

MINNESOTA AMENDATORY ENDORSEMENT

This endorsement, effective _____ at 12:01 A.M. _____ forms a part of

Policy no. _____

Issued to: _____

By: _____

Wherever used in this endorsement: 1) "Insurer" means the insurance company which issued this policy; and 2) "Insured" means the Named Corporation, Named Organization, Named Sponsor, Named Insured, Named Entity or Insured stated in the Declarations page; and 3) "Other Insured(s)" means all other persons or entities afforded coverage under the policy.

The following is added and supersedes any provision to the contrary:

- A. No Insurer may cancel a policy of commercial liability and/or property insurance that has been in effect for ninety (90) days or more, except for one or more of the following reasons:
- (1) nonpayment of premium;
 - (2) misrepresentation or fraud made by or with the knowledge of the Insured or Other Insured(s) in obtaining the policy or in pursuing a claim under the policy;
 - (3) actions by the Insured or Other Insured(s) that have substantially increased or substantially changed the risk insured;
 - (4) refusal of the Insured or Other Insured(s) to eliminate known conditions that increase the potential for loss after notification by the Insurer that the condition must be removed;
 - (5) substantial change in the risk assumed, except to the extent that the Insurer should reasonably have foreseen the change or contemplated the risk in writing the contract;
 - (6) loss of reinsurance by the Insurer which provided coverage to the Insurer for a significant amount of the underlying risk insured. A notice of cancellation under this clause shall advise the Insured that the Insured has ten (10) days from the date of receipt of the notice to appeal the cancellation to the commissioner of commerce and that the commissioner will render a decision as to whether the cancellation is justified because of the loss of reinsurance within thirty (30) business days after receipt of the appeal;
 - (7) a determination by the commissioner that the continuation of the policy could place the Insurer in violation of the insurance laws of this state; or
 - (8) nonpayment of dues to an association or organization, other than an insurance association or organization, where payment of dues is a prerequisite to obtaining or continuing the insurance. This provision for cancellation for

failure to pay dues does not apply to persons who are retired at 62 years of age or older or who are disabled according to social security standards.

- B. Cancellation for the reasons identified in paragraphs A.(2) through A.(8), above, shall not be effective before sixty (60) days after notice to the Insured. The notice of cancellation shall contain a specific reason for cancellation.

A policy shall not be cancelled for nonpayment of premium pursuant to paragraph A.(1), above, unless the Insurer, at least ten (10) days before the effective cancellation date, has given notice to the Insured of the amount of premium due and the due date. The notice shall state the effect of nonpayment by the due date. No cancellation for nonpayment of premium shall be effective if payment of the amount due is made before the effective date in the notice.

- C. NEW POLICIES – The provisions of paragraphs A., and B., above, do not apply to any insurance policy that has not been previously renewed if the policy has been in effect less than ninety (90) days at the time the notice of cancellation is mailed or delivered. No cancellation under this paragraph C. is effective until at least ten (10) days after the written notice to the Insured.

- D. LONGER TERM POLICIES - A policy may be issued for a term longer than one year or for an indefinite term with a clause providing for cancellation by the Insurer for the reasons stated in paragraph A., above, by giving notice as required by paragraph B., at least sixty (60) days before any anniversary. A new policy will be issued at least once every five (5) years.

- E. NONRENEWAL (NOTICE REQUIRED) - At least sixty (60) days before the date of expiration provided in the policy, a notice of intention not to renew the policy beyond the agreed expiration date must be made to the Insured by the Insurer. If the notice is not given at least sixty (60) days before the date of expiration provided in the policy, the policy shall continue in force until sixty (60) days after a notice of intent not to renew is received by the Insured.

- F. EXCEPTIONS – Paragraph E., above, does not apply if the Insured has insured elsewhere, has accepted replacement coverage, or has requested or agreed to nonrenewal.

- G. Unless otherwise specifically required, proof of mailing of any notice shall be sufficient proof of notice.

All other terms, conditions and exclusions of this policy shall remain the same.

Authorized Representative