

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPECIAL PROVISIONS – WEST VIRGINIA

SECTION I – CONDITIONS

C. Loss Settlement

For real property situated in West Virginia, if there is no other insurance covering the same interest in such real property, this condition is deleted and replaced by the following:

C. Loss Settlement

Covered property losses are settled as follows:

1. Personal property at actual cash value at the time of loss but not exceeding the amount necessary to repair or replace;
2. Real property under Coverages **A** or **B**, without deduction for depreciation, subject to the following:
 - a. In the event of total loss, the limit of liability under this policy applying to such real property;
 - b. In the event of partial loss, the total amount of such partial loss, but not to exceed the limit of liability under the policy applying to such real property.

E. Appraisal is deleted and replaced by the following:

E. Appraisal

If you and we fail to agree on the value of the property or the amount of loss, then on written demand of either, each party will choose a competent and impartial appraiser and notify the other of the appraiser chosen within 20 days of such demand. The two appraisers will choose a competent and impartial umpire. If they cannot agree upon an umpire within 15 days, either may request that the choice be made by a judge of a court of record in the state where the "residence premises" is located. The appraisers shall then appraise the loss, stating separately the value of the property and the amount of loss. If they fail to agree, they will submit their differences to the umpire. A written decision agreed to by any two will be binding.

Each party will:

1. Pay its own appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

I. Loss Payment is deleted and replaced by the following:

I. Loss Payment

We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment.

SECTIONS I AND II – CONDITIONS

C. Cancellation

Paragraph **2.** is deleted and replaced by the following:

2. We may cancel this policy as stated below by letting you know in writing of the date cancellation takes effect. The cancellation notice, together with our specific reason for cancellation, will be delivered to you or mailed through first class mail to your last address known to us. Proof of mailing will be sufficient proof of notice.

- a. When you have not paid the premium, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
- b. When this policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by letting you know at least 10 days before the date cancellation takes effect.
- c. When this policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may also cancel for one or more of the following reasons:
 - (1) Conviction of the "insured" of any crime having as one of its necessary elements an act increasing any hazard insured against;
 - (2) Discovery of fraud or material misrepresentation made by or with the knowledge of the Named Insured in obtaining or continuing the policy, or in presenting a claim under this policy;

- (3) Discovery of willful or reckless acts or omissions on the part of the Named Insured which increase any hazard insured against;
- (4) The occurrence of a change in the risk which substantially increases any hazard insured against after insurance coverage has been issued or renewed;
- (5) A violation of any local fire, health, safety, building or construction regulation or ordinance with respect to any insured property or the occupancy thereof which substantially increases any hazard insured against;
- (6) A determination by the insurance commissioner that the continuation of the policy would place the insurer in violation of the insurance laws of West Virginia;
- (7) Real property taxes owing on the insured property have been delinquent for two or more years and continue delinquent at the time notice of cancellation is issued;
- (8) We cease to write the particular type or line of insurance coverage contained in this policy throughout West Virginia or discontinue operations within West Virginia; or
- (9) There has been a substantial breach of the provisions of this policy.

This can be done by letting you know at least 30 days before the date cancellation takes effect.

D. Nonrenewal is deleted and replaced by the following:

D. Nonrenewal

- 1. We may elect not to renew this policy, subject to the provisions of Paragraph **D.2.** below. We may do so by letting you know in writing at least 30 days before the expiration date of this policy. This nonrenewal notice, together with our specific reason for nonrenewal, will be delivered to you or mailed to you at your last address known by us. Proof of mailing will be sufficient proof of notice.
- 2. If this policy has been in effect with us for four or more years, we will not exercise our right of nonrenewal except for:
 - a. One or more of the reasons listed in **C. Cancellation**, Paragraphs **2.a.** and **2.c.(1)** through **(9)**; or
 - b. Other valid underwriting reasons which involve a substantial increase in the risk.

The following condition is added:

H. Time For Payment Of Claims

In settlement of all or part of any claim, we will pay the amount finally agreed upon no later than 15 working days from the:

- 1. Receipt of such agreement by us; or
 - 2. Date of the performance by the claimant of any condition set by such agreement;
- whichever is later.

All other provisions of this policy apply.