### Surplus Lines Policy Cancellation/Non-Renewal Laws

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<th>State</th>
<th>Underwriting Period (New Policies)</th>
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<th>Mid-term Cancellation</th>
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<th>Conditional Renewal/Policy Change</th>
<th>Comments</th>
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<tr>
<td><strong>Alaska</strong></td>
<td>None stated in law</td>
<td>10 days conviction of crime increasing the hazard; fraud &amp; material misrep; 20 days failure or refusal of insured to provide info to determine premium, confirm exposure.</td>
<td>20 days</td>
<td>First Class with Certificate of Mailing; Notice to agent/broker</td>
<td>Yes</td>
<td>45 days if &gt;10% increase (except increase in coverage); or material reduction of coverage: Notice to agent/broker</td>
<td>----------</td>
</tr>
<tr>
<td><strong>Arkansas</strong></td>
<td>59 days</td>
<td>20 days for fraud or material misrep, material change which increases hazard, violation of code or law increasing hazard,</td>
<td>10 days</td>
<td>First Class with Certificate of Mailing; Notice to agent/broker</td>
<td>N/A</td>
<td>Not subject to nonrenewal laws</td>
<td>Per the AR DOI, Surplus lines insurers must comply with the cancellation requirements but are exempt from the non-renewal &amp; conditional renewal requirements</td>
</tr>
<tr>
<td><strong>Connecticut</strong></td>
<td>60 days</td>
<td>60 days physical changes in the property which increase hazard, a material increase in the hazard insured against, loss of reinsurance; 10 days conviction of crime increasing the hazard; fraud or material misrep; reckless acts or omissions; 90 days for any coverage part providing Professional Liability.</td>
<td>60 days</td>
<td>Professional Liability means doctors, dentists, lawyers, nurses, architects, engineers and hospitals. First Class with Certificate of Mailing. If cancel date falls on Sat/Sun or holiday, effective date must next business day</td>
<td>Refer to Conditional Renewal/Policy Change provisions column.</td>
<td>Per CT Statute 38a-323(1) premium billing notices shall be provided by any surplus lines insurer to the insured at least sixty days in advance of the renewal or anniversary date of the policy. Notices of nonrenewal or premium billing required by this section shall be provided by the surplus lines insurer or its duly authorized representative to the insured. Failure of any surplus lines insurer to provide the insured with the required notice of nonrenewal or premium billing shall entitle the insured to an extension of the policy for a period of ninety days after the renewal or anniversary date of each policy, provided the surplus lines insurer fails to provide the required notice on or before the renewal or anniversary date of each policy. In the event of such a ninety-day extension of coverage, the premium for the extended period of coverage shall be the current rate or the previous rate, whichever is lower.</td>
<td>Both CT Statute 38a-323 and 38a-324 apply to surplus lines insurers regarding information on non-renewals and cancellations by a surplus lines company per Thomas Taggart at the CT DOI</td>
</tr>
<tr>
<td><strong>Florida</strong></td>
<td>90 days</td>
<td>20 days</td>
<td>10 days</td>
<td>First Class with Certificate of Mailing</td>
<td>Yes</td>
<td>N/A; see 627.021</td>
<td>These requirements specifically apply to surplus lines business</td>
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## Surplus Lines Policy Cancellation/Non-Renewal Laws

### Indiana
- **Underwriting Period:** 90 days
- **Cancellation within Underwriting Period:**
  - 30 days; 20 days for fraud & material misrep. (or policy provisions if greater)
  - 45 days substantial change in risk, failure to comply with safety reqmts, cancellation of reinsurance; 20 days for fraud & material misrep.
- **Mid-term Cancellation:**
  - 45 days substantial change in risk, failure to comply with safety reqmts, cancellation of reinsurance; 20 days for fraud & material misrep.
- **Non-Pay Notice Requirements (All states require that a specific reason be provided):**
  - 10 days
- **Non-Renewal Notice Requirements:**
  - 45 days
- **Extension of Coverage Allowed?**
  - No
- **Conditional Renewal/Policy Change Comments:**
  - N/A
- **Comments:**
  - Per the IN DOI, the cancellation & non-renewal requirements apply to all insureds regardless of whether they are written by a licensed or a surplus lines carrier.

### Iowa
- **Underwriting Period:** 60 days
- **Cancellation within Underwriting Period:**
  - 10 days (or policy provisions if greater), 30 days for loss of reinsurance.
- **Mid-term Cancellation:**
  - 10 days, fraud & misrep, increase in risk, breach of policy condition, loss of reins approved by DOI (30 days)
- **Non-Pay Notice Requirements (All states require that a specific reason be provided):**
  - 10 days
- **Non-Renewal Notice Requirements:**
  - 45 days
- **Extension of Coverage Allowed?**
  - No
- **Conditional Renewal/Policy Change Comments:**
  - Requires a non-renewal notice if premium or ded is increased by 25% or >, or material reduction in coverage
- **Comments:**
  - Departmental interpretation

### Kansas
- **Underwriting Period:** 90 days
- **Cancellation within Underwriting Period:**
  - 30 days (or policy provisions if greater)
- **Mid-term Cancellation:**
  - 30 days, material misrep, violation of material conditions, unfavorable underwriting factors not present at inception, inadequate reins. approved by DOI
- **Non-Pay Notice Requirements (All states require that a specific reason be provided):**
  - 10 days
- **Non-Renewal Notice Requirements:**
  - 60 days
- **Extension of Coverage Allowed?**
  - No
- **Conditional Renewal/Policy Change Comments:**
  - For Professional Liability-notice to the Health Care Stabilization Fund.
  - For Medical Malpractice-notice to Board of Governors, Medical Malpractice Board.
  - First Class with Certificate of Mailing
- **Comments:**
  - The KS DOI takes the position that all insurers must comply w/ the cancellation & non-renewal laws but are not statutorily required to do so

### Maine
- **Underwriting Period:** 60 days
- **Cancellation within Underwriting Period:**
  - 14 days + 5 days mailing (or policy provisions if greater)
- **Mid-term Cancellation:**
  - 14 days + 5 days mailing
- **Non-Pay Notice Requirements (All states require that a specific reason be provided):**
  - 10 days + 5 days mailing
- **Non-Renewal Notice Requirements:**
  - 14 days + 5 days mailing
- **Extension of Coverage Allowed?**
  - Yes
- **Conditional Renewal/Policy Change Comments:**
  - N/A
- **Comments:**
  - These requirements specifically apply to surplus lines business

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For cancellation, check policy for endt - provide notice in accordance with either >>> IL0017-1198.doc or >>> U173-0702.doc

Prepared by Regulatory Compliance
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<td>Montana</td>
<td>59 days</td>
<td>Commercial Auto &amp; Farm Property: 45 days or policy provisions, if greater + mailing* Professional Liability: 60 days + mailing if covered by statute as defined by statute (person licensed in the practice of medicine, dentist, registered nurse, nursing home administrator, registered physical therapist, licensed psychologist, pharmacist, optometrist, veterinarian). All Others: 10 days or policy provisions. *Days notice does not include Sat., Sun. or legal holiday.</td>
<td>Commercial Auto: 45 days + mailing* for material misrepresentation, substantial &amp; unforeseen change in risk, violation of policy provisions. Professional Liability: 60 days + mailing* for material misrepresentation, substantial change in risk, breach of contractual duties, determination by Commissioner, financial impairment of us. All Other: 10 days or policy provisions. *Days notice does not include Sat., Sun. or legal holiday.</td>
<td>First Class with Certificate of Mailing; Notice to agent/broker. No Professional Liability: 60 days + mailing*. All other: 45 days + mailing* for increase in premium or change in terms (other than class change or increase in coverage by subclass)</td>
<td>No</td>
<td>Professional Liability: 60 days + mailing*. All other: 45 days + mailing* for increase in premium or change in terms (other than class change or increase in coverage by subclass). *Days notice does not include Sat., Sun. or legal holiday.</td>
<td></td>
</tr>
<tr>
<td>Nevada</td>
<td>69 days</td>
<td>30 days or policy provisions if greater; commercial auto may not cancel for non-fault accidents</td>
<td>30 days for material misrepresentation &amp; fraud, act or omission or violation of policy condition during current policy period that substantially increases risk, conviction of crime out of acts that increase risk, material change in nature of risk.</td>
<td>10 days</td>
<td>30 days before the expiration of the policy. If the insurer fails to provide adequate and timely notice, the insurer shall renew the policy at the expiring terms and rates: (a) for a period that is equal to the expiring term if the agreed term is 1 year or less; or (b) For 1 year if the agreed term is more than 1 year.</td>
<td>No</td>
<td>The DOI’s position is that all insurers should comply with the statutory requirements for cancellations &amp; non-renewals</td>
</tr>
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*For cancellation, check policy for endt - provide notice in accordance with either >>> [IL0017-1198.doc](#) or >>> [U173-0702.doc](#) <<<. }

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<td>New Mexico</td>
<td>60 days</td>
<td>10 days or policy provisions if greater</td>
<td>30 days for substantial change in risk; 15 days for material misrepresentation, fraud or concealment of material fact, willful and negligent act or omission, claim based on fraud or material misrepresentation, revocation or suspension of named insured’s or operator’s license</td>
<td>10 days</td>
<td>30 days</td>
<td>First Class with Certificate of Mailing</td>
<td>No</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>45 business days</td>
<td>10 days or policy provisions if greater</td>
<td>10 days for fraud or material misrepresentation, willful or reckless acts or omissions that increase the hazard, substantial change in risk increasing hazard, violation of fire, health, safety building or construction regulations, conviction of crime increasing the risk, convicted of criminal act increasing the risk</td>
<td>10 days</td>
<td>45 days</td>
<td>First Class with Certificate of Mailing</td>
<td>Yes</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>60 days</td>
<td>30 days or policy provisions if greater</td>
<td>15 days for material misrepresentation, 60 days for loss or substantial decrease in insurability approved by commissioner, condition or loss experience material to insurability has changed substantially or become known during policy period, material failure to comply with policy terms</td>
<td>15 days</td>
<td>60 days</td>
<td>First Class with Certificate of Mailing</td>
<td>No</td>
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The DOI’s position is that surplus lines insurers should comply with the cancellation & non-renewal requirements: New Mexico 60 days, Oklahoma 45 business days, Pennsylvania 60 days.
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<td>South Carolina</td>
<td>120</td>
<td>30 days</td>
<td>30 days for material misrep., substantial breach of contractual duties, substantial change in risk assumed. Loss of reinsurance or &quot;climactic changes&quot; only with the commissioner's approval.</td>
<td>10 days for most policies, 15 for commercial auto. If the non-renewal falls in the dates of JUNE 1 to OCT 31, the notice requirement is 90 days. Any other time, the non-renewal notice period is 60 days.</td>
<td>First Class with Certificate of Mailing; notice must be sent to insured and agent</td>
<td>Yes (off 9/2011)</td>
<td>Regardless of whether terms or premium have changed or remain the same, the insurer must give 45 days notice to the agent. The agent must give 30 days advance notice to the insured of what the renewal premium and terms will be. This requirement can be satisfied by issuing a quote 45 days in advance (separate &quot;notice&quot; is not required).</td>
</tr>
<tr>
<td>Vermont</td>
<td>59 days</td>
<td>45 days + 5 days mailing Use only non-holiday weekdays</td>
<td>45 days for fraud or material misrep., violation of terms or conditions, substantial increase in hazard approved by the Commissioner</td>
<td>15 days + 5 days mailing; Use only non-holiday weekdays. 45 days + 5 days mailing Use only non-holiday weekdays</td>
<td>Certified mail (except for non-pay)</td>
<td>No</td>
<td>45 day advance notice of premium prior to renewal. The DOI takes the position that S/L carriers must comply with notice requirements.</td>
</tr>
<tr>
<td>Washington</td>
<td>N/A</td>
<td>20 days</td>
<td>10 days</td>
<td>45 days N/A N/A N/A N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>Specific cancel requirements for SL policies. Do not send CNR notices certified mail-they will be considered void.</td>
</tr>
<tr>
<td>Wyoming</td>
<td>59 days</td>
<td>Policy provisions</td>
<td>10 days</td>
<td>45 days</td>
<td>First class with Certificate of Mailing; Must give insured right to request policyholder claim history at the time notice is given &amp; provide loss runs within 30 days of request</td>
<td>No</td>
<td>45 days if less favorable terms or higher rates</td>
</tr>
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For the purpose of these requirements, **NOTE** that the DOI takes the position that S/L carriers must comply with notice requirements.