

**HEALTHCARE PROVIDERS
PROFESSIONAL LIABILITY INSURANCE ENDORSEMENT**

**Cancellation and Non-Renewal Endorsement
State of North Carolina**

It is hereby agreed that Common Policy Conditions number XIII. Non-Renewal/Cancellation is deleted in its entirety and replaced with the following:

Cancellation and Non-Renewal

1. Cancellation by the **named insured**

The **named insured** has the right to cancel this Policy at any time by giving notice to us stating when thereafter the cancellation shall be effective. If the Policy is so canceled, earned premium shall be computed pro rata.

2. Cancellation by us

We have the right to cancel this Policy at any time and for any reason within the first sixty (60) days. We must mail notice of cancellation at least thirty (30) days prior to the effective date of such cancellation.

After this Policy has been in effect for sixty (60) days or more, it may be canceled only for one of the following reasons:

- a. Nonpayment;
- b. Material misrepresentation or nondisclosure of a material fact;
- c. Violation of policy conditions that materially affects insurability;
- d. Material change in risk which could not have been excepted initially;
- e. A fraudulent act that materially affects insurability;
- f. Willful failure of insured to institute reasonable loss control measures (after written notice sent);
- g. Loss of facultative reinsurance;
- h. Conviction of the insured of a crime that materially affects the insurability of a risk of the insured;
- i. Determination by commissioner that continuation of the policy would violate North Carolina law.
- j. Insured fails to meet requirements of insurer's charter.

We must mail notice of cancellation at least thirty (30) days prior to the effective date of such cancellation. If we cancel for non-payment of premium, we must mail notice of cancellation at least fifteen (15) days prior to the effective date of such cancellation.

3. Non-Renewal by us

We have the right to non-renew this Policy effective on any policy anniversary date. All notices of non-renewal must be mailed to the **named insured** at the last mailing address known to us, at least forty-five (45) days prior to the effective date of non-renewal and shall provide a specific explanation of the reason(s) for non-renewal.

This endorsement is a part of **your** policy and takes effect on the effective date of **your** policy, unless another effective date is shown below. All other provisions of the policy remain unchanged.

<i>Must Be Completed</i>		<i>Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy</i>	
ENDT. NO.	POLICY NO.	ISSUED TO	ENDORSEMENT EFFECTIVE DATE
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