

1 b. This Section does not apply if the company has
2 manifested its willingness to renew directly to the named
3 insured. Provided, however, that no company may increase the
4 renewal premium on any policy of insurance to which Section
5 143.11 applies, except for those defined in subsections (a),
6 (b), (c), and (h) of Section 143.13, by 30% or more, nor
7 impose changes in deductibles or coverage that materially
8 alter the policy, unless the company shall have mailed or
9 delivered to the named insured written notice of such
10 increase or change in deductible or coverage at least 60 days
11 prior to the renewal or anniversary date. The increase in
12 premium shall be the renewal premium based on the known
13 exposure as of the date of the quotation compared to the
14 premium as of the last day of coverage for the current year's
15 policy, annualized. The premium on the renewal policy may be
16 subsequently amended to reflect any change in exposure or
17 reinsurance costs not considered in the quotation. An exact
18 and unaltered copy of such notice shall also be sent to the
19 insured's broker, if known, or the agent of record. If an
20 insurer fails to provide the notice required by this
21 subsection, then the company must extend the current policy
22 under the same terms, conditions, and premium to allow 60
23 days notice of renewal and provide the actual renewal premium
24 quotation and any change in coverage or deductible on the
25 policy. Proof of mailing or proof of receipt may be proven
26 by a sworn affidavit by the insurer as to the usual and
27 customary business practices of mailing notice pursuant to
28 this Section or may be proven consistent with Illinois
29 Supreme Court Rule 236. The-company-shall-maintain-proof-of
30 mailing-or-proof-of-receipt-whichever-is-required.

31 c. Should a company fail to comply with the non-renewal
32 notice requirements of subsection a., this--Section, the
33 policy shall be extended for an additional year the--policy
34 shall--terminate--only-as-provided-in-this-subsection.--In-the

1 event notice is provided at least 31 days, but less than 60
2 days prior to expiration of the policy, the policy shall be
3 extended for a period of 60 days or until the effective date
4 of any similar insurance procured by the insured, whichever
5 is less, on the same terms and conditions as the policy
6 sought to be terminated. In the event notice is provided
7 less than 31 days prior to the expiration of the policy, the
8 policy shall be extended for a period of one year or until
9 the effective date of any similar insurance procured by the
10 insured, whichever is less, on the same terms and conditions
11 as the policy sought to be terminated, unless the insurer has
12 manifested its intention to renew at a different premium that
13 represents an increase not exceeding 30% unless the insurer
14 has manifested its willingness to renew at a premium which
15 represents an increase not exceeding 30%. The premium for
16 coverage shall be prorated in accordance with the amount of
17 the last year's premium, and the company shall be entitled to
18 this premium for the extension of coverage and such extension
19 may be contingent upon the payment of such premium.

20 d. Renewal of a policy does not constitute a waiver or
21 estoppel with respect to grounds for cancellation which
22 existed before the effective date of such renewal.

23 e. In all notices of intention not to renew any policy
24 of insurance, as defined in Section 143.11 the company shall
25 provide a specific explanation of the reasons for nonrenewal.
26 (Source: P.A. 89-669, eff. 1-1-97.); and

27 after the end of Section 15, by inserting the following:

28 "Section 99. Effective date. This Section and the
29 portion of Section 5 amending Section 143.17a of the Illinois
30 Insurance Code take effect upon becoming law and the rest of
31 this Act takes effect on the uniform effective date provided
32 by law."