

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MONTANA 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.

The **Cancellation** Common Policy Condition does not apply. The following condition applies instead:

Ending This Policy

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel the policy by mailing or delivering to us advance written notice of cancellation.
2. **Midterm Cancellation**
 - a. When this policy is in effect less than 60 days and is not a renewal or continuation policy, we may cancel for any reason. If we cancel for nonpayment of premium, we will mail at least 10 days' written notice to the first Named Insured. If we cancel for any other reason, we will mail at least 45 days' written notice to the first Named Insured.
 - b. 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:
 - (1) Nonpayment of premium.
 - (2) If you are an individual and your driver's license or motor vehicle registration or that of a driver who lives with you and customarily uses the covered "auto" has been suspended or revoked during the policy period, or if the policy is a renewal, during its policy period or the 180 days immediately preceding its effective date.

If we cancel for nonpayment of premium, we will mail at least 10 days' written notice, stating the reason for cancellation, to the first Named Insured. If we cancel for any other reason, we will mail at least 45 days' written notice to the first Named Insured.

In this case, our notice will state that upon written request of the first Named Insured, mailed or delivered to us not less than 15 days prior to the effective date of cancellation, we will specify the reason for cancellation.

3. Anniversary Cancellation

If this policy has been written for a period of more than a year or without a fixed expiration date, we may cancel at the anniversary of its original effective date for any reason. If we cancel, we will mail you at least 45 days' written 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.

However, when a financed insurance policy is cancelled, we will send any refund due to the premium finance company on a pro rata basis.

B. Nonrenewal

1. If we decide not to renew or continue this policy, we will mail to the first Named Insured and agent, if any, notice at least 45 days before the end of the policy period. Our notice will state that upon written request of the first Named Insured, mailed or delivered to us not later than one month following the termination date of the policy, we will notify the first Named Insured in writing, within 15 days of the request of the reason or reasons for nonrenewal.

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 apply the required renewal or continuation premium when due shall mean that you have not accepted our offer.

2. If we fail to mail or deliver proper 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 or deliver our notice of cancellation or nonrenewal to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.