

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the "Insurer" or the "Underwriters"

TEXAS AMENDATORY ENDORSEMENT TO POLICY TERMS AND CONDITIONS

This endorsement modifies insurance provided under the following:

<Product Name>

1. Clause **VI. SETTLEMENT AND DEFENSE D.** is amended to add the following:

The Underwriters shall provide written notice to the **Named Insured** of an initial offer to settle or compromise a **Claim** against the **Insureds**, not less than ten (10) days after the date on which the offer to settle or compromise is made, unless the **Named Insured** advised the Underwriters of such initial offer to settle or compromise the **Claim**. The Underwriters also shall provide written notice to the **Named Insured** of the settlement of a **Claim** against an **Insured**, not less than thirty (30) days after the settlement.

2. The term "**Optional Extension Period**," shall be deemed to include "Automatic Extension Period" in Clause **IX. NOTIFICATION B.**

3. Clause **X. GENERAL CONDITIONS C.** Cancellation/Nonrenewal 4. is amended to add the following:

If notice of nonrenewal is provided later than the 60th day before the date this Policy expires, this Policy shall remain in effect until the 61st day after the date on which the notice is provided. Earned premium for any period of coverage that extends beyond the expiration date of this Policy shall be computed pro rata based on this Policy's current rate. If this Policy is so extended, such period of extended coverage shall be part of and not in addition to the **Policy Period**. The Underwriters shall not refuse to renew this Policy based solely on the fact that the **Insured** is an elected official.

4. Clause **XI. OPTIONAL EXTENSION PERIOD A.** is amended to add the following at the beginning of this section:

A. If this Policy is cancelled by the **Named Insured** or if the Underwriters cancel or nonrenew this Policy, then the **Named Insured** shall have an automatic thirty (30) day extension of the coverage granted hereunder, but only with respect to any **Wrongful Act** committed before the effective date of cancellation or nonrenewal. This period shall be referred to herein as the "Automatic Extension Period". The Automatic Extension Period shall run concurrently with the first thirty (30) days of the sixty (60) day period after the end of the **Policy Period** in which to report **Claims** pursuant to Clause **IX. NOTIFICATION A.**

5. Clause **XI. OPTIONAL EXTENSION PERIOD A.** is amended further to add the following:

The Underwriters shall offer the **Named Insured** an **Optional Extension Period** that is at least one (1) year in length.

The regulatory requirements set forth in this Amendatory Endorsement shall supersede and take precedence over any provisions of this Policy or any endorsement to this Policy, whenever added, that are inconsistent with or contrary to the provisions of this Amendatory Endorsement, unless such Policy or endorsement provisions comply with the applicable insurance laws of this state.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative