

Section 5 of **Section I – II – CONDITIONS** contained in the policy is amended to read as follows:

5. Cancellation
- a. You may cancel this policy at any time by notifying us of the date cancellation is to take effect. We will send you any refund due when the policy is returned to us.
 - b. If this policy has been in effect for less than 60 days and is not a renewal policy we may cancel this policy if:
 - 1) we identify a condition that:
 - a) creates an increased risk of hazard;
 - b) was not disclosed in the application for insurance coverage; and
 - c) is not the subject of a prior claim; or
 - 2) before the effective date of the policy; we have not accepted a copy of a required inspection report that:
 - a) was completed by an inspector licensed by the Texas Real Estate Commission of who is otherwise authorized to perform inspections; and
 - b) is dated not earlier than the 90th day before the effective date of the policy.

An inspection report is deemed accepted; unless we reject it before the 11th day after the date we receive it.

- c. We may also cancel this policy at any time for any of the following reasons:
 - 1) you do not pay the premium or any portion of the premium when due.
 - 2) the Department of Insurance determines that continuation of the policy would violate the Texas Insurance Code or any other laws governing the business of insurance in this state.
 - 3) you submit a fraudulent claim.
 - 4) there is an increase in the hazard covered by this policy that is within your control and that would produce an increase in the premium/rate of this policy.
- d. The effective date of cancellation cannot be before the 10th day after we mail the notice if we cancel for any of the reasons in c. or the 30th day after we mail notice if we cancel for any other reason. Our notice of cancellation must state the reason for cancellation.
- e. If we cancel, our notice to you will state that if the refund is not included with the notice, it will be returned on demand.
- f. We may not cancel this policy solely because you are an elected official.