

Valentine Insurance Agency, LLC
High Peak Agency
Property/Casualty and Life Client
Premium payments while under COVID-19 financial stress

To Our Valued Policy Holders,

I hope you and your families are well and doing your best to get through these difficult times. We are here to help.

A recent Executive Order issued by Gov. Andrew M. Cuomo, together with recent amendments to the insurance and banking regulations (the “regulations”) issued by the New York State Department of Financial Services (“Department”), extend grace periods and give you other rights under life insurance policies, annuity contracts and certain property/casualty insurance policies if you are an individual or small business and can demonstrate financial hardship as a result of the novel coronavirus (“COVID19”) pandemic (“affected policyholder”). These grace periods and rights are currently in effect but are temporary, though they may be extended further. Please check the Department’s website at <https://www.dfs.ny.gov/consumers/coronavirus> for updates.

If you are an individual, generally, personal lines property/casualty insurance policies are covered by these amendments, including auto, homeowners’ and renters’ insurance. If you are a small business, only certain types of commercial lines property/casualty insurance policies are covered by these amendments, generally including property, fire, commercial general liability, special multiperil, medical malpractice, workers’ compensation, commercial auto (including livery and other for-hire vehicles) and commercial umbrella insurance. A business qualifies as a “small business” if it is resident in New York State, is independently owned and operated, and employs 100 or fewer individuals.

Moratorium on cancellation, nonrenewal, and conditional renewal

If you are an affected policyholder, there is a moratorium on your insurer or premium finance agency, cancelling, nonrenewing or conditionally renewing your property/casualty insurance policy for a period of 60 days. If you do not make a timely premium payment and can demonstrate financial hardship as a result of the COVID-19 pandemic, your insurer or premium finance agency may not impose any late fees relating to the premium payment or report you to a credit reporting agency or a debt collection agency regarding such premium payment.

Life insurance payments—grace period

If you can demonstrate financial hardship as a result of the COVID-19 pandemic, your insurer or premium finance agency, must extend to 90 days the applicable grace period for the payment of premiums and fees under your life insurance policy or annuity contract. If you do not make a timely premium payment and can demonstrate financial hardship as a result of the COVID-19 pandemic, your insurer may not impose any late fees relating to the premium payment or report you to a credit reporting agency or a debt collection agency regarding such premium payment.

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Catching up on overdue insurance payments

The regulations require your insurer, whether on life or P&C, or premium finance agency to permit you to pay the overdue premium over a 12-month period if you did not make a timely premium payment due to financial hardship as a result of the COVID-19 pandemic and can still demonstrate financial hardship as a result of the COVID-19 pandemic. This applies if the insurer sent you a nonpayment cancellation notice prior to March 29, 2020.

How to demonstrate financial hardship

If you, as an affected policyholder, are unable to make a timely premium payment, you may submit to your insurer or premium finance agency, as applicable, a statement that you swear or affirm in writing under penalty of perjury that you are experiencing financial hardship as a result of the COVID-19 pandemic. Such statement is not required to be notarized.

For more information on the changes and for updates, please visit our website [website domain name] and follow us on social media [social media handles].

If you have any questions regarding your rights under the Executive Order or regulations, please contact us.

Sincerely,

Keith W. Valentine
President