the hazard assumed by us. If we cancel for this reason, we will mail the first Named Insured at least 15 days notice.

- d. Willful and negligent acts or omissions by the "insured" have substantially increased the hazards insured against. If we cancel for this reason, we will mail the first Named Insured at least 15 days notice.
- e. Revocation or suspension of your driver's license or that of another operator who either resides in the same household or customarily operates the "auto". If we cancel for this reason, we will mail the first Named Insured at least 15 days notice.
- f. You present a claim based on fraud or material misrepresentation. If we cancel for this reason, we will mail the first Named Insured at least 15 days notice.

4. Notice of cancellation will state 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 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.

- B. Condition 10. When We Do Not Renew of Section IV – Conditions is replaced by the following:**

#### **WHEN WE DO NOT RENEW**

1. If we decide not to renew or continue this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

2. If we offer to renew or continue and you do not accept, this Coverage Part will end on the expiration date 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.
3. If we fail to mail proper notice of nonrenewal and you obtain other insurance, this Coverage Part will end on the effective date of that insurance.

#### **C. Mailing Of Notices**

We will mail or deliver our notice of cancellation or nonrenewal to your last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.