

7 World Trade Center, 250 Greenwich Street 33rd Floor, New York, NY 10007

SOUTH CAROLINA AMENDATORY ENDORSEMENT

This Rider is attached to and made part of the “policy” as of the Policy Effective Date shown in the Policy’s Application effective February 1, 2016. It is subject to all the provisions, limitations and exclusions of the “policy” except as this Rider specifically modifies them.

With regard to South Carolina “Participating Organizations”, the “policy” and Summary of Benefits are amended as follows:

The following provision is added to the section entitled **TERMINATION OF INSURANCE**:

We may cancel a “participating organization’s” participation in the “policy” subject to the following:

During the first 120 days the “participating organization’s” program under the “policy” is in effect, “we” may cancel this “policy” for any reason by providing such notice at least:

- a. Fifteen (15) days before the effective date of cancellation, if “we” cancel for nonpayment of premium; or
- b. Forty-five (45) days before the effective date of cancellation, if “we” cancel for any other reason.

The notice of cancellation must be given or mailed to the “participating organization”, the agent, the “master policyholder” and the “insured” at their last known addresses. Proof of mailing is sufficient proof of notice.

After the “participating organization’s” program under the “policy” has been in effect for 120 days, “we” may cancel for the following reasons only:

- a. nonpayment of premium;
- b. material misrepresentation of fact which, if known to us, would have caused “us” not to issue the “policy”;
- c. substantial change in the risk assumed, except to the extent that “we” should reasonably have foreseen the change or contemplated the risk in writing the policy;
- d. substantial breaches of contractual duties, conditions, or warranties;
- e. loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the “policy” would imperil our solvency or place “us” in violation of the insurance laws of this State. Prior to cancellation for reasons permitted in this item (e), “we” shall notify the Director of Insurance or his or her designee, in writing, at least sixty (60) days prior to such cancellation and the director or his or her designee shall, within thirty (30) days of such notification, approve or disapprove such action.

"We" will provide the "master policyholder," the "participating organization" and the "insured" notice of such cancellation or non-renewal thirty (30) days before the effective date of cancellation.

After the "participating organization's" program under the "policy" has been in effect for 120 days, the "policy" may be non-renewed by "us" at its anniversary date by giving or mailing written notice of nonrenewal to the "master policyholder," "participating organization" and the agent of record, if any, not less than sixty (60) days prior to the anniversary date of the "policy" for any nonrenewal that is effective between November first and May thirty-first and not less than ninety days (90) prior to the anniversary date of the "policy" for any nonrenewal that is effective between June first and October thirty-first.

The notice of non-renewal or cancellation must be given or mailed to the "master policyholder", "participating organization," any agent and the "insured" at their last known addresses. Proof of mailing is sufficient proof of notice.

There are no other changes to the "policy" or Summary of Benefits.