

We've received a number of inquiries regarding various state Department of Insurance notices to the Insurance Industry requesting that all insureds be granted at least a 60-day grace period to pay insurance premiums. We've also heard concerns regarding your responsibility to remit premium to us as set out in your Producer Agreement. To address these issues, we're implementing the following arrangements and ask for your continued cooperation and partnership in executing:

- We approach our insurance products and services as a three way partnership with the broker and policyholder that should provide benefit to everyone involved. We recognize that the COVID-19 health crisis will create hardship and financial distress for many. For those policyholders who are able to pay their premium obligations timely, we expect that they will do so and that the broker will help facilitate timely payment.
- We have suspended for 90 days all cancellations based upon non-payment for all lines and all states.
- Notwithstanding the requirement in the Producer's Agreement, we will not require the broker to remit premiums that the broker has not collected for any delinquent account during the term of the moratorium on non-payment cancellations.
- For those accounts that pay their premium obligation and the broker remits those premiums in accordance with the Producer Agreement, we will pay commission as previously agreed upon.
- Once the non-payment cancellation moratorium is lifted, we will work with the broker to pursue collection within a reasonable period of time so that they may receive their commission on previously delinquent accounts.
- If prompt collection is not attainable, the broker will turn the account over to us for direct collection without payment of commission.

Thank you for working with us through this unique and trying time. Please share this with appropriate people at your agency as needed.

Sincerely,

Larry

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