

NORTH DAKOTA
AMENDATORY ENDORSEMENT
Professional Liability Only

This endorsement, effective _____ forms a part of
policy no.: _____ issued to _____
by: _____

Wherever used in this endorsement: 1) "we", "us", "our", and "Insurer" mean the insurance company which issued this policy; and 2) "you", "your", "named Insured", "First Named Insured", and "Insured" mean the Named Corporation, Named Organization, Named Sponsor, Named Insured, or Insured stated in the declarations page; and 3) "Other Insured(s)" means all other persons or entities afforded coverage under the policy.

In consideration of the premium charged, it is hereby understood and agreed that the cancellation/nonrenewal provisions of this policy are replaced by the following:

Cancellation

The Insured may cancel this policy by mailing or delivering to the Insurer a written notice of cancellation indicating the date upon which cancellation will be effective.

Policies in Effect For Less Than Ninety (90) Days

The Insurer may cancel, for any reason a policy in effect for less than 90 days, if it is not a renewal, by furnishing the Insured with written notice of cancellation at least ten (10) days before the effective date of cancellation.

Policies in Effect For More Than Ninety (90) Days

The Insurer may not cancel a policy in effect for more than ninety (90) days except for one or more of the following reasons:

- (1) nonpayment of premium;
- (2) misrepresentation or fraud 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 changed the risk insured;
- (4) refusal of the Insured or Other Insured(s) to eliminate known conditions that increase the loss 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;
- (7) a determination by the commissioner that continuation of the policy could place the Insurer in violation of the insurance laws of this state;
- (8) nonpayment of dues to an association or organization other than an insurance association, where payment of dues is necessary to obtain or continue coverage. Their provision does not apply to persons who are retired, 62 years of age or older, or disabled (according to social security standards).

Cancellation under subsections 2 through 8 above is not effective unless written notice of cancellation is received by the Insured at least 30 days before the effective date of cancellation. For nonpayment of premium, cancellation is not effective unless it is pursuant to written notice to the Insured at least 10 days before the effective date of cancellation. For nonpayment of premium cancellation is not effective if payment of the amount due is made prior to the effective date set forth in the notice.

Nonrenewal

The Insurer may nonrenew a policy by mailing or delivering written notice of nonrenewal to the Insured at least ninety (90) days prior to the date of expiration (or anniversary if the policy has been written for a term of more than 1 year).

This does not apply if the the Insured has insured elsewhere, accepted replacement coverage, or has requested or agreed to nonrenewal.

Policy Renewal

If the Insurer offers to renew a policy at less favorable terms as to the dollar amount of coverage or deductibles or increases the rates in excess of 15% the Insurer shall furnish the Insured notice of the new terms and rates at least ten (10) days prior to the expiration date.

This does not apply if the change relates to excess rates.

Notice

All notices of cancellation and nonrenewal must be delivered or mailed by first class mail, to the the Insured's last known address as stated in the policy. Notice by first class mail shall be effective upon deposit in the United States mail. The Insurer shall also give notice to the agent or broker on record. The notice must state the precise reason for cancellation.

AUTHORIZED REPRESENTATIVE