ADDITIONAL POLICY CONDITIONS

1. **Assignment** -- This policy may not be assigned without **our** written consent.

2. **Cancellation and Nonrenewal** -- **You** may cancel this policy by returning the policy to **us** or by giving **us** written notice and stating at what future date coverage is to stop.

   During the first 60 days this policy is in effect, **we** may cancel for any reason.

   If this policy has been in effect 60 days or more, or if it is a renewal of a policy issued by **us**, **we** may cancel or not renew only at the anniversary date unless:

   a. the premium has not been paid when due;
   b. the policy was obtained through fraud, material misrepresentation or omission of fact, which, if known by **us**, would have caused **us** not to issue the policy; or
   c. there has been a material change or increase in hazard of the risk.

   We will give **you** notice at least 10 days before cancellation is effective, if **we** cancel this policy for nonpayment of premium. Otherwise, **we** will give **you** notice at least 30 days in advance of cancellation or nonrenewal.

   We may cancel this policy by written notice to **you** at the address shown on the Declarations.

   Your return premium, if any, will be refunded at the time of cancellation or as soon as practical. Payment or tender of the unearned premium is not a condition of cancellation.

3. **Change, Modification or Waiver of Policy Terms** -- A waiver or change of the **terms** of this policy must be issued by **us** in writing to be valid. If, in the policy period, **we** adopt a revision which broadens coverage without an additional premium, the broadened coverage will apply.

   If this policy has no expiration date, **we** may substitute or **we** may add, at each anniversary date, forms that are then authorized for use.

4. **Inspections** -- **We** have the right, but are not obligated, to inspect **your** property and operations. This inspection may be made by **us** or may be made on **our** behalf. An inspection or its resulting advice or report does not warrant that **your** property or operations are safe, healthful or in compliance with laws, rules or regulations. Inspections or reports are for **our** benefit only.

5. **Examination of Books and Records** -- **We** may examine and audit **your** books and records that relate to this policy during the policy period and within three years after the policy has expired.

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