

AMENDATORY ENDORSEMENT PENNSYLVANIA

1. The following provision applies to policies that do not include coverage for owner-occupied private residential structures with four or less household units or household personal property contained in a private residence.

Under Common Policy Conditions, Cancellation is deleted and replaced by the following:

Cancellation and Nonrenewal -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop.

"We" may cancel or not renew this policy by written notice to "you" at the address shown on the "declarations". "Our" notice will include the specific reason for cancellation or nonrenewal. Proof of delivery or mailing is sufficient proof of notice.

If this policy has been in effect less than 60 days, "we" may cancel for any reason. "We" will give "you" at least 30 days notice before cancellation is effective.

After this policy has been in effect 60 days or more, or if it is a renewal of a policy issued by "us", "we" may cancel only if one or more of the following reasons apply:

- a. a condition, factor, or loss experience material to insurability has changed substantially, or a substantial condition, factor, or loss experience material to insurability has become known during the policy term;
- b. loss of reinsurance or a substantial decrease in reinsurance has occurred, which loss or decrease will, at the time of cancellation, be certified to the Insurance Commissioner as directly affecting in-force policies;

- c. "you" have made a material misrepresentation which affects the insurability of the risk;
- d. the policy was obtained through fraudulent statements, omissions, or concealment of fact material to the acceptance of the risk or hazard assumed by "us";
- e. "you" have failed to pay a premium when due, whether the premium is payable directly to "us" or "our" agents or indirectly under a premium finance plan or extension of credit;
- f. material failure to comply with policy "terms", conditions, or contractual duties. This includes material failure to comply with safety standards and loss control recommendations if:
 - 1) "we" have provided "you" with written notice of the failure to comply with safety standards and loss control recommendations;
 - 2) "we" have provided "you" with a reasonable opportunity to cure deficiencies with respect to safety standards and loss control recommendations; and
 - 3) the deficiencies with respect to safety standards and loss control recommendations have not been cured; or
- g. other reasons that the Insurance Commissioner may approve.

After this policy has been in effect 60 days or more: if "we" cancel or nonrenew for nonpayment of premium or material misrepresentation, "we" will give "you" at least 15 days notice before cancellation is effective; if "we" cancel or nonrenew for any other reason, "we" will give "you" at least 60 days notice before cancellation or nonrenewal is effective.

The policy may also be cancelled from inception upon discovery that it was obtained through fraudulent statements, omissions, or concealment of fact material to the acceptance of the risk or to the hazard assumed by "us".

The return premium, if any, will be refunded to "you" not later than ten business days after the effective date of the termination if "we" cancel this policy, or not later than 30 days after the effective date of the termination if "you" cancel this policy.

2. The following provision applies to policies that include coverage for owner-occupied private residential structures with four or less household units or household personal property contained in a private residence.

Under Common Policy Conditions, Cancellation is deleted and replaced by the following:

Cancellation and Nonrenewal -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop.

"We" may cancel or not renew this policy by written notice to "you" at the address shown on the "declarations". "Our" notice will include the specific reason for cancellation or nonrenewal. Proof of delivery or mailing is sufficient proof of notice.

If this policy has been in effect less than 60 days, "we" may cancel for any reason.

After this policy has been in effect for 60 days or more, or if it is a renewal of a policy issued by "us", "we" may cancel or not renew only for the following reasons:

- a. the premium has not been paid when due;

- b. the policy was obtained through fraud, material misrepresentation, or omission of fact which, if known by "us", would have caused "us" not to issue the policy;
- c. there has been a substantial change or increase in hazard in the risk assumed by "us" subsequent to the date the policy was issued;
- d. there is a substantial increase in the hazards insured against by reason of willful or negligent acts or omissions by "you"; or
- e. any other reasons approved by the Insurance Commissioner pursuant to rules and regulations promulgated by the Insurance Commissioner.

"We" will give "you" notice at least 30 days in advance of cancellation or nonrenewal.

This policy terminates automatically on its expiration or anniversary if "you": surrender the policy to "us"; have notified "us" or "our" agent in writing of "your" intent not to renew; or have not paid the renewal or installment premium when due.

"Your" return premium, if any, will be refunded at the time of cancellation or as soon as practical. Payment or tender of the unearned premium is not a condition of cancellation.

3. Under Common Policy Conditions, the following condition is added:

Notice Of Increased Premium -- "We" will give "you" notice at least 30 days before the renewal date if "we" intend to increase the renewal premium.