

FORMS – IMPLEMENTATION

OCTOBER 25, 2021

COMMERCIAL LINES

LI-CL-2021-044

## **SOUTH CAROLINA REVISED COMMERCIAL LINES ENDORSEMENTS TO BE IMPLEMENTED**

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### **KEY MESSAGE**

Forms Filing CL-2021-OCAN1 to be implemented.

**Applicable Lines:** AG, BP, CA, CF, CM, CR, CU, CY, EB, EP, FC, FI, FR, GL, HH, MP, OP, PF, PR

**Filing ID:** CL-2021-OCAN1

**Effective Date:** 04/01/2022 (Medical Professional Liability only)

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### **UPGRADE TO WORD AND EXCEL DOCUMENTS**

As previously noted, ISO is implementing changes to our authoring and delivery systems so that **newly created** documents will be delivered in Office 365 .docx/.xlsx format to be phased in by product/service. In addition to **form** documents, we are pleased to announce that during the third quarter 2021, you will be receiving **circular cover letter** and **Notice To Manualholders (NTM)** documents in .docx format delivered/accessed via Circulars, CLM, EFD, ERC, Filings, FIRST, Forms Library, PRM and Suite +. Changes continue for other document types to be phased in by product/service. Products impacted include, but are not limited to, documents delivered/accessed via Circulars, CLM, EFD, ERC, Filings, FIRST, Forms Library (including PolicyWriting Support Forms Instructional Supplement), PRM, Statistical Plans and Suite +.

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### **BACKGROUND**

We have revised multiple South Carolina Commercial Lines forms relating to nonrenewal in response to 2021 S.C. Acts \_\_\_\_ (former H.B. 3585).

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### **INSURANCE DEPARTMENT ACTION**

Filing CL-2021-OCAN1 has been approved for Medical Professional Liability and acknowledged for all other Commercial Lines by the South Carolina Department of Insurance.

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### **EFFECTIVE DATE**

The ISO revision is subject to the following rule of application:

#### **Medical Professional Liability:**

These changes are applicable to all policies written on or after April 1, 2022.

#### **All other Commercial Lines:**

We do not establish an effective date for forms revisions in South Carolina. Each insurer that elects to utilize this revision is responsible for determining its own effective date.

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## COMPANY ACTION

### Medical Professional Liability:

If you have authorized us to file on your behalf and decide:

- To use our revision and effective date, you are not required to file anything with the South Carolina Department of Insurance.
- To use our revision with a different effective date, to use our revision with modification, or to not use our revision, you must make an appropriate submission with the South Carolina Department of Insurance.

For guidance on submission requirements, consult the ISO State Filing Handbook.

In all correspondence with the Insurance Department on this revision, you should refer to ISO Filing Designation Number CL-2021-OCAN1, not this circular number. Communications with the regulator concerning a filing affecting multiple lines of business (i.e., CL, PL, AL filing designation) should specify the line(s) of business that you are addressing.

### All Other Commercial Lines:

ISO has not filed this revision on behalf of insurers.

You must independently determine what revision to make and when to make any revision effective. If you decide to use all or any part of our revision, you are NOT required to file anything with the Insurance Department.

You must document your files in case the Insurance Department wishes to review the information at a later date. In all internal correspondence on this revision, you should refer to ISO Filing Number CL-2021-OCAN1, NOT this circular number. Communications with the regulator concerning a filing affecting multiple lines of business (i.e., CL, PL, AL filing designation) should specify the line(s) of business that you are addressing.

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## RATING SOFTWARE IMPACT

New attributes being introduced with this revision:

A new edition date of existing form numbers is being introduced.

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## POLICYHOLDER NOTIFICATION

If you decide to implement this revision, you should check all applicable laws for the state(s) to which this revision applies, to determine whether or not a specific policyholder notice requirement may apply. Please note that circular [LI-CL-2021-004](#) contains the ISO Guide To Renewals With Changed Conditions For Commercial Lines, which is available only as a guide to assist participating companies in complying with various conditional renewal statutes or regulations, for the major commercial lines of insurance serviced by ISO. The information in the Guide does not necessarily reflect all requirements or exceptions that may apply, and it is not intended as a substitute for your review of all applicable statutes and regulations concerning policyholder notification.

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## REFERENCE(S)

[LI-CL-2021-004](#) (02/17/2021) Revised Lead Time Requirements Listing

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**ATTACHMENT(S)**

- Filing CL-2021-OCAN1
- Final copies of revised endorsements

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# South Carolina Nonrenewal Provisions Revised

## Applicable Lines of Business

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This filing applies to the following lines of business:

- ◆ Agricultural Capital Assets (Output Policy)
- ◆ Businessowners
- ◆ Capital Assets Program (Output Policy)
- ◆ Commercial Auto
- ◆ Commercial Fire and Allied Lines
- ◆ Commercial Flood
- ◆ Commercial General Liability
- ◆ Commercial Inland Marine
- ◆ Commercial Liability Umbrella
- ◆ Crime and Fidelity
- ◆ Cyber
- ◆ Employment-related Practices Policy
- ◆ Equipment Breakdown
- ◆ Farm
- ◆ Financial Institutions
- ◆ Home Healthcare
- ◆ Management Protection
- ◆ Medical Professional Liability
- ◆ Professional Liability (Other Than Medical) – Insurance Agents and Brokers Professional Liability Section
- ◆ Professional Liability (Other Than Medical) – Lawyers Professional Liability Section
- ◆ Professional Liability (Other Than Medical) – Miscellaneous Professional Liability Section

- ◆ Professional Liability (Other Than Medical) – Real Estate Agents and Brokers Professional Liability Section

## About This Filing

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We are revising multiple South Carolina Commercial Lines forms relating to nonrenewal in response to 2021 S.C. Acts \_\_\_\_ (former H.B. 3585).

### Revised Forms

We are revising the following forms:

- ◆ AG 01 49 07 19 South Carolina Changes
- ◆ BP 01 21 07 19 South Carolina Changes
- ◆ BP 66 01 04 20 South Carolina Changes – Micro-Businessowners
- ◆ CA 02 30 07 19 South Carolina Changes – Cancellation And Nonrenewal
- ◆ CG 28 51 07 19 South Carolina Changes – Cancellation And Nonrenewal
- ◆ CG 28 52 07 19 South Carolina Changes – Cancellation And Nonrenewal
- ◆ CG 30 35 07 19 South Carolina Changes – Cancellation And Nonrenewal
- ◆ CG 33 19 07 19 South Carolina Changes – Cancellation And Nonrenewal
- ◆ CR 02 23 07 19 South Carolina Changes
- ◆ CU 02 12 07 19 South Carolina Changes – Cancellation And Nonrenewal
- ◆ CX 02 31 07 19 South Carolina Changes – Cancellation And Nonrenewal
- ◆ CY 02 16 11 21 South Carolina Changes – Cancellation And Nonrenewal
- ◆ FB 02 20 07 19 South Carolina Changes – Cancellation And Nonrenewal
- ◆ FC 01 39 08 21 South Carolina Changes
- ◆ FE 02 31 07 19 South Carolina Changes – Cancellation And Nonrenewal
- ◆ FI 02 37 12 19 South Carolina Changes
- ◆ FI 03 49 07 19 South Carolina Changes
- ◆ FI 04 54 07 19 South Carolina Changes
- ◆ FI 05 61 12 19 South Carolina Changes
- ◆ FI 08 61 12 19 South Carolina Changes
- ◆ HH 01 42 07 19 South Carolina Changes
- ◆ IA 01 41 07 19 South Carolina Changes
- ◆ IL 02 49 07 19 South Carolina Changes – Cancellation And Nonrenewal

- ◆ LW 01 38 07 19 South Carolina Changes
- ◆ MI 01 41 07 19 South Carolina Changes
- ◆ ML 15 41 07 19 South Carolina Changes
- ◆ MP 02 49 07 19 South Carolina Changes – Cancellation And Nonrenewal
- ◆ RE 01 41 07 19 South Carolina Changes

We have used a format of ~~striking-through~~ deletions, underlining additions and inserting a revision bar in the left margin to indicate changes from the above-referenced editions to the 12 21 editions. Concurrent with implementation, the 12 21 editions will supersede the prior editions.

## Background

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2021 S.C. Acts \_\_\_\_ (former S.B. 3585), which became effective on April 12, 2021, in part, amends S.C. CODE ANN. § 38-75-740(b) as follows:

*"A policy written for a term of one year or less may be nonrenewed by the insurer at its expiration date by giving or mailing written notice of nonrenewal to the insured and the agent of record, if any, not less than sixty days prior to the expiration date of the policy ~~for any nonrenewal that would be effective between November first and May thirty-first and not less than ninety days for any nonrenewal that would be effective between June first and October thirty-first.~~"*

S.C. CODE ANN. § 38-75-740(c) has also been similarly amended.

## Explanation of Changes

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In response to 2021 S.C. Acts \_\_\_\_ (former S.B. 3585), we are revising the nonrenewal provisions in aforementioned South Carolina endorsements to correspond with the statutory revisions described above.

Additionally, we are taking this opportunity to revise CG 28 52 to track with the number of days' notice provided in the underlying Railroad Protective Liability Coverage Form.

## Copyright Explanation

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## **Important Note**

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

### **AGRICULTURAL CAPITAL ASSETS (OUTPUT POLICY) COVERAGE PART**

**A.** Paragraphs **2.** and **3.** of **Cancellation** Common Policy Condition are replaced by the following:

**2.** We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:

- a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- b.** 30 days before the effective date of cancellation if we cancel for any other reason.

**3.** We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

**B.** The following is added to the **Cancellation** Common Policy Condition:

**7. Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- a.** Nonpayment of premium;
- b.** Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;
- c.** Substantial change in the risk assumed, except to the extent that:
  - (1)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
  - (2)** We should reasonably have foreseen the change or contemplated the risk in writing the Policy;
- d.** Substantial breaches of contractual duties, conditions or warranties; or

**e.** Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Paragraph **e.**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

**C.** The following is added and supersedes any provisions to the contrary:

**NONRENEWAL**

**1.** We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

**2.** If we decide not to renew this Policy, we will:

**a.** Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:

- (1)** The expiration date of this Policy, if the Policy is written for a term of one year or less; or
- (2)** An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

**b.** Provide at least:

——— ~~(1) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or~~

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~~(2) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.~~

3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
4. Any notice of nonrenewal will state the precise reason for nonrenewal.

D. The **Legal Action Against Us** Condition is replaced by the following:

**LEGAL ACTION AGAINST US**

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within three years after the date on which the direct physical loss or damage occurred.

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

## SOUTH CAROLINA CHANGES

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM  
INFORMATION SECURITY PROTECTION ENDORSEMENT

### SCHEDULE

Premises Number	Building Number	Agreed Value Of Building	Total Amount Of Insurance To Be Carried
		\$	\$
		\$	\$
		\$	\$
		\$	\$

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Section I – Property** is amended as follows:

1. Paragraph **E.4. Legal Action Against Us** Condition is replaced by the following:

**4. Legal Action Against Us**

No one may bring a legal action against us under this insurance unless:

- a. There has been full compliance with all of the terms of this insurance; and
- b. The action is brought within three years after the date on which the physical loss or damage occurred.

2. The following is added to Paragraph **E.5. Loss Payment** Property Loss Condition:

For loss or damage to buildings caused by or resulting from fire or lightning, you and we agree that:

- a. The value of buildings described in this Policy; and
- b. The total amount of insurance to be carried on the buildings, including this Policy; are the amounts shown in the Schedule.

**B. Section III – Common Policy Conditions** is amended as follows:

1. Paragraphs **A.2.** and **A.3. of A. Cancellation** are replaced by the following:

2. We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:

- a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- b. 30 days before the effective date of cancellation if we cancel for any other reason.

3. We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

2. The following is added to Paragraph **A. Cancellation:**

**7. Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- a. Nonpayment of premium;
- b. Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;
- c. Substantial change in the risk assumed, except to the extent that:
  - (1) We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
  - (2) We should reasonably have foreseen the change or contemplated the risk in writing the Policy;
- d. Substantial breaches of contractual duties, conditions or warranties; or
- e. Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Item **e.**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

3. The following is added and supersedes any provisions to the contrary:

**M. Nonrenewal**

1. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

2. If we decide not to renew this Policy, we will:

- a. Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:

- (1) The expiration date of this Policy, if the Policy is written for a term of one year or less; or
- (2) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

- b. Provide at least:

- ~~(1) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or~~
- ~~(2) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.~~

3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

4. Any notice of nonrenewal will state the precise reason for nonrenewal.

- C.** The following changes apply only to Information Security Protection Endorsement **BP 15 07** if it is attached to this Policy:

Paragraph **d.** of the definition of "loss" in Paragraph **V.** is replaced by the following:

- d. With respect to Insuring Agreements **d.** Security Breach Liability and **g.** Web Site Publishing Liability, "loss" means damages, settlement amounts and costs awarded pursuant to judgments. "Loss" does not include civil or criminal fines or penalties imposed by law, the multiplied portion of multiplied damages, taxes, royalties, the amount of any disgorged profits, or matters that are uninsurable pursuant to applicable law.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## SOUTH CAROLINA CHANGES – MICRO-BUSINESSOWNERS

This endorsement modifies insurance provided under the following:

### MICRO-BUSINESSOWNERS COVERAGE FORM

**A. Section I – Property** is amended as follows:

Paragraph **E.4. Legal Action Against Us** Property Loss Condition is replaced by the following:

**4. Legal Action Against Us**

No one may bring a legal action against us under this insurance unless:

- a. There has been full compliance with all of the terms of this insurance; and
- b. The action is brought within three years after the date on which the physical loss or damage occurred.

**B. Section III – Common Policy Conditions** is amended as follows:

1. Paragraphs **A.2.** and **A.3. of A. Cancellation** are replaced by the following:

2. We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:
  - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.

3. We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

2. The following is added to Paragraph **A. Cancellation**:

**7. Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- a. Nonpayment of premium;

- b. Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;

- c. Substantial change in the risk assumed, except to the extent that:

- (1) We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
- (2) We should reasonably have foreseen the change or contemplated the risk in writing the Policy;

- d. Substantial breaches of contractual duties, conditions or warranties; or

- e. Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Item e., we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

3. The following is added and supersedes any provisions to the contrary:

**M. Nonrenewal**

1. If we decide not to renew this Policy, we will:

- a. Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before the expiration date of this Policy; and

**b. Provide at least:**

- \_\_\_\_\_ ~~(1) 60 days' notice of nonrenewal,~~  
when nonrenewal is to become  
effective between November 1  
and May 31; or
- \_\_\_\_\_ ~~(2) 90 days' notice of nonrenewal,~~  
when nonrenewal is to become  
effective between June 1 and  
October 31.

- 2.** Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
- 3.** Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA 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 the coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**A. The **Cancellation** Common Policy Condition is amended as follows:**

**1. Paragraph 2. is replaced by the following:**

**2.** We will mail or deliver to you and your agent written notice of cancellation, stating the reason(s) for cancellation, at the addresses shown in the Policy, at least:

- a.** 10 days before the effective date of cancellation if cancellation is for nonpayment of premium; or
- b.** 30 days before the effective date of cancellation if cancellation is for any other reason.

**2. The following is added to Paragraph 4.:**

If this Policy is cancelled during the first 60 days, and is not a renewal or a continuation policy, the cancellation will be effective only on or after the 61st day of the policy period. However, if this Policy is cancelled for nonpayment of premium, the cancellation will become effective only on or after the 31st day of the policy period.

**3. The following is added:**

If this Policy has been in effect for more than 120 days, we may cancel this Policy only for the following reasons:

- a.** Nonpayment of premium;

**b.** Material misrepresentation of fact, which if known to us would have caused us not to issue the Policy;

**c.** Substantial change in the risk assumed, except to the extent that:

**(1)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or

**(2)** We should have reasonably foreseen the change or contemplated the risk in writing the Policy;

**d.** Substantial breach of contractual duties, conditions or warranties; or

**e.** Loss of our reinsurance covering all or a significant part of the particular risk insured, or where continuation of the Policy would imperil our solvency or place us in violation of the laws of South Carolina.

**B. The following is added and supersedes any provisions to the contrary:**

### **Nonrenewal**

- 1.** We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

2. If we decide not to renew this Policy, we will:

a. Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:

(1) The expiration date of this Policy, if the Policy is written for a term of one year or less; or

(2) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

b. Provide at least:

~~(1) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or~~

~~(2) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.~~

3. Any notice of nonrenewal will be mailed or delivered to the address of the first Named Insured and agent, if any, shown in the Policy or, if none is shown, then to their last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## SOUTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

### OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART

1. Paragraphs **b.** and **c.** of the **Cancellation** Condition are replaced by the following:
- b.** We may cancel this Policy by mailing or delivering to the first Named Insured, the "contractor" and the agent, if any, written notice of cancellation at least:
    - (1) 10 days before the effective date of cancellation if we cancel for non-payment of premium; or
    - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
  - c.** We will mail or deliver our notice to the first Named Insured's, the "contractor's" and the agent's last known addresses.
2. The following is added to the **Cancellation** Condition:
- g.** If this Policy has been in effect for 120 days or more or is a renewal or continuation of a policy we issued, it may be cancelled by us for one or more of the following reasons only and in accordance with the provisions in Paragraph **b.** above:
    - (1) Nonpayment of premium.
    - (2) Material misrepresentation of fact which if known to us, would have caused us not to issue the Policy.
    - (3) Substantial change in the risk assumed, except to the extent that:
      - (a) We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
      - (b) We should reasonably have foreseen the change or contemplated the risk in writing the Policy.
    - (4) Substantial breaches of contractual duties, conditions or warranties.
- (5) Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.
- Prior to cancellation for reasons permitted in this item (5), we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.
- Any notice of cancellation will state the precise reason for cancellation.
3. Any **When We Do Not Renew** Condition is deleted and replaced by the following:
- ### NONRENEWAL
- a.** We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.
  - b.** If we decide not to renew this policy, we will:
    - (1) Mail or deliver written notice of nonrenewal to the first Named Insured, the "contractor" and agent, if any, before:
      - (a) The expiration date of this Policy, if the Policy is written for a term of one year or less; or
      - (b) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and
    - (2) Provide at least:
      - ~~(a) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or~~

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~~(b) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.~~

c. The notice will be mailed or delivered to the first Named Insured, the "contractor" and the agent at their last known addresses. Proof of mailing will be sufficient proof of notice.

d. Any notice of nonrenewal will state the precise reason for nonrenewal.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## SOUTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

### RAILROAD PROTECTIVE LIABILITY COVERAGE PART

A. The **Cancellation** Condition (Section IV) is replaced by the following:

#### 3. Cancellation

a. You may cancel this Policy by mailing to us advance written notice of cancellation.

b. Cancellation of Policies In Effect For Less Than 120 Days

If this Policy has been in effect for less than 120 days, we may cancel this Policy by mailing or delivering to you, the "contractor", any involved governmental authority or other contracting party designated in the Declarations and the agent, if any, at the respective mailing addresses last known to us, written notice of cancellation at least 60 days before the effective date of cancellation.

c. Cancellation of Policies In Effect for 120 Days or More

If this Policy has been in effect for 120 days or more, or if this Policy is a renewal or continuation of a policy we issued, we may cancel this Policy by mailing or delivering to you, the "contractor", any involved governmental authority or other contracting party designated in the Declarations and the agent, if any, at the respective mailing addresses last known to us, written notice of cancellation at least 60 days before the effective date of cancellation.

~~(1) At least 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or~~

~~(2) At least 30 days before the effective date of cancellation if we cancel for any other reason.~~

We may only cancel this Policy based on one or more of the following reasons:

(1) Nonpayment of premium.

(2) Material misrepresentation of fact which if known to us, would have caused us not to issue the Policy.

(3) Substantial change in the risk assumed, except to the extent that:

(a) We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or

(b) We should reasonably have foreseen the change or contemplated the risk in writing the Policy.

(4) Substantial breaches of contractual duties, conditions or warranties.

(5) Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this item (5), we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

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e. If this Policy is cancelled, any unearned premium will be refunded. 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.

f. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Any **When We Do Not Renew** Condition is deleted and replaced by the following:

**NONRENEWAL**

1. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

2. If we decide not to renew this Policy, we will:

a. Mail or deliver written notice of nonrenewal to you, the "contractor", any involved governmental authority or other contracting party designated in the Declarations and the agent, if any, before:

(1) The expiration date of this Policy, if the Policy is written for a term of one year or less; or

(2) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

b. Provide at least:

~~(1) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or~~

~~(2) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.~~

3. The notice will be mailed or delivered to you, the "contractor", any involved governmental authority or other contracting party designated in the Declarations and the agent at their last known addresses. Proof mailing will be sufficient proof of notice.

4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## SOUTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

### UNDERGROUND STORAGE TANK POLICY

A. Condition **10. Cancellation** (Section **IV** – Conditions) is replaced by the following:

#### **10. Cancellation**

- a. The first Named Insured may cancel this Policy by mailing or delivering to us advance written notice of cancellation.
- b. If this Policy has been in effect for less than 120 days, we may cancel this Policy by sending by certified mail, or delivering to you and the agent, if any, a written notice, stating the precise reason(s) for cancellation, at the last mailing addresses known to us.

Cancellation will be effective:

- (1) 10 days after you receive notice of cancellation if we cancel for nonpayment of premium;
- (2) 30 days after you receive notice of cancellation if we cancel for material misrepresentation by you; or
- (3) 60 days after you receive notice of cancellation if we cancel for any other reason,

unless we specify a later date in our notice as the effective date of cancellation.

- c. If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy:

- (1) Only for one or more of the following reasons:
  - (a) Nonpayment of premium;
  - (b) Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;

- (c) Substantial change in the risk assumed, except to the extent that:

- (i) We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or

- (ii) We should reasonably have foreseen the change or contemplated the risk in writing the Policy;

- (d) Substantial breaches of contractual duties, conditions or warranties; or

- (e) Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in paragraph (e), we will notify the Commissioner, in writing, at least 90 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action; and

- (2) By sending by certified mail, or delivering, to you and the agent, if any, a written notice, stating the precise reason(s) for cancellation, at the last mailing addresses known to us.

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Cancellation will be effective:

- (a) 10 days after you receive notice of cancellation if we cancel for nonpayment of premium;
- (b) 30 days after you receive notice of cancellation if we cancel for material misrepresentation by you; or
- (c) 60 days after you receive notice of cancellation if we cancel for any other permissible reason,

unless we specify a later date in our notice as the effective date of cancellation.

- d. 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 the first Named Insured cancels, 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 11. Nonrenewal (Section IV – Conditions) is replaced by the following:**

**11. Nonrenewal**

- a. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

b. If we decide not to renew this Policy, we will:

- (1) Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:

- (a) The expiration date of this Policy, if the Policy is written for a term of one year or less; or

- (b) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

- (2) Provide at least:

\_\_\_\_\_ ~~(a) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or~~

\_\_\_\_\_ ~~(b) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.~~

- c. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

- d. We will send our nonrenewal notice by certified mail, or deliver it, to you and the agent, if any, at the last mailing addresses known to us.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## SOUTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

ELECTRONIC DATA LIABILITY COVERAGE PART  
PRODUCT WITHDRAWAL COVERAGE PART

A. Paragraphs 2. and 3. of **Cancellation** Common Policy Condition are replaced by the following:

2. We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:

- a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- b. 30 days before the effective date of cancellation if we cancel for any other reason.

3. We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

B. The following is added to the **Cancellation** Common Policy Condition:

**7. Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- a. Nonpayment of premium;
- b. Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;
- c. Substantial change in the risk assumed, except to the extent that:
  - (1) We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
  - (2) We should reasonably have foreseen the change or contemplated the risk in writing the Policy;
- d. Substantial breaches of contractual duties, conditions or warranties; or

e. Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Item e., we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

C. The following is added and supersedes any provisions to the contrary:

**NONRENEWAL**

1. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

2. If we decide not to renew this Policy, we will:

a. Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:

(1) The expiration date of this Policy, if the Policy is written for a term of one year or less; or

(2) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

b. Provide at least:

——— (1) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or

~~(2) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.~~

3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME POLICY  
EMPLOYEE THEFT AND FORGERY POLICY  
GOVERNMENT CRIME POLICY  
GOVERNMENT EMPLOYEE THEFT AND FORGERY POLICY  
KIDNAP/RANSOM AND EXTORTION POLICY

**A. Paragraphs (2) and (3) of the Cancellation Of Policy Condition are replaced by the following:**

(2) We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:

(a) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

(b) 30 days before the effective date of cancellation if we cancel for any other reason.

(3) We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

**B. The following is added to the Cancellation Of Policy Condition:**

**(7) Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

(a) Nonpayment of premium;

(b) Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;

(c) Substantial change in the risk assumed, except to the extent that:

i. We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or

ii. We should reasonably have foreseen the change or contemplated the risk in writing the Policy;

(d) Substantial breaches of contractual duties, conditions or warranties; or

(e) Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Paragraph B.(7)(e), we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

**C. The following is added and supersedes any other provision to the contrary:**

**Nonrenewal**

1. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.



2. If we decide not to renew this Policy, we will:

a. Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:

(1) The expiration date of this Policy, if the Policy is written for a term of one year or less; or

(2) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

b. Provide at least:

~~(1) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or~~

~~(2) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.~~

3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA 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. Paragraphs 2., 3. and 4. of the Cancellation Common Policy Condition are replaced by the following:**

- 2.** We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:
  - a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - b.** 30 days before the effective date of cancellation if we cancel for any other reason.
- 3.** We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.
- 4.** Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

If this Policy is canceled during the first 60 days, and is not a renewal or a continuation policy, the cancellation will be effective only on or after the 61st day of the policy period.

**B. The following is added to the Cancellation Common Policy Condition:**

**7. Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- a.** Nonpayment of premium;

**b.** Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;

**c.** Substantial change in the risk assumed, except to the extent that:

**(1)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or

**(2)** We should reasonably have foreseen the change or contemplated the risk in writing the Policy;

**d.** Substantial breaches of contractual duties, conditions or warranties; or

**e.** Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Item **e.**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

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

**WHEN WE DO NOT RENEW**

1. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.
2. If we decide not to renew this Policy, we will:
  - a. Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:
    - (1) The expiration date of this Policy, if the Policy is written for a term of one year or less; or
    - (2) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

b. Provide at least:

- \_\_\_\_\_ ~~(1) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or~~
- \_\_\_\_\_ ~~(2) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.~~
3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
  4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## SOUTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

### COMMERCIAL EXCESS LIABILITY COVERAGE PART

A. Paragraphs **b.**, **c.** and **d.** of Paragraph **5.** **Cancellation of Section III – Conditions** are replaced by the following:

**b.** We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:

- (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (2) 30 days before the effective date of cancellation if we cancel for any other reason.

**c.** We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

**d.** Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

If this Policy is canceled during the first 60 days, and is not a renewal or a continuation policy, the cancellation will be effective only on or after the 61st day of the policy period.

B. The following is added to Paragraph **5.** **Cancellation of Section III – Conditions:**

**g. Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- (1) Nonpayment of premium;
- (2) Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;

(3) Substantial change in the risk assumed, except to the extent that:

(a) We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or

(b) We should reasonably have foreseen the change or contemplated the risk in writing the Policy;

(4) Substantial breaches of contractual duties, conditions or warranties; or

(5) Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Item (5), we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

C. Paragraph **13. When We Do Not Renew of Section III – Conditions** is replaced by the following:

**WHEN WE DO NOT RENEW**

1. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

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2. If we decide not to renew this Policy, we will:

a. Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:

(1) The expiration date of this Policy, if the Policy is written for a term of one year or less; or

(2) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

b. Provide at least:

~~(1) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or (2) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.~~

3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

COMMERCIAL CYBER INSURANCE POLICY  
INFORMATION SECURITY PROTECTION CYBER POLICY

**A. Paragraphs b. and c. of 1. Cancellation under C. Cancellation And Nonrenewal in Section VIII – Conditions are replaced by the following:**

**b.** We may cancel this Policy by mailing or delivering to the "named insured" and the agent, if any, written notice of cancellation at least:

- (1)** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (2)** 30 days before the effective date of cancellation if we cancel for any other reason.

**c.** We will mail or deliver our notice to the "named insured's" and agent's last known addresses.

**B. The following is added to 1. Cancellation under C. Cancellation And Nonrenewal in Section VIII – Conditions:**

**g. Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- (1)** Nonpayment of premium;
- (2)** Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;
- (3)** Substantial change in the risk assumed, except to the extent that:
  - (a)** We had notice of the risk within the first 120 days of the "policy period" and this is not a renewal or continuation of a policy we issued; or
  - (b)** We should reasonably have foreseen the change or contemplated the risk in writing the Policy;
- (4)** Substantial breaches of contractual duties, conditions or warranties; or
- (5)** Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Paragraph **(5)**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

**C. Paragraph 2. Nonrenewal under C. Cancellation And Nonrenewal in Section VIII – Conditions is replaced by the following:**

**2. Nonrenewal**

- a.** We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

b. If we decide not to renew this Policy, we will:

(1) Mail or deliver written notice of nonrenewal to the "named insured" and agent, if any, before:

(a) The expiration date of this Policy, if the Policy is written for a term of one year or less; or

(b) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

(2) Provide at least:

\_\_\_\_\_ ~~(a) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or~~

\_\_\_\_\_ ~~(b) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.~~

c. Any notice of nonrenewal will be mailed or delivered to the "named insured's" and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

d. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

### **FARM UMBRELLA LIABILITY POLICY**

**A.** Paragraphs **2.**, **3.** and **4.** of the **Cancellation** Common Policy Condition are replaced by the following:

**2.** We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:

- a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- b.** 30 days before the effective date of cancellation if we cancel for any other reason.

**3.** We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

**4.** Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

If this Policy is canceled during the first 60 days, and is not a renewal or a continuation policy, the cancellation will be effective only on or after the 61st day of the policy period.

**B.** The following is added to the **Cancellation** Common Policy Condition:

#### **7. Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- a.** Nonpayment of premium;
- b.** Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;

**c.** Substantial change in the risk assumed, except to the extent that:

**(1)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or

**(2)** We should reasonably have foreseen the change or contemplated the risk in writing the Policy;

**d.** Substantial breaches of contractual duties, conditions or warranties; or

**e.** Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Item **e.**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

**C.** The following condition is added and supersedes any other provision to the contrary:

#### **NONRENEWAL**

**1.** We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

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2. If we decide not to renew this Policy, we will:

a. Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:

(1) The expiration date of this Policy, if the Policy is written for a term of one year or less; or

(2) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

b. Provide at least:

~~(1) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or~~

~~(2) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.~~

3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL FLOOD POLICY**

**A. Paragraph B.1.c. of Covered Cause Of Loss – Flood is replaced by the following:**

- c.** Mudslides or mudflows which are caused by flooding as defined in **B.1.a.** or **B.1.b.** above. For the purpose of this Covered Cause of Loss, a mudslide or mudflow means a river of liquid and flowing mud on the surfaces of normally dry land areas as when earth is carried by a current of water. Other earth movements, such as landslide, slope failure, or a saturated soil mass moving by liquidity down a slope, are not mudslides or mudflows.

**B. The Legal Action Against Us Condition is replaced by the following:**

**4. Legal Action Against Us**

No one may bring a legal action against us under this Policy unless there has been full compliance with all of the terms of this Policy and the action is brought within one year after the date of a written denial of all or part of the claim.

**C. Paragraphs a., b. and c. of the Cancellation Condition are replaced by the following:**

- a.** The first Named Insured shown in the Declarations may cancel this Policy, for any of the reasons below, by mailing or delivering to us advance written notice of cancellation for any of the following reasons:

- (1)** A property closing did not occur for the property to be insured by this Policy;
- (2)** Flood insurance is not required by the mortgageholder due to a revised zone determination by the mortgageholder;
- (3)** Flood insurance is no longer required by the mortgageholder because the property is no longer in a special flood hazard area due to physical map revision;
- (4)** Flood insurance is no longer required by the mortgageholder for a detached structure;

- (5)** The mortgage for the property insured by this Policy is paid off;

- (6)** Flood insurance is no longer required based on review of lender's determination by means of a letter of determination review; or

- (7)** Flood insurance is no longer required by the mortgageholder because the building is determined to be outside of the special flood hazard area by means of a letter of map amendment.

- b.** We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation 45 days before the effective date of cancellation.

- c.** We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

**D. The following is added to the Cancellation Condition:**

**g. Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- (1)** Nonpayment of premium;
- (2)** Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;
- (3)** Substantial change in the risk assumed, except to the extent that:
  - (a)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
  - (b)** We should reasonably have foreseen the change or contemplated the risk in writing the Policy;

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- (4) Substantial breaches of contractual duties, conditions or warranties; or
- (5) Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Paragraph (5), we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

E. The **Nonrenewal** Condition is replaced by the following:

#### 11. Nonrenewal

- a. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.
- b. If we decide not to renew this Policy, we will:
  - (1) Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:
    - (a) The expiration date of this Policy, if the Policy is written for a term of one year or less; or

- (b) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

(2) Provide at least:

- ~~(a) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or~~
- ~~(b) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.~~

c. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

d. Any notice of nonrenewal will state the precise reason for nonrenewal.

F. Paragraph f. of the **Mortgageholders** Condition is replaced by the following:

- f. If we cancel this Policy, we will give written notice to the mortgageholder at least 45 days before the effective date of cancellation.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## SOUTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

### FARM EXCESS LIABILITY POLICY

A. Paragraphs **b.**, **c.** and **d.** of Condition **15. Cancellation** under **Section III – Conditions** are replaced by the following:

**b.** We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:

- (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (2) 30 days before the effective date of cancellation if we cancel for any other reason.

**c.** We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

**d.** Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

If this Policy is canceled during the first 60 days, and is not a renewal or a continuation policy, the cancellation will be effective only on or after the 61st day of the policy period.

B. The following is added to the **Cancellation** Condition:

**g. Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- (1) Nonpayment of premium;
- (2) Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;

(3) Substantial change in the risk assumed, except to the extent that:

(a) We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or

(b) We should reasonably have foreseen the change or contemplated the risk in writing the Policy;

(4) Substantial breaches of contractual duties, conditions or warranties; or

(5) Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Item (5), we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

C. The following Condition is added and supersedes any other provision to the contrary:

**NONRENEWAL**

1. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

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2. If we decide not to renew this Policy, we will:

a. Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:

(1) The expiration date of this Policy, if the Policy is written for a term of one year or less; or

(2) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

b. Provide at least:

~~(1) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or~~

~~(2) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.~~

3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

FINANCIAL INSTITUTION CRIME POLICY FOR FINANCE COMPANIES  
FINANCIAL INSTITUTION CRIME POLICY FOR INSURANCE COMPANIES  
FINANCIAL INSTITUTION CRIME POLICY FOR MORTGAGE BANKERS  
FINANCIAL INSTITUTION CRIME POLICY FOR SECURITIES BROKERS AND DEALERS

**A. Paragraphs a.(2) and a.(3) of the Policy Cancellation Or Termination Condition are replaced by the following:**

(2) We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:

(a) 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or

(b) 30 days before the effective date of cancellation, if we cancel for any other reason.

(3) We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

**B. The following is added to Paragraph a. of the Policy Cancellation Or Termination Condition:**

**(7) Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

(a) Nonpayment of premium;

(b) Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;

(c) Substantial change in the risk assumed, except to the extent that:

(i) We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or

(ii) We should reasonably have foreseen the change or contemplated the risk in writing the Policy;

(d) Substantial breaches of contractual duties, conditions or warranties; or

(e) Loss of our reinsurance covering all or a significant portion of the particular policy insured or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Paragraph **B.a.(7)(e)**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

**C. The following condition is added to Section E. Conditions and supersedes any other provisions to the contrary:**

**Nonrenewal**

1. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

2. If we decide not to renew this Policy, we will:

a. Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:

(1) The expiration date of this Policy, if the Policy is written for a term of one year or less; or

(2) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

b. Provide at least:

~~\_\_\_\_\_ (1) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or~~

~~\_\_\_\_\_ (2) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.~~

3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

### **FINANCIAL INSTITUTION CRIME POLICY FOR INVESTMENT COMPANIES**

**A. The following are added to Paragraph a.(2) of the Policy Cancellation Or Termination Condition:**

**(c) Cancellation Of Policies In Effect For Less Than 120 Days**

- (i) We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, to all "investment companies" named in the Declarations and to the Securities and Exchange Commission, Washington, D.C., written notice of cancellation at least 60 days before the effective date of cancellation.

**(d) Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- (i) Nonpayment of premium;
- (ii) Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;
- (iii) Substantial change in the risk assumed, except to the extent that:
- ~~(1i.)~~ We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
- ~~(2ii.)~~ We should reasonably have foreseen the change or contemplated the risk in writing the Policy;
- (iv) Substantial breaches of contractual duties, conditions or warranties; or

- (v) Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Paragraph **A.(d)(v)**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

**B. The following condition is added to Section E. Conditions and supersedes any other provisions to the contrary:**

**Nonrenewal**

1. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.
2. If we decide not to renew this Policy, we will:
  - a. Mail or deliver written notice of nonrenewal to the first Named Insured, to all "investment companies" named in the Declarations and to the Securities and Exchange Commission, Washington, D.C., and agent, if any, before:
    - (1) The expiration date of this Policy, if the Policy is written for a term of one year or less; or
    - (2) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

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b. Provide at least:

- ~~\_\_\_\_\_ (1) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or~~
- ~~\_\_\_\_\_ (2) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.~~

3. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

### **FINANCIAL INSTITUTION CRIME POLICY FOR CREDIT UNIONS**

**A. Paragraphs a.(2) and a.(3) of the Policy Cancellation Or Termination Condition are replaced by the following:**

**(2)** We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:

**(a)** 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or

**(b)** 30 days before the effective date of cancellation, if we cancel for any other reason.

**(3)** We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

**B. The following is added to Paragraph a. of the Policy Cancellation Or Termination Condition:**

**(8) Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

**(a)** Nonpayment of premium;

**(b)** Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;

**(c)** Substantial change in the risk assumed, except to the extent that:

**(i)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or

**(ii)** We should reasonably have foreseen the change or contemplated the risk in writing the Policy;

**(d)** Substantial breaches of contractual duties, conditions or warranties; or

**(e)** Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Paragraph **B.a.(8)(e)**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

**C. The following condition is added to Section E. Conditions and supersedes any other provisions to the contrary:**

**Nonrenewal**

**1.** We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

**2.** If we decide not to renew this Policy, we will:

**a.** Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:

**(1)** The expiration date of this Policy, if the Policy is written for a term of one year or less; or

**(2)** An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

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b. Provide at least:

\_\_\_\_\_ ~~(1) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or~~

\_\_\_\_\_ ~~(2) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.~~

3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

4. Any notice of nonrenewal will state the precise reason for nonrenewal.

5. We will provide written notice of nonrenewal to the first Named Insured's state or federal supervisory authority, including the National Credit Union Administration, when required.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

FINANCIAL INSTITUTION BOND – BANKS AND SAVINGS INSTITUTIONS (AGGREGATE AND NONAGGREGATE FORMS)

- A.** Paragraphs **1.b.** and **1.c.** of the **Cancellation Or Termination** Condition are replaced by the following:
- b.** The Company may cancel this Bond by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:
    - (1)** 10 days before the effective date of cancellation if the Company cancels for nonpayment of premium; or
    - (2)** 30 days before the effective date of cancellation if the Company cancels for any other reason.
  - c.** The Company will mail or deliver the Company notice to the first Named Insured's and agent's last known addresses.
- B.** The following is added to Paragraph **1.** of the **Cancellation Or Termination** Condition:
- g. Cancellation Of Bonds In Effect For 120 Days Or More**
- If this Bond has been in effect for 120 days or more, or is a renewal or continuation of a bond the Company issued, the Company may cancel this Bond only for one or more of the following reasons:
- (1)** Nonpayment of premium;
  - (2)** Material misrepresentation of fact which, if known to the Company, would have caused the Company not to issue the Bond;
  - (3)** Substantial change in the risk assumed, except to the extent that:
    - (a)** The Company had notice of the risk within the first 120 days of the Bond Period and this is not a renewal or continuation of a bond the Company issued; or
    - (b)** The Company should reasonably have foreseen the change or contemplated the risk in writing the Bond;
  - (4)** Substantial breaches of contractual duties, conditions or warranties; or
  - (5)** Loss of the Company reinsurance covering all or a significant portion of the particular bond insured or where continuation of the Bond would imperil the Company's solvency or place the Company in violation of the insurance laws of South Carolina.
- Prior to cancellation for reasons permitted in this Paragraph **B.1.g.(5)**, the Company will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.
- Any notice of cancellation will state the precise reason for cancellation.
- C.** The following condition is added to Section **VI. Conditions** and supersedes any other provisions to the contrary:
- Nonrenewal**
- 1.** The Company will not refuse to renew a bond issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.
  - 2.** If the Company decides not to renew this Bond, the Company will:
    - a.** Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:
      - (1)** The expiration date of this Bond, if the Bond is written for a term of one year or less; or

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(2) An anniversary date of this Bond, if the Bond is written for a term of more than one year or for an indefinite term; and

b. Provide at least:

\_\_\_\_ (1) 60 days' notice of nonrenewal, ~~when nonrenewal is to become effective between November 1 and May 31; or~~

\_\_\_\_ (2) 90 days' notice of nonrenewal, ~~when nonrenewal is to become effective between June 1 and October 31.~~

3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

FINANCIAL INSTITUTION COMPUTER CRIME POLICY  
FINANCIAL INSTITUTION KIDNAP AND RANSOM POLICY

- A.** Paragraphs **1.b.** and **1.c.** of the **Cancellation Or Termination** Condition are replaced by the following:
- b.** The Company may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:
    - (1)** 10 days before the effective date of cancellation if the Company cancels for nonpayment of premium; or
    - (2)** 30 days before the effective date of cancellation if the Company cancels for any other reason.
  - c.** The Company will mail or deliver the Company notice to the first Named Insured's and agent's last known addresses.
- B.** The following is added to Paragraph **1.** of the **Cancellation Or Termination** Condition:
- g. Cancellation Of Policies In Effect For 120 Days Or More**
- If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy the Company issued, the Company may cancel this Policy only for one or more of the following reasons:
- (1)** Nonpayment of premium;
  - (2)** Material misrepresentation of fact which, if known to the Company, would have caused the Company not to issue the Policy;
  - (3)** Substantial change in the risk assumed, except to the extent that:
    - (a)** The Company had notice of the risk within the first 120 days of the Policy Period and this is not a renewal or continuation of a policy the Company issued; or
    - (b)** The Company should reasonably have foreseen the change or contemplated the risk in writing the Policy;
  - (4)** Substantial breaches of contractual duties, conditions or warranties; or
  - (5)** Loss of the Company reinsurance covering all or a significant portion of the particular policy insured or where continuation of the Policy would imperil the Company solvency or place the Company in violation of the insurance laws of South Carolina.
- Prior to cancellation for reasons permitted in this Paragraph **B.1.g.(5)**, the Company will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.
- Any notice of cancellation will state the precise reason for cancellation.
- C.** The following condition is added to Section **VI. Conditions** and supersedes any other provisions to the contrary:
- Nonrenewal**
- 1.** The Company will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.
  - 2.** If the Company decides not to renew this Policy, the Company will:
    - a.** Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:
      - (1)** The expiration date of this Policy, if the Policy is written for a term of one year or less; or

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(2) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

b. Provide at least:

~~(1) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or~~

~~(2) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.~~

3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

### **HOME HEALTHCARE COVERAGE PART**

**A.** Paragraphs **2.** and **3.** of **I. Cancellation** under **Section V – Conditions** are replaced by the following:

**2.** We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:

- a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- b.** 30 days before the effective date of cancellation if we cancel for any other reason.

**3.** We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

**B.** The following is added to Paragraph **I. Cancellation** under **Section V – Conditions**:

**7. Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- a.** Nonpayment of premium;
- b.** Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;
- c.** Substantial change in the risk assumed, except to the extent that:
  - (1)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
  - (2)** We should reasonably have foreseen the change or contemplated the risk in writing the Policy;
- d.** Substantial breaches of contractual duties, conditions or warranties; or

**e.** Loss of our reinsurance covering all or a significant portion of the particular Policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Item **e.**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

**C.** Paragraph **G. When We Do Not Renew** under **Section V – Conditions** is replaced by the following:

**G. When We Do Not Renew**

- 1.** We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.
- 2.** If we decide not to renew this Policy, we will:
  - a.** Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:
    - (1)** The expiration date of this Policy, if the Policy is written for a term of one year or less; or
    - (2)** An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and



b. Provide at least:

- ~~\_\_\_\_\_ (1) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or~~
- ~~\_\_\_\_\_ (2) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.~~

- 3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
- 4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

### **INSURANCE AGENTS AND BROKERS PROFESSIONAL LIABILITY POLICY**

**A.** Paragraphs **2.** and **3.** under **K. Cancellation** of **Section VI – Conditions** are replaced by the following:

**2.** We may cancel this Policy by mailing or delivering to the first "named insured" and the agent, if any, written notice of cancellation at least:

- a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- b.** 30 days before the effective date of cancellation if we cancel for any other reason.

**3.** We will mail or deliver our notice to the first "named insured's" and agent's last known addresses.

**B.** The following is added to Paragraph **K. Cancellation** of **Section VI – Conditions**:

**7.** If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- a.** Nonpayment of premium;
- b.** Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;
- c.** Substantial change in the risk assumed, except to the extent that:
  - (1)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
  - (2)** We should reasonably have foreseen the change or contemplated the risk in writing the Policy;
- d.** Substantial breaches of contractual duties, conditions or warranties; or

**e.** Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Paragraph **e.**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

**C.** Paragraph **L.** of **Section VI – Conditions** is replaced by the following:

#### **L. When We Do Not Renew**

**1.** We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

**2.** If we decide not to renew this Policy, we will:

- a.** Mail or deliver written notice of nonrenewal to the first "named insured" and agent, if any, before:
  - (1)** The expiration date of this Policy, if the Policy is written for a term of one year or less; or
  - (2)** An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

b. Provide at least:

~~(1) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or~~

~~(2) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.~~

3. Any notice of nonrenewal will be mailed or delivered to the first "named insured's" and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
 COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 COMMERCIAL INLAND MARINE COVERAGE PART  
 COMMERCIAL PROPERTY COVERAGE PART  
 CRIME AND FIDELITY COVERAGE PART  
 EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
 EQUIPMENT BREAKDOWN COVERAGE PART  
 FARM COVERAGE PART  
 LIQUOR LIABILITY COVERAGE PART  
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
 POLLUTION LIABILITY COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

**A.** Paragraphs **2.** and **3.** of **Cancellation** Common Policy Condition are replaced by the following:

**2.** We may cancel this policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:

- a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- b.** 30 days before the effective date of cancellation if we cancel for any other reason.

**3.** We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

**B.** The following is added to the **Cancellation** Common Policy Condition:

**7. Cancellation Of Policies In Effect For 120 Days Or More**

If this policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this policy only for one or more of the following reasons:

- a.** Nonpayment of premium;
- b.** Material misrepresentation of fact which, if known to us, would have caused us not to issue the policy;

**c.** Substantial change in the risk assumed, except to the extent that:

- (1)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
- (2)** We should reasonably have foreseen the change or contemplated the risk in writing the policy;

**d.** Substantial breaches of contractual duties, conditions or warranties; or

**e.** Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Item **e.**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

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- C. The following is added and supersedes any provisions to the contrary:

**Nonrenewal**

1. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.
2. If we decide not to renew this policy, we will:
  - a. Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:
    - (1) The expiration date of this policy, if the policy is written for a term of one year or less; or
    - (2) An anniversary date of this policy, if the policy is written for a term of more than one year or for an indefinite term; and

- b. Provide at least:

- ~~\_\_\_\_\_ (1) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or~~
- ~~\_\_\_\_\_ (2) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.~~
3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
  4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

### **LAWYERS PROFESSIONAL LIABILITY POLICY**

**A. Paragraphs L.2. and L.3. of Section VI – Conditions are replaced by the following:**

**L. Cancellation**

2. We may cancel this Policy by mailing or delivering to the first "named insured" and the agent, if any, written notice of cancellation at least:
  - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first "named insured's" and agent's last known addresses.

**B. The following is added to Paragraph L. of Section VI – Conditions:**

**L. Cancellation**

7. If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:
  - a. Nonpayment of premium;
  - b. Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;
  - c. Substantial change in the risk assumed, except to the extent that:
    - (1) We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
    - (2) We should reasonably have foreseen the change or contemplated the risk in writing the Policy;
  - d. Substantial breaches of contractual duties, conditions or warranties; or

- e. Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Item e., we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

**C. Paragraph M. of Section VI – Conditions is replaced by the following:**

**M. When We Do Not Renew**

1. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.
2. If we decide not to renew this Policy, we will:
  - a. Mail or deliver written notice of nonrenewal to the first "named insured" and agent, if any, before:
    - (1) The expiration date of this Policy, if the Policy is written for a term of one year or less; or
    - (2) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and
  - b. Provide at least:
    - (1) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or

~~(2) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.~~

3. Any notice of nonrenewal will be mailed or delivered to the first "named insured's" and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

### **MISCELLANEOUS PROFESSIONAL LIABILITY POLICY**

- A. Paragraphs b. and c. of 1. Cancellation under C. Cancellation And Nonrenewal of Section IX – Conditions are replaced by the following:**

b. "We" may cancel this Policy by mailing or delivering to the "named insured" and the agent, if any, written notice of cancellation at least:

- (1) 10 days before the effective date of cancellation if "we" cancel for nonpayment of premium; or
- (2) 30 days before the effective date of cancellation if "we" cancel for any other reason.

c. "We" will mail or deliver our notice to the "named insured's" and agent's last known addresses.

- B. The following is added to Paragraph C.1. Cancellation under C. Cancellation And Nonrenewal of Section IX – Conditions:**

g. If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy "we" issued, "we" may cancel this Policy only for one or more of the following reasons:

- (1) Nonpayment of premium;
- (2) Material misrepresentation of fact which, if known to "us", would have caused "us" not to issue the Policy;
- (3) Substantial change in the risk assumed, except to the extent that:
  - (a) "We" had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
  - (b) "We" should reasonably have foreseen the change or contemplated the risk in writing the Policy;
- (4) Substantial breaches of contractual duties, conditions or warranties; or
- (5) Loss of "our" reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil "our" solvency or place "us" in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Paragraph (5), "we" will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

- C. Paragraph 2. Nonrenewal under C. Cancellation And Nonrenewal of Section IX – Conditions is replaced by the following:**

#### **2. Nonrenewal**

a. "We" will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

b. If "we" decide not to renew this Policy, "we" will:

- (1) Mail or deliver written notice of nonrenewal to the "named insured" and agent, if any, before:
  - (a) The expiration date of this Policy, if the Policy is written for a term of one year or less; or
  - (b) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and



(2) Provide at least:

\_\_\_\_\_ ~~(a) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or~~

\_\_\_\_\_ ~~(b) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.~~

- c. Any notice of nonrenewal will be mailed or delivered to the "named insured's" and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
- d. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under this Policy's Liability Coverage Parts.

**A. Paragraphs b. and c. of 1. Cancellation under D. Cancellation And Nonrenewal of Section VII – Conditions of the Liability Coverage Parts Common Policy Terms And Conditions are replaced by the following:**

**b.** We may cancel this Policy by mailing or delivering to the "named insured" and the agent, if any, written notice of cancellation at least:

**(1)** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

**(2)** 30 days before the effective date of cancellation if we cancel for any other reason.

**c.** We will mail or deliver our notice to the "named insured's" and agent's last known addresses.

**B. The following is added to Paragraph D.1. Cancellation under D. Cancellation And Nonrenewal of Section VII – Conditions of the Liability Coverage Parts Common Policy Terms And Conditions:**

**g.** If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

**(1)** Nonpayment of premium;

**(2)** Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;

**(3)** Substantial change in the risk assumed, except to the extent that:

**(a)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or

**(b)** We should reasonably have foreseen the change or contemplated the risk in writing the Policy;

**(4)** Substantial breaches of contractual duties, conditions or warranties; or

**(5)** Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Paragraph **(5)**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

**C. Paragraph 2. Nonrenewal under D. Cancellation And Nonrenewal of Section VII – Conditions of the Liability Coverage Parts Common Policy Terms And Conditions is replaced by the following:**

### **2. Nonrenewal**

**a.** We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

**b.** If we decide not to renew this Policy, we will:

**(1)** Mail or deliver written notice of nonrenewal to the "named insured" and agent, if any, before:

**(a)** The expiration date of this Policy, if the Policy is written for a term of one year or less; or

**(b)** An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

(2) Provide at least:

\_\_\_\_\_ ~~(a) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or~~

\_\_\_\_\_ ~~(b) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.~~

- c. Any notice of nonrenewal will be mailed or delivered to the "named insured's" and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
- d. Any notice of nonrenewal will state the precise reason for nonrenewal.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## SOUTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

EXECUTIVE LIABILITY COVERAGE PART  
FIDUCIARY LIABILITY COVERAGE PART  
FINANCIAL INSTITUTIONS EXECUTIVE LIABILITY COVERAGE PART  
NOT-FOR-PROFIT MANAGEMENT LIABILITY COVERAGE PART

A. Paragraphs 2. and 3. of **Cancellation** Common Policy Condition are replaced by the following:

2. We may cancel this Policy by mailing or delivering to the Named Organization and the agent, if any, written notice of cancellation at least:

- a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- b. 30 days before the effective date of cancellation if we cancel for any other reason.

3. We will mail or deliver our notice to the Named Organization's and agent's last known addresses.

B. The following is added to the **Cancellation** Common Policy Condition:

**7. Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- a. Nonpayment of premium;
- b. Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;
- c. Substantial change in the risk assumed, except to the extent that:
  - (1) We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
  - (2) We should reasonably have foreseen the change or contemplated the risk in writing the Policy;

d. Substantial breaches of contractual duties, conditions or warranties; or

e. Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Item e., we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

C. The following is added and supersedes any provisions to the contrary:

**NONRENEWAL**

1. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

2. If we decide not to renew this Policy, we will:

a. Mail or deliver written notice of nonrenewal to the Named Organization and agent, if any, before:

- (1) The expiration date of this Policy, if the Policy is written for a term of one year or less; or
- (2) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

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b. Provide at least:

- ~~\_\_\_\_\_ (1) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or~~
- ~~\_\_\_\_\_ (2) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.~~

3. Any notice of nonrenewal will be mailed or delivered to the Named Organization's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

### **REAL ESTATE AGENTS AND BROKERS PROFESSIONAL LIABILITY POLICY**

**A.** Paragraphs **2.** and **3.** under **K. Cancellation** of **Section VI – Conditions** are replaced by the following:

**2.** We may cancel this Policy by mailing or delivering to the first "named insured" and the agent, if any, written notice of cancellation at least:

- a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- b.** 30 days before the effective date of cancellation if we cancel for any other reason.

**3.** We will mail or deliver our notice to the first "named insured's" and agent's last known addresses.

**B.** The following is added to Paragraph **K. Cancellation** of **Section VI – Conditions**:

**7.** If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- a.** Nonpayment of premium;
- b.** Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;
- c.** Substantial change in the risk assumed, except to the extent that:
  - (1)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
  - (2)** We should reasonably have foreseen the change or contemplated the risk in writing the Policy;
- d.** Substantial breaches of contractual duties, conditions or warranties; or

**e.** Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Paragraph **e.**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

**C.** Paragraph **L.** of **Section VI – Conditions** is replaced by the following:

#### **L. When We Do Not Renew**

**1.** We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

**2.** If we decide not to renew this Policy, we will:

**a.** Mail or deliver written notice of nonrenewal to the first "named insured" and agent, if any, before:

- (1)** The expiration date of this Policy, if the Policy is written for a term of one year or less; or
- (2)** An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

b. Provide at least:

- ~~\_\_\_\_\_ (1) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or~~
- ~~\_\_\_\_\_ (2) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.~~

- 3. Any notice of nonrenewal will be mailed or delivered to the first "named insured's" and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
- 4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

### **AGRICULTURAL CAPITAL ASSETS (OUTPUT POLICY) COVERAGE PART**

**A.** Paragraphs **2.** and **3.** of **Cancellation** Common Policy Condition are replaced by the following:

**2.** We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:

- a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- b.** 30 days before the effective date of cancellation if we cancel for any other reason.

**3.** We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

**B.** The following is added to the **Cancellation** Common Policy Condition:

**7. Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- a.** Nonpayment of premium;
- b.** Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;
- c.** Substantial change in the risk assumed, except to the extent that:
  - (1)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
  - (2)** We should reasonably have foreseen the change or contemplated the risk in writing the Policy;
- d.** Substantial breaches of contractual duties, conditions or warranties; or

**e.** Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Paragraph **e.**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

**C.** The following is added and supersedes any provisions to the contrary:

**NONRENEWAL**

**1.** We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

**2.** If we decide not to renew this Policy, we will:

**a.** Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:

- (1)** The expiration date of this Policy, if the Policy is written for a term of one year or less; or
- (2)** An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

**b.** Provide at least 60 days' notice of nonrenewal.



3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

4. Any notice of nonrenewal will state the precise reason for nonrenewal.

D. The **Legal Action Against Us** Condition is replaced by the following:

**LEGAL ACTION AGAINST US**

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and

2. The action is brought within three years after the date on which the direct physical loss or damage occurred.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM  
INFORMATION SECURITY PROTECTION ENDORSEMENT

### **SCHEDULE**

<b>Premises Number</b>	<b>Building Number</b>	<b>Agreed Value Of Building</b>	<b>Total Amount Of Insurance To Be Carried</b>
		\$	\$
		\$	\$
		\$	\$
		\$	\$
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.			

**A. Section I – Property** is amended as follows:

- Paragraph **E.4. Legal Action Against Us** Condition is replaced by the following:

**4. Legal Action Against Us**

No one may bring a legal action against us under this insurance unless:

- There has been full compliance with all of the terms of this insurance; and
- The action is brought within three years after the date on which the physical loss or damage occurred.

- The following is added to Paragraph **E.5. Loss Payment** Property Loss Condition:

For loss or damage to buildings caused by or resulting from fire or lightning, you and we agree that:

- The value of buildings described in this Policy; and
- The total amount of insurance to be carried on the buildings, including this Policy; are the amounts shown in the Schedule.

**B. Section III – Common Policy Conditions** is amended as follows:

- Paragraphs **2.** and **3.** of **A. Cancellation** are replaced by the following:

- We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:

- 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- 30 days before the effective date of cancellation if we cancel for any other reason.

- We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

2. The following is added to Paragraph **A. Cancellation:**

**7. Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- a. Nonpayment of premium;
- b. Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;
- c. Substantial change in the risk assumed, except to the extent that:
  - (1) We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
  - (2) We should reasonably have foreseen the change or contemplated the risk in writing the Policy;
- d. Substantial breaches of contractual duties, conditions or warranties; or
- e. Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Item **e.**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

3. The following is added and supersedes any provisions to the contrary:

**M. Nonrenewal**

- 1. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

2. If we decide not to renew this Policy, we will:

- a. Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:

- (1) The expiration date of this Policy, if the Policy is written for a term of one year or less; or
- (2) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

- b. Provide at least 60 days' notice of nonrenewal.

3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

4. Any notice of nonrenewal will state the precise reason for nonrenewal.

- C. The following changes apply only to Information Security Protection Endorsement **BP 15 07** if it is attached to this Policy:

Paragraph **d.** of the definition of "loss" in Paragraph **V.** is replaced by the following:

- d. With respect to Insuring Agreements **d.** Security Breach Liability and **g.** Web Site Publishing Liability, "loss" means damages, settlement amounts and costs awarded pursuant to judgments. "Loss" does not include civil or criminal fines or penalties imposed by law, the multiplied portion of multiplied damages, taxes, royalties, the amount of any disgorged profits, or matters that are uninsurable pursuant to applicable law.

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

## **SOUTH CAROLINA CHANGES – MICRO-BUSINESSOWNERS**

This endorsement modifies insurance provided under the following:

### **MICRO-BUSINESSOWNERS COVERAGE FORM**

**A. Section I – Property** is amended as follows:

Paragraph **E.4. Legal Action Against Us** Property Loss Condition is replaced by the following:

**4. Legal Action Against Us**

No one may bring a legal action against us under this insurance unless:

- a. There has been full compliance with all of the terms of this insurance; and
- b. The action is brought within three years after the date on which the physical loss or damage occurred.

**B. Section III – Common Policy Conditions** is amended as follows:

**1. Paragraphs 2. and 3. of A. Cancellation** are replaced by the following:

- 2. We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:
  - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.

- 3. We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

**2. The following is added to Paragraph A. Cancellation:**

**7. Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- a. Nonpayment of premium;

- b. Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;

- c. Substantial change in the risk assumed, except to the extent that:

- (1) We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
- (2) We should reasonably have foreseen the change or contemplated the risk in writing the Policy;

- d. Substantial breaches of contractual duties, conditions or warranties; or

- e. Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Item e., we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

- 3. The following is added and supersedes any provisions to the contrary:

**M. Nonrenewal**

- 1. If we decide not to renew this Policy, we will:

- a. Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before the expiration date of this Policy; and

- b.** Provide at least 60 days' notice of nonrenewal.
- 2.** Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
- 3.** Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA 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 the coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**A. The **Cancellation** Common Policy Condition is amended as follows:**

**1. Paragraph 2. is replaced by the following:**

- 2. We will mail or deliver to you and your agent written notice of cancellation, stating the reason(s) for cancellation, at the addresses shown in the Policy, at least:**
  - a. 10 days before the effective date of cancellation if cancellation is for nonpayment of premium; or**
  - b. 30 days before the effective date of cancellation if cancellation is for any other reason.**

**2. The following is added to Paragraph 4.:**

If this Policy is cancelled during the first 60 days, and is not a renewal or a continuation policy, the cancellation will be effective only on or after the 61st day of the policy period. However, if this Policy is cancelled for nonpayment of premium, the cancellation will become effective only on or after the 31st day of the policy period.

**3. The following is added:**

If this Policy has been in effect for more than 120 days, we may cancel this Policy only for the following reasons:

- a. Nonpayment of premium;**
- b. Material misrepresentation of fact, which if known to us would have caused us not to issue the Policy;**
- c. Substantial change in the risk assumed, except to the extent that:**
  - (1) We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or**

**(2) We should have reasonably foreseen the change or contemplated the risk in writing the Policy;**

- d. Substantial breach of contractual duties, conditions or warranties; or**
- e. Loss of our reinsurance covering all or a significant part of the particular risk insured, or where continuation of the Policy would imperil our solvency or place us in violation of the laws of South Carolina.**

**B. The following is added and supersedes any provisions to the contrary:**

### **Nonrenewal**

- 1. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.**
- 2. If we decide not to renew this Policy, we will:**
  - a. Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:**
    - (1) The expiration date of this Policy, if the Policy is written for a term of one year or less; or**
    - (2) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and**
  - b. Provide at least 60 days' notice of nonrenewal.**

3. Any notice of nonrenewal will be mailed or delivered to the address of the first Named Insured and agent, if any, shown in the Policy or, if none is shown, then to their last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

### **OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART**

1. Paragraphs **b.** and **c.** of the **Cancellation** Condition are replaced by the following:
  - b.** We may cancel this Policy by mailing or delivering to the first Named Insured, the "contractor" and the agent, if any, written notice of cancellation at least:
    - (1) 10 days before the effective date of cancellation if we cancel for non-payment of premium; or
    - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
  - c.** We will mail or deliver our notice to the first Named Insured's, the "contractor's" and the agent's last known addresses.
2. The following is added to the **Cancellation** Condition:
  - g.** If this Policy has been in effect for 120 days or more or is a renewal or continuation of a policy we issued, it may be cancelled by us for one or more of the following reasons only and in accordance with the provisions in Paragraph **b.** above:
    - (1) Nonpayment of premium.
    - (2) Material misrepresentation of fact which if known to us, would have caused us not to issue the Policy.
    - (3) Substantial change in the risk assumed, except to the extent that:
      - (a) We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
      - (b) We should reasonably have foreseen the change or contemplated the risk in writing the Policy.
    - (4) Substantial breaches of contractual duties, conditions or warranties.
- (5) Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this item (5), we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.
3. Any **When We Do Not Renew** Condition is deleted and replaced by the following:

**NONRENEWAL**

  - a.** We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.
  - b.** If we decide not to renew this policy, we will:
    - (1) Mail or deliver written notice of nonrenewal to the first Named Insured, the "contractor" and agent, if any, before:
      - (a) The expiration date of this Policy, if the Policy is written for a term of one year or less; or
      - (b) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and
    - (2) Provide at least 60 days' notice of nonrenewal.



**c.** The notice will be mailed or delivered to the first Named Insured, the "contractor" and the agent at their last known addresses. Proof of mailing will be sufficient proof of notice.

**d.** Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

### **RAILROAD PROTECTIVE LIABILITY COVERAGE PART**

**A. The Cancellation Condition (Section IV) is replaced by the following:**

#### **3. Cancellation**

**a.** You may cancel this Policy by mailing to us advance written notice of cancellation.

**b.** Cancellation of Policies In Effect For Less Than 120 Days

If this Policy has been in effect for less than 120 days, we may cancel this Policy by mailing or delivering to you, the "contractor", any involved governmental authority or other contracting party designated in the Declarations and the agent, if any, at the respective mailing addresses last known to us, written notice of cancellation at least 60 days before the effective date of cancellation.

**c.** Cancellation of Policies In Effect for 120 Days or More

If this Policy has been in effect for 120 days or more, or if this Policy is a renewal or continuation of a policy we issued, we may cancel this Policy by mailing or delivering to you, the "contractor", any involved governmental authority or other contracting party designated in the Declarations and the agent, if any, at the respective mailing addresses last known to us, written notice of cancellation at least 60 days before the effective date of cancellation.

We may only cancel this Policy based on one or more of the following reasons:

- (1)** Nonpayment of premium.
- (2)** Material misrepresentation of fact which if known to us, would have caused us not to issue the Policy.

**(3)** Substantial change in the risk assumed, except to the extent that:

**(a)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or

**(b)** We should reasonably have foreseen the change or contemplated the risk in writing the Policy.

**(4)** Substantial breaches of contractual duties, conditions or warranties.

**(5)** Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this item **(5)**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

**d.** Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

**e.** If this Policy is cancelled, any unearned premium will be refunded. 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.

- f. If notice is mailed, proof of mailing will be sufficient proof of notice.

**B. Any ~~When We Do Not Renew~~ Condition is deleted and replaced by the following:**

**NONRENEWAL**

1. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.
2. If we decide not to renew this Policy, we will:
  - a. Mail or deliver written notice of nonrenewal to you, the "contractor", any involved governmental authority or other contracting party designated in the Declarations and the agent, if any, before:
    - (1) The expiration date of this Policy, if the Policy is written for a term of one year or less; or
    - (2) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and
  - b. Provide at least 60 days' notice of nonrenewal.
3. The notice will be mailed or delivered to you, the "contractor", any involved governmental authority or other contracting party designated in the Declarations and the agent at their last known addresses. Proof mailing will be sufficient proof of notice.
4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

### **UNDERGROUND STORAGE TANK POLICY**

**A. Condition 10. Cancellation (Section IV – Conditions) is replaced by the following:**

#### **10. Cancellation**

- a.** The first Named Insured may cancel this Policy by mailing or delivering to us advance written notice of cancellation.
- b.** If this Policy has been in effect for less than 120 days, we may cancel this Policy by sending by certified mail, or delivering to you and the agent, if any, a written notice, stating the precise reason(s) for cancellation, at the last mailing addresses known to us.

Cancellation will be effective:

- (1)** 10 days after you receive notice of cancellation if we cancel for nonpayment of premium;
- (2)** 30 days after you receive notice of cancellation if we cancel for material misrepresentation by you; or
- (3)** 60 days after you receive notice of cancellation if we cancel for any other reason,

unless we specify a later date in our notice as the effective date of cancellation.

- c.** If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy:

- (1)** Only for one or more of the following reasons:

- (a)** Nonpayment of premium;
- (b)** Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;

- (c)** Substantial change in the risk assumed, except to the extent that:

- (i)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or

- (ii)** We should reasonably have foreseen the change or contemplated the risk in writing the Policy;

- (d)** Substantial breaches of contractual duties, conditions or warranties; or

- (e)** Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in paragraph **(e)**, we will notify the Commissioner, in writing, at least 90 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action; and

- (2)** By sending by certified mail, or delivering, to you and the agent, if any, a written notice, stating the precise reason(s) for cancellation, at the last mailing addresses known to us.

Cancellation will be effective:

- (a) 10 days after you receive notice of cancellation if we cancel for nonpayment of premium;
- (b) 30 days after you receive notice of cancellation if we cancel for material misrepresentation by you; or
- (c) 60 days after you receive notice of cancellation if we cancel for any other permissible reason,

unless we specify a later date in our notice as the effective date of cancellation.

- d. 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 the first Named Insured cancels, 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 11. Nonrenewal (Section IV – Conditions) is replaced by the following:**

**11. Nonrenewal**

- a. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

- b. If we decide not to renew this Policy, we will:

(1) Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:

- (a) The expiration date of this Policy, if the Policy is written for a term of one year or less; or

- (b) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

(2) Provide at least 60 days' notice of nonrenewal.

- c. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

- d. We will send our nonrenewal notice by certified mail, or deliver it, to you and the agent, if any, at the last mailing addresses known to us.

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

## **SOUTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

ELECTRONIC DATA LIABILITY COVERAGE PART  
PRODUCT WITHDRAWAL COVERAGE PART

**A.** Paragraphs **2.** and **3.** of **Cancellation** Common Policy Condition are replaced by the following:

**2.** We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:

- a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- b.** 30 days before the effective date of cancellation if we cancel for any other reason.

**3.** We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

**B.** The following is added to the **Cancellation** Common Policy Condition:

**7. Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- a.** Nonpayment of premium;
- b.** Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;
- c.** Substantial change in the risk assumed, except to the extent that:
  - (1)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
  - (2)** We should reasonably have foreseen the change or contemplated the risk in writing the Policy;
- d.** Substantial breaches of contractual duties, conditions or warranties; or

**e.** Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Item **e.**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

**C.** The following is added and supersedes any provisions to the contrary:

**NONRENEWAL**

**1.** We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

**2.** If we decide not to renew this Policy, we will:

**a.** Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:

**(1)** The expiration date of this Policy, if the Policy is written for a term of one year or less; or

**(2)** An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

**b.** Provide at least 60 days' notice of nonrenewal.

3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME POLICY  
EMPLOYEE THEFT AND FORGERY POLICY  
GOVERNMENT CRIME POLICY  
GOVERNMENT EMPLOYEE THEFT AND FORGERY POLICY  
KIDNAP/RANSOM AND EXTORTION POLICY

**A. Paragraphs (2) and (3) of the Cancellation Of Policy Condition are replaced by the following:**

- (2) We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:
  - (a) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - (b) 30 days before the effective date of cancellation if we cancel for any other reason.
- (3) We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

**B. The following is added to the Cancellation Of Policy Condition:**

**(7) Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- (a) Nonpayment of premium;
- (b) Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;
- (c) Substantial change in the risk assumed, except to the extent that:
  - i. We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or

ii. We should reasonably have foreseen the change or contemplated the risk in writing the Policy;

- (d) Substantial breaches of contractual duties, conditions or warranties; or
- (e) Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Paragraph **B.(7)(e)**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

**C. The following is added and supersedes any other provision to the contrary:**

**Nonrenewal**

- 1. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.



**2.** If we decide not to renew this Policy, we will:

**a.** Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:

- (1)** The expiration date of this Policy, if the Policy is written for a term of one year or less; or
- (2)** An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

**b.** Provide at least 60 days' notice of nonrenewal.

**3.** Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

**4.** Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA 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. Paragraphs 2., 3. and 4. of the Cancellation Common Policy Condition are replaced by the following:**

- 2.** We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:
  - a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - b.** 30 days before the effective date of cancellation if we cancel for any other reason.
- 3.** We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.
- 4.** Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

If this Policy is canceled during the first 60 days, and is not a renewal or a continuation policy, the cancellation will be effective only on or after the 61st day of the policy period.

**B. The following is added to the Cancellation Common Policy Condition:**

**7. Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- a.** Nonpayment of premium;
- b.** Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;

**c. Substantial change in the risk assumed, except to the extent that:**

- (1)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
- (2)** We should reasonably have foreseen the change or contemplated the risk in writing the Policy;

**d. Substantial breaches of contractual duties, conditions or warranties; or**

**e. Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.**

Prior to cancellation for reasons permitted in this Item **e.**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

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

**WHEN WE DO NOT RENEW**

- 1.** We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

**2.** If we decide not to renew this Policy, we will:

**a.** Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:

- (1)** The expiration date of this Policy, if the Policy is written for a term of one year or less; or
- (2)** An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

**b.** Provide at least 60 days' notice of nonrenewal.

**3.** Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

**4.** Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL EXCESS LIABILITY COVERAGE PART**

**A. Paragraphs b., c. and d. of Paragraph 5. Cancellation of Section III – Conditions are replaced by the following:**

**b.** We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:

- (1)** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (2)** 30 days before the effective date of cancellation if we cancel for any other reason.

**c.** We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

**d.** Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

If this Policy is canceled during the first 60 days, and is not a renewal or a continuation policy, the cancellation will be effective only on or after the 61st day of the policy period.

**B. The following is added to Paragraph 5. Cancellation of Section III – Conditions:**

**g. Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- (1)** Nonpayment of premium;
- (2)** Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;

**(3)** Substantial change in the risk assumed, except to the extent that:

**(a)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or

**(b)** We should reasonably have foreseen the change or contemplated the risk in writing the Policy;

**(4)** Substantial breaches of contractual duties, conditions or warranties; or

**(5)** Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Item **(5)**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

**C. Paragraph 13. When We Do Not Renew of Section III – Conditions is replaced by the following:**

**WHEN WE DO NOT RENEW**

- 1.** We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

2. If we decide not to renew this Policy, we will:
  - a. Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:
    - (1) The expiration date of this Policy, if the Policy is written for a term of one year or less; or
    - (2) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and
  - b. Provide at least 60 days' notice of nonrenewal.
3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

COMMERCIAL CYBER INSURANCE POLICY  
INFORMATION SECURITY PROTECTION CYBER POLICY

- A. Paragraphs b. and c. of 1. Cancellation under C. Cancellation And Nonrenewal in Section VIII – Conditions are replaced by the following:**
- b.** We may cancel this Policy by mailing or delivering to the "named insured" and the agent, if any, written notice of cancellation at least:
    - (1)** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
    - (2)** 30 days before the effective date of cancellation if we cancel for any other reason.
  - c.** We will mail or deliver our notice to the "named insured's" and agent's last known addresses.
- B. The following is added to 1. Cancellation under C. Cancellation And Nonrenewal in Section VIII – Conditions:**
- g. Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

    - (1)** Nonpayment of premium;
    - (2)** Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;
    - (3)** Substantial change in the risk assumed, except to the extent that:
      - (a)** We had notice of the risk within the first 120 days of the "policy period" and this is not a renewal or continuation of a policy we issued; or
      - (b)** We should reasonably have foreseen the change or contemplated the risk in writing the Policy;
    - (4)** Substantial breaches of contractual duties, conditions or warranties; or
    - (5)** Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Paragraph **(5)**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.
- C. Paragraph 2. Nonrenewal under C. Cancellation And Nonrenewal in Section VIII – Conditions is replaced by the following:**
- 2. Nonrenewal**
    - a.** We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

- b.** If we decide not to renew this Policy, we will:
  - (1)** Mail or deliver written notice of nonrenewal to the "named insured" and agent, if any, before:
    - (a)** The expiration date of this Policy, if the Policy is written for a term of one year or less; or
    - (b)** An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and
  - (2)** Provide at least 60 days' notice of nonrenewal.
- c.** Any notice of nonrenewal will be mailed or delivered to the "named insured's" and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
- d.** Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

### **FARM UMBRELLA LIABILITY POLICY**

**A.** Paragraphs **2.**, **3.** and **4.** of the **Cancellation** Common Policy Condition are replaced by the following:

**2.** We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:

- a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- b.** 30 days before the effective date of cancellation if we cancel for any other reason.

**3.** We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

**4.** Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

If this Policy is canceled during the first 60 days, and is not a renewal or a continuation policy, the cancellation will be effective only on or after the 61st day of the policy period.

**B.** The following is added to the **Cancellation** Common Policy Condition:

#### **7. Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- a.** Nonpayment of premium;
- b.** Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;

**c.** Substantial change in the risk assumed, except to the extent that:

**(1)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or

**(2)** We should reasonably have foreseen the change or contemplated the risk in writing the Policy;

**d.** Substantial breaches of contractual duties, conditions or warranties; or

**e.** Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Item **e.**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

**C.** The following condition is added and supersedes any other provision to the contrary:

#### **NONRENEWAL**

**1.** We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.



**2.** If we decide not to renew this Policy, we will:

**a.** Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:

- (1)** The expiration date of this Policy, if the Policy is written for a term of one year or less; or
- (2)** An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

**b.** Provide at least 60 days' notice of nonrenewal.

**3.** Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

**4.** Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL FLOOD POLICY**

**A. Paragraph B.1.c. of Covered Cause Of Loss – Flood is replaced by the following:**

- c.** Mudslides or mudflows which are caused by flooding as defined in **B.1.a.** or **B.1.b.** above. For the purpose of this Covered Cause of Loss, a mudslide or mudflow means a river of liquid and flowing mud on the surfaces of normally dry land areas as when earth is carried by a current of water. Other earth movements, such as landslide, slope failure, or a saturated soil mass moving by liquidity down a slope, are not mudslides or mudflows.

**B. The Legal Action Against Us Condition is replaced by the following:**

**4. Legal Action Against Us**

No one may bring a legal action against us under this Policy unless there has been full compliance with all of the terms of this Policy and the action is brought within one year after the date of a written denial of all or part of the claim.

**C. Paragraphs a., b. and c. of the Cancellation Condition are replaced by the following:**

- a.** The first Named Insured shown in the Declarations may cancel this Policy, for any of the reasons below, by mailing or delivering to us advance written notice of cancellation for any of the following reasons:
- (1)** A property closing did not occur for the property to be insured by this Policy;
  - (2)** Flood insurance is not required by the mortgageholder due to a revised zone determination by the mortgageholder;
  - (3)** Flood insurance is no longer required by the mortgageholder because the property is no longer in a special flood hazard area due to physical map revision;
  - (4)** Flood insurance is no longer required by the mortgageholder for a detached structure;

- (5)** The mortgage for the property insured by this Policy is paid off;

- (6)** Flood insurance is no longer required based on review of lender's determination by means of a letter of determination review; or

- (7)** Flood insurance is no longer required by the mortgageholder because the building is determined to be outside of the special flood hazard area by means of a letter of map amendment.

- b.** We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation 45 days before the effective date of cancellation.

- c.** We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

**D. The following is added to the Cancellation Condition:**

**g. Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- (1)** Nonpayment of premium;
- (2)** Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;
- (3)** Substantial change in the risk assumed, except to the extent that:
  - (a)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
  - (b)** We should reasonably have foreseen the change or contemplated the risk in writing the Policy;

- (4) Substantial breaches of contractual duties, conditions or warranties; or
- (5) Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Paragraph (5), we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

E. The **Nonrenewal** Condition is replaced by the following:

#### 11. Nonrenewal

- a. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.
- b. If we decide not to renew this Policy, we will:
  - (1) Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:
    - (a) The expiration date of this Policy, if the Policy is written for a term of one year or less; or

- (b) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

(2) Provide at least 60 days' notice of nonrenewal.

- c. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
- d. Any notice of nonrenewal will state the precise reason for nonrenewal.

F. Paragraph f. of the **Mortgageholders** Condition is replaced by the following:

- f. If we cancel this Policy, we will give written notice to the mortgageholder at least 45 days before the effective date of cancellation.

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

## **SOUTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

### **FARM EXCESS LIABILITY POLICY**

**A. Paragraphs b., c. and d. of Condition 15. Cancellation under Section III – Conditions are replaced by the following:**

**b.** We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:

- (1)** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (2)** 30 days before the effective date of cancellation if we cancel for any other reason.

**c.** We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

**d.** Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

If this Policy is canceled during the first 60 days, and is not a renewal or a continuation policy, the cancellation will be effective only on or after the 61st day of the policy period.

**B. The following is added to the Cancellation Condition:**

**g. Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- (1)** Nonpayment of premium;
- (2)** Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;

**(3)** Substantial change in the risk assumed, except to the extent that:

**(a)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or

**(b)** We should reasonably have foreseen the change or contemplated the risk in writing the Policy;

**(4)** Substantial breaches of contractual duties, conditions or warranties; or

**(5)** Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Item **(5)**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

**C. The following Condition is added and supersedes any other provision to the contrary:**

**NONRENEWAL**

- 1.** We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

**2.** If we decide not to renew this Policy, we will:

**a.** Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:

- (1)** The expiration date of this Policy, if the Policy is written for a term of one year or less; or
- (2)** An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

**b.** Provide at least 60 days' notice of nonrenewal.

**3.** Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

**4.** Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

FINANCIAL INSTITUTION CRIME POLICY FOR FINANCE COMPANIES  
FINANCIAL INSTITUTION CRIME POLICY FOR INSURANCE COMPANIES  
FINANCIAL INSTITUTION CRIME POLICY FOR MORTGAGE BANKERS  
FINANCIAL INSTITUTION CRIME POLICY FOR SECURITIES BROKERS AND DEALERS

**A. Paragraphs a.(2) and a.(3) of the Policy Cancellation Or Termination Condition are replaced by the following:**

- (2)** We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:
  - (a)** 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
  - (b)** 30 days before the effective date of cancellation, if we cancel for any other reason.
- (3)** We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

**B. The following is added to Paragraph a. of the Policy Cancellation Or Termination Condition:**

**(7) Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- (a)** Nonpayment of premium;
- (b)** Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;
- (c)** Substantial change in the risk assumed, except to the extent that:
  - (i)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or

**(ii)** We should reasonably have foreseen the change or contemplated the risk in writing the Policy;

- (d)** Substantial breaches of contractual duties, conditions or warranties; or
- (e)** Loss of our reinsurance covering all or a significant portion of the particular policy insured or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Paragraph **B.a.(7)(e)**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

**C. The following condition is added to Section E. Conditions and supersedes any other provisions to the contrary:**

**Nonrenewal**

- 1.** We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

**2.** If we decide not to renew this Policy, we will:

**a.** Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:

- (1)** The expiration date of this Policy, if the Policy is written for a term of one year or less; or
- (2)** An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

**b.** Provide at least 60 days' notice of nonrenewal.

**3.** Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

**4.** Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

### **FINANCIAL INSTITUTION CRIME POLICY FOR INVESTMENT COMPANIES**

**A. The following are added to Paragraph a.(2) of the Policy Cancellation Or Termination Condition:**

**(c) Cancellation Of Policies In Effect For Less Than 120 Days**

- (i) We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, to all "investment companies" named in the Declarations and to the Securities and Exchange Commission, Washington, D.C., written notice of cancellation at least 60 days before the effective date of cancellation.

**(d) Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- (i) Nonpayment of premium;
- (ii) Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;
- (iii) Substantial change in the risk assumed, except to the extent that:
  - i. We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
  - ii. We should reasonably have foreseen the change or contemplated the risk in writing the Policy;
- (iv) Substantial breaches of contractual duties, conditions or warranties; or

- (v) Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Paragraph **A.(d)(v)**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

**B. The following condition is added to Section E. Conditions and supersedes any other provisions to the contrary:**

**Nonrenewal**

- 1. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.
- 2. If we decide not to renew this Policy, we will:
  - a. Mail or deliver written notice of nonrenewal to the first Named Insured, to all "investment companies" named in the Declarations and to the Securities and Exchange Commission, Washington, D.C., and agent, if any, before:
    - (1) The expiration date of this Policy, if the Policy is written for a term of one year or less; or
    - (2) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and



**b.** Provide at least 60 days' notice of nonrenewal.

**3.** Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

### **FINANCIAL INSTITUTION CRIME POLICY FOR CREDIT UNIONS**

**A. Paragraphs a.(2) and a.(3) of the Policy Cancellation Or Termination Condition are replaced by the following:**

- (2)** We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:
  - (a)** 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
  - (b)** 30 days before the effective date of cancellation, if we cancel for any other reason.
- (3)** We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

**B. The following is added to Paragraph a. of the Policy Cancellation Or Termination Condition:**

**(8) Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- (a)** Nonpayment of premium;
- (b)** Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;
- (c)** Substantial change in the risk assumed, except to the extent that:
  - (i)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
  - (ii)** We should reasonably have foreseen the change or contemplated the risk in writing the Policy;

**(d)** Substantial breaches of contractual duties, conditions or warranties; or

**(e)** Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Paragraph **B.a.(8)(e)**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

**C. The following condition is added to Section E. Conditions and supersedes any other provisions to the contrary:**

**Nonrenewal**

- 1.** We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.
- 2.** If we decide not to renew this Policy, we will:
  - a.** Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:
    - (1)** The expiration date of this Policy, if the Policy is written for a term of one year or less; or
    - (2)** An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

- b.** Provide at least 60 days' notice of nonrenewal.
- 3.** Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
- 4.** Any notice of nonrenewal will state the precise reason for nonrenewal.
- 5.** We will provide written notice of nonrenewal to the first Named Insured's state or federal supervisory authority, including the National Credit Union Administration, when required.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

FINANCIAL INSTITUTION BOND – BANKS AND SAVINGS INSTITUTIONS (AGGREGATE AND NONAGGREGATE FORMS)

**A.** Paragraphs **1.b.** and **1.c.** of the **Cancellation Or Termination** Condition are replaced by the following:

- b.** The Company may cancel this Bond by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:
  - (1)** 10 days before the effective date of cancellation if the Company cancels for nonpayment of premium; or
  - (2)** 30 days before the effective date of cancellation if the Company cancels for any other reason.
- c.** The Company will mail or deliver the Company notice to the first Named Insured's and agent's last known addresses.

**B.** The following is added to Paragraph **1.** of the **Cancellation Or Termination** Condition:

**g. Cancellation Of Bonds In Effect For 120 Days Or More**

If this Bond has been in effect for 120 days or more, or is a renewal or continuation of a bond the Company issued, the Company may cancel this Bond only for one or more of the following reasons:

- (1)** Nonpayment of premium;
- (2)** Material misrepresentation of fact which, if known to the Company, would have caused the Company not to issue the Bond;
- (3)** Substantial change in the risk assumed, except to the extent that:
  - (a)** The Company had notice of the risk within the first 120 days of the Bond Period and this is not a renewal or continuation of a bond the Company issued; or
  - (b)** The Company should reasonably have foreseen the change or contemplated the risk in writing the Bond;
- (4)** Substantial breaches of contractual duties, conditions or warranties; or
- (5)** Loss of the Company reinsurance covering all or a significant portion of the particular bond insured or where continuation of the Bond would imperil the Company's solvency or place the Company in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Paragraph **B.1.g.(5)**, the Company will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

**C.** The following condition is added to Section **VI. Conditions** and supersedes any other provisions to the contrary:

**Nonrenewal**

- 1.** The Company will not refuse to renew a bond issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.
- 2.** If the Company decides not to renew this Bond, the Company will:
  - a.** Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:
    - (1)** The expiration date of this Bond, if the Bond is written for a term of one year or less; or

- (2) An anniversary date of this Bond, if the Bond is written for a term of more than one year or for an indefinite term; and
- b. Provide at least 60 days' notice of nonrenewal.
- 3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
- 4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

FINANCIAL INSTITUTION COMPUTER CRIME POLICY  
FINANCIAL INSTITUTION KIDNAP AND RANSOM POLICY

**A.** Paragraphs **1.b.** and **1.c.** of the **Cancellation Or Termination** Condition are replaced by the following:

- b.** The Company may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:
  - (1) 10 days before the effective date of cancellation if the Company cancels for nonpayment of premium; or
  - (2) 30 days before the effective date of cancellation if the Company cancels for any other reason.
- c.** The Company will mail or deliver the Company notice to the first Named Insured's and agent's last known addresses.

**B.** The following is added to Paragraph **1.** of the **Cancellation Or Termination** Condition:

**g. Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy the Company issued, the Company may cancel this Policy only for one or more of the following reasons:

- (1) Nonpayment of premium;
- (2) Material misrepresentation of fact which, if known to the Company, would have caused the Company not to issue the Policy;
- (3) Substantial change in the risk assumed, except to the extent that:
  - (a) The Company had notice of the risk within the first 120 days of the Policy Period and this is not a renewal or continuation of a policy the Company issued; or
  - (b) The Company should reasonably have foreseen the change or contemplated the risk in writing the Policy;
- (4) Substantial breaches of contractual duties, conditions or warranties; or
- (5) Loss of the Company reinsurance covering all or a significant portion of the particular policy insured or where continuation of the Policy would imperil the Company solvency or place the Company in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Paragraph **B.1.g.(5)**, the Company will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

**C.** The following condition is added to Section **VI. Conditions** and supersedes any other provisions to the contrary:

**Nonrenewal**

- 1. The Company will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.
- 2. If the Company decides not to renew this Policy, the Company will:
  - a.** Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:
    - (1) The expiration date of this Policy, if the Policy is written for a term of one year or less; or

- (2) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and
- b. Provide at least 60 days' notice of nonrenewal.
- 3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
- 4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

### **HOME HEALTHCARE COVERAGE PART**

**A. Paragraphs 2. and 3. of I. Cancellation under Section V – Conditions** are replaced by the following:

**2.** We may cancel this Policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:

- a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- b.** 30 days before the effective date of cancellation if we cancel for any other reason.

**3.** We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

**B. The following is added to Paragraph I. Cancellation under Section V – Conditions:**

**7. Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- a.** Nonpayment of premium;
- b.** Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;
- c.** Substantial change in the risk assumed, except to the extent that:
  - (1)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
  - (2)** We should reasonably have foreseen the change or contemplated the risk in writing the Policy;
- d.** Substantial breaches of contractual duties, conditions or warranties; or

**e.** Loss of our reinsurance covering all or a significant portion of the particular Policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Item **e.**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

**C. Paragraph G. When We Do Not Renew under Section V – Conditions** is replaced by the following:

**G. When We Do Not Renew**

- 1.** We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.
- 2.** If we decide not to renew this Policy, we will:
  - a.** Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:
    - (1)** The expiration date of this Policy, if the Policy is written for a term of one year or less; or
    - (2)** An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and
  - b.** Provide at least 60 days' notice of nonrenewal.



3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

### **INSURANCE AGENTS AND BROKERS PROFESSIONAL LIABILITY POLICY**

- A.** Paragraphs **2.** and **3.** under **K. Cancellation** of **Section VI – Conditions** are replaced by the following:
- 2.** We may cancel this Policy by mailing or delivering to the first "named insured" and the agent, if any, written notice of cancellation at least:
    - a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
    - b.** 30 days before the effective date of cancellation if we cancel for any other reason.
  - 3.** We will mail or deliver our notice to the first "named insured's" and agent's last known addresses.
- B.** The following is added to Paragraph **K. Cancellation** of **Section VI – Conditions**:
- 7.** If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:
    - a.** Nonpayment of premium;
    - b.** Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;
    - c.** Substantial change in the risk assumed, except to the extent that:
      - (1)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
      - (2)** We should reasonably have foreseen the change or contemplated the risk in writing the Policy;
    - d.** Substantial breaches of contractual duties, conditions or warranties; or
- e.** Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.
- Prior to cancellation for reasons permitted in this Paragraph **e.**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.
- Any notice of cancellation will state the precise reason for cancellation.
- C.** Paragraph **L.** of **Section VI – Conditions** is replaced by the following:
- L. When We Do Not Renew**
- 1.** We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.
  - 2.** If we decide not to renew this Policy, we will:
    - a.** Mail or deliver written notice of nonrenewal to the first "named insured" and agent, if any, before:
      - (1)** The expiration date of this Policy, if the Policy is written for a term of one year or less; or
      - (2)** An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and
    - b.** Provide at least 60 days' notice of nonrenewal.

3. Any notice of nonrenewal will be mailed or delivered to the first "named insured's" and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
 COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 COMMERCIAL INLAND MARINE COVERAGE PART  
 COMMERCIAL PROPERTY COVERAGE PART  
 CRIME AND FIDELITY COVERAGE PART  
 EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
 EQUIPMENT BREAKDOWN COVERAGE PART  
 FARM COVERAGE PART  
 LIQUOR LIABILITY COVERAGE PART  
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
 POLLUTION LIABILITY COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

**A.** Paragraphs **2.** and **3.** of **Cancellation** Common Policy Condition are replaced by the following:

**2.** We may cancel this policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:

- a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- b.** 30 days before the effective date of cancellation if we cancel for any other reason.

**3.** We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

**B.** The following is added to the **Cancellation** Common Policy Condition:

**7. Cancellation Of Policies In Effect For 120 Days Or More**

If this policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this policy only for one or more of the following reasons:

- a.** Nonpayment of premium;
- b.** Material misrepresentation of fact which, if known to us, would have caused us not to issue the policy;

**c.** Substantial change in the risk assumed, except to the extent that:

- (1)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
- (2)** We should reasonably have foreseen the change or contemplated the risk in writing the policy;

**d.** Substantial breaches of contractual duties, conditions or warranties; or

**e.** Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Item **e.**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

- C. The following is added and supersedes any provisions to the contrary:

**Nonrenewal**

1. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.
2. If we decide not to renew this policy, we will:
  - a. Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:
    - (1) The expiration date of this policy, if the policy is written for a term of one year or less; or
    - (2) An anniversary date of this policy, if the policy is written for a term of more than one year or for an indefinite term; and
  - b. Provide at least 60 days' notice of nonrenewal.
3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

### **LAWYERS PROFESSIONAL LIABILITY POLICY**

- A. Paragraphs L.2. and L.3. of Section VI – Conditions are replaced by the following:**

#### **L. Cancellation**

2. We may cancel this Policy by mailing or delivering to the first "named insured" and the agent, if any, written notice of cancellation at least:
  - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first "named insured's" and agent's last known addresses.

- B. The following is added to Paragraph L. of Section VI – Conditions:**

#### **L. Cancellation**

7. If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:
  - a. Nonpayment of premium;
  - b. Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;
  - c. Substantial change in the risk assumed, except to the extent that:
    - (1) We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
    - (2) We should reasonably have foreseen the change or contemplated the risk in writing the Policy;
  - d. Substantial breaches of contractual duties, conditions or warranties; or

- e. Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Item e., we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

- C. Paragraph M. of Section VI – Conditions is replaced by the following:**

#### **M. When We Do Not Renew**

1. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.
2. If we decide not to renew this Policy, we will:
  - a. Mail or deliver written notice of nonrenewal to the first "named insured" and agent, if any, before:
    - (1) The expiration date of this Policy, if the Policy is written for a term of one year or less; or
    - (2) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and
  - b. Provide at least 60 days' notice of nonrenewal.

3. Any notice of nonrenewal will be mailed or delivered to the first "named insured's" and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

### **MISCELLANEOUS PROFESSIONAL LIABILITY POLICY**

- A. Paragraphs b. and c. of 1. Cancellation under C. Cancellation And Nonrenewal of Section IX – Conditions are replaced by the following:**
- b.** "We" may cancel this Policy by mailing or delivering to the "named insured" and the agent, if any, written notice of cancellation at least:
    - (1)** 10 days before the effective date of cancellation if "we" cancel for nonpayment of premium; or
    - (2)** 30 days before the effective date of cancellation if "we" cancel for any other reason.
  - c.** "We" will mail or deliver our notice to the "named insured's" and agent's last known addresses.
- B. The following is added to Paragraph C.1. Cancellation under C. Cancellation And Nonrenewal of Section IX – Conditions:**
- g.** If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy "we" issued, "we" may cancel this Policy only for one or more of the following reasons:
    - (1)** Nonpayment of premium;
    - (2)** Material misrepresentation of fact which, if known to "us", would have caused "us" not to issue the Policy;
    - (3)** Substantial change in the risk assumed, except to the extent that:
      - (a)** "We" had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
      - (b)** "We" should reasonably have foreseen the change or contemplated the risk in writing the Policy;
    - (4)** Substantial breaches of contractual duties, conditions or warranties; or
    - (5)** Loss of "our" reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil "our" solvency or place "us" in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Paragraph **(5)**, "we" will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.
- C. Paragraph 2. Nonrenewal under C. Cancellation And Nonrenewal of Section IX – Conditions is replaced by the following:**
- 2. Nonrenewal**
- a.** "We" will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.
  - b.** If "we" decide not to renew this Policy, "we" will:
    - (1)** Mail or deliver written notice of nonrenewal to the "named insured" and agent, if any, before:
      - (a)** The expiration date of this Policy, if the Policy is written for a term of one year or less; or
      - (b)** An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and



- (2)** Provide at least 60 days' notice of nonrenewal.
- c.** Any notice of nonrenewal will be mailed or delivered to the "named insured's" and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
  - d.** Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under this Policy's Liability Coverage Parts.

- A.** Paragraphs **b.** and **c.** of **1. Cancellation** under **D. Cancellation And Nonrenewal** of **Section VII – Conditions** of the Liability Coverage Parts Common Policy Terms And Conditions are replaced by the following:
- b.** We may cancel this Policy by mailing or delivering to the "named insured" and the agent, if any, written notice of cancellation at least:
    - (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
    - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
  - c.** We will mail or deliver our notice to the "named insured's" and agent's last known addresses.
- B.** The following is added to Paragraph **D.1. Cancellation** under **D. Cancellation And Nonrenewal** of **Section VII – Conditions** of the Liability Coverage Parts Common Policy Terms And Conditions:
- g.** If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:
    - (1) Nonpayment of premium;
    - (2) Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;
    - (3) Substantial change in the risk assumed, except to the extent that:
      - (a) We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
      - (b) We should reasonably have foreseen the change or contemplated the risk in writing the Policy;
    - (4) Substantial breaches of contractual duties, conditions or warranties; or
    - (5) Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Paragraph (5), we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.
- C.** Paragraph **2. Nonrenewal** under **D. Cancellation And Nonrenewal** of **Section VII – Conditions** of the Liability Coverage Parts Common Policy Terms And Conditions is replaced by the following:
- 2. Nonrenewal**
- a.** We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.
  - b.** If we decide not to renew this Policy, we will:
    - (1) Mail or deliver written notice of nonrenewal to the "named insured" and agent, if any, before:
      - (a) The expiration date of this Policy, if the Policy is written for a term of one year or less; or
      - (b) An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

- (2)** Provide at least 60 days' notice of nonrenewal.
- c.** Any notice of nonrenewal will be mailed or delivered to the "named insured's" and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
  - d.** Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

EXECUTIVE LIABILITY COVERAGE PART  
FIDUCIARY LIABILITY COVERAGE PART  
FINANCIAL INSTITUTIONS EXECUTIVE LIABILITY COVERAGE PART  
NOT-FOR-PROFIT MANAGEMENT LIABILITY COVERAGE PART

**A.** Paragraphs **2.** and **3.** of **Cancellation** Common Policy Condition are replaced by the following:

**2.** We may cancel this Policy by mailing or delivering to the Named Organization and the agent, if any, written notice of cancellation at least:

- a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- b.** 30 days before the effective date of cancellation if we cancel for any other reason.

**3.** We will mail or deliver our notice to the Named Organization's and agent's last known addresses.

**B.** The following is added to the **Cancellation** Common Policy Condition:

**7. Cancellation Of Policies In Effect For 120 Days Or More**

If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- a.** Nonpayment of premium;
- b.** Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;
- c.** Substantial change in the risk assumed, except to the extent that:
  - (1)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
  - (2)** We should reasonably have foreseen the change or contemplated the risk in writing the Policy;

**d.** Substantial breaches of contractual duties, conditions or warranties; or

**e.** Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Item **e.**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

**C.** The following is added and supersedes any provisions to the contrary:

**NONRENEWAL**

**1.** We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

**2.** If we decide not to renew this Policy, we will:

**a.** Mail or deliver written notice of nonrenewal to the Named Organization and agent, if any, before:

**(1)** The expiration date of this Policy, if the Policy is written for a term of one year or less; or

**(2)** An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

**b.** Provide at least 60 days' notice of nonrenewal.

3. Any notice of nonrenewal will be mailed or delivered to the Named Organization's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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

## **SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

### **REAL ESTATE AGENTS AND BROKERS PROFESSIONAL LIABILITY POLICY**

**A. Paragraphs 2. and 3. under K. Cancellation of Section VI – Conditions** are replaced by the following:

**2.** We may cancel this Policy by mailing or delivering to the first "named insured" and the agent, if any, written notice of cancellation at least:

- a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- b.** 30 days before the effective date of cancellation if we cancel for any other reason.

**3.** We will mail or deliver our notice to the first "named insured's" and agent's last known addresses.

**B. The following is added to Paragraph K. Cancellation of Section VI – Conditions:**

**7.** If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

- a.** Nonpayment of premium;
- b.** Material misrepresentation of fact which, if known to us, would have caused us not to issue the Policy;
- c.** Substantial change in the risk assumed, except to the extent that:
  - (1)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
  - (2)** We should reasonably have foreseen the change or contemplated the risk in writing the Policy;
- d.** Substantial breaches of contractual duties, conditions or warranties; or

**e.** Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the Policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Paragraph **e.**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

**C. Paragraph L. of Section VI – Conditions** is replaced by the following:

#### **L. When We Do Not Renew**

**1.** We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

**2.** If we decide not to renew this Policy, we will:

**a.** Mail or deliver written notice of nonrenewal to the first "named insured" and agent, if any, before:

- (1)** The expiration date of this Policy, if the Policy is written for a term of one year or less; or
- (2)** An anniversary date of this Policy, if the Policy is written for a term of more than one year or for an indefinite term; and

**b.** Provide at least 60 days' notice of nonrenewal.

3. Any notice of nonrenewal will be mailed or delivered to the first "named insured's" and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
4. Any notice of nonrenewal will state the precise reason for nonrenewal.