



CANCELLATION AND NON-RENEWAL ENDORSEMENT

LOUISIANA

In consideration of the payment of the premium, notwithstanding anything to the contrary in the Policy, the Cancellation and Non-renewal provision is as follows:

Cancellation/Nonrenewal

1. Cancellation by the **Named Insured**

The **Named Insured** has the right to cancel his or her **Certificate of Insurance** at any time by giving notice to the Insurer stating when thereafter the cancellation shall be effective. If the **Certificate of Insurance** is so canceled, earned premium shall be computed pro rata. Unearned premium is to be returned within thirty (30) days after the **Named Insured** cancels his or her **Certificate of Insurance**.

2. Cancellation by the Insurer

a. If the **Named Insured's Certificate of Insurance** has been in effect for less than sixty (60) days and is not a renewal, the Insurer can cancel the **Named Insured's Certificate of Insurance** by mailing or delivering written notice to the **Named Insured** at the address shown on the **Certificate of Insurance**. If the Insurer cancels for non-payment of premium, the Insurer must mail notice of cancellation at least ten (10) days prior to the effective date of such cancellation. If the Insurer cancels for any other reason, the Insurer must mail notice of cancellation at least sixty (60) days prior to the effective date of such cancellation.

b. After the **Named Insured's Certificate of Insurance** has been in effect for sixty (60) days or more or is a renewal, it may be canceled for one of the following reasons:

- (1) Nonpayment;
- (2) Fraud or material misrepresentation made by or with the knowledge of the **Insured** in obtaining the **Certificate of Insurance**, continuing the **Certificate of Insurance**, or in presenting a **claim** under the **Certificate of Insurance**;
- (3) Acts or omissions on the part of any **Insured** which change or increase any hazard **Insured** against, including failure to comply with loss control recommendations;
- (4) Change in the risk which increases the risk of loss after the **Certificate of Insurance** has been issued or renewed, including an increase in exposure due to regulation, legislation, or court decision;
- (5) Determination by the Commissioner that continuation of the **Certificate of Insurance** would jeopardize our solvency or place the Insurer in violation of the laws of Louisiana or any other state;
- (6) Any **Insured** violates or breaches the terms and conditions of the policy;
- (7) Any other reasons that are approved by the Commissioner.

Written notice of cancellation will be mailed or delivered to the **Named Insured** at the address shown on the **Certificate of Insurance**. If the Insurer cancels for non-payment of premium, the Insurer must mail notice of cancellation at least ten (10) days prior to the effective date of such cancellation. If the Insurer cancel for any reason stated in b(2) through and including b(7) above, the Insurer must mail notice of cancellation at least thirty (30) days prior to the effective date of such cancellation. The notice shall state the effective date of cancellation.

c. When the Insurer cancels the **Named Insured's Certificate of Insurance** earned premium shall be computed pro rata, with no minimum premium retained.

d. Unearned premium/commission is to be returned within thirty (30) days after the **Named Insured** cancels the **Certificate of Insurance**.



- e. The Insurer will provide the **Named Insured**, upon receipt of a written request by the **Named Insured**, a written statement setting forth the reason for cancellation, provided the **Named Insured** agrees in writing to hold the Insurer harmless from liability for any communication giving notice of or specifying the reasons for cancellation or for any statement made in connection with an attempt to discover or verify the existence of conditions which would be a reason for cancellation.

3. Non-Renewal by the Insurer

- a. The Insurer has the right to non-renew the **Named Insured's Certificate of Insurance** effective on any **Certificate of Insurance** anniversary date. The written notice of non-renewal must be mailed to the **Named Insured** at the address shown on the **Certificate of Insurance**, at least sixty (60) days prior to the effective date of non-renewal and shall provide a specific explanation of the reason(s) for non-renewal. Such notice to the **Named Insured** shall include the **Insured's** loss run information for the period the **Certificate of Insurance** was in force within, but not to exceed, the last three (3) years. If notice is mailed less than 60 days prior to expiration, coverage shall remain in effect under the same terms and conditions until 60 days after notice is mailed or delivered. Earned premium for any period of coverage that extends beyond the expiration date shall be considered pro rata based upon the previous year's rate.
- b. Notice of non-renewal shall not be required if:
 - (1) The Insurer or a company within the same Insurance group has offered to issue a renewal **Certificate of Insurance**; or
 - (2) The **Insured** has obtained replacement coverage or has agreed in writing to obtain replacement coverage.

4. Renewal

- a. The Insurer will mail or deliver to the **Named Insured** at the address shown on the **Certificate of Insurance**, written notice of any rate increase, change in deductible or reduction in limits at least thirty (30) days prior to the expiration date of the **Certificate of Insurance**. If The Insurer fails to provide such thirty (30) day notice, the coverage provided to the **Insured** shall remain in effect until notice is given or until the effective date of replacement coverage obtained by the **Insured** whichever first occurs.
- b. This section shall not apply to:
 - (1) Changes in a rate or plan filed with the Insurance rating commission and applicable to an entire class of business.
 - (2) Changes based upon the altered nature or extent of the risk Insured.
 - (3) Changes in policy forms that are filed and approved with the Commissioner and applicable to an entire class of business.
 - (4) Changes requested by the **Named Insured**.

5. Proof of Notice

Proof of mailing of any notice required by sections 2., 3. and 4. above shall be sufficient proof of notice.



This endorsement is attached to the **Named Insured's Certificate of Insurance** and amends the **Insured's** coverage under the Master Policy. It takes effect on the effective date of the **Named Insured's Certificate of Insurance**, unless another effective date is shown below. All other provisions of the **Insured's** coverage under the policy remain unchanged.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)