



Mountain West Insurance & Financial Services, LLC

100 E. Victory Way Craig, CO 81625
(800) 390-0559 toll-free
(970) 824-8185 office
(970) 824-8188 fax
www.mtnwst.com

Good Afternoon,

We have been advised that the State of New York has implemented some new guidelines regarding payments of premium for exposures in that State. We just wanted to pass along the notice to you for your records. Please call your agent if you have any questions.

On March 29th, Governor Andrew M. Cuomo issued Executive Order No. 202.13. (the "Order"). The Order provides a grace period for the payment of insurance premiums and fees and imposes a moratorium on insurance policy cancellations, non-renewals and conditional renewals. The Order applies to certain policies issued to certain insureds suffering "financial hardship" due to COVID-19. Below is a summary of some of the Order's implementing regulations.

Regulation Executive Summary

Consistent with the Order, the New York State Department of Financial Services (DFS) adopted an emergency regulation on March 30th requiring New York State property and casualty insurers and premium finance agencies to provide relief to qualifying New York individuals and Small Businesses experiencing financial hardship due to COVID-19.

Individuals and Small Businesses experiencing financial hardship due to COVID-19 may defer paying premiums for certain property and casualty insurance policies for sixty (60) days. Premium finance agencies are required to provide the same relief as insurers.

Who is Eligible for Relief?

In order to be eligible for relief under the Order and DFS regulation, a policyholder must be an:

1. *Individual;*
2. *Small business; or*



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3. *In the case of a group insurance policy, insuring certificate holders that are individuals or small businesses.*

If you are an individual, generally, personal lines property and casualty insurance policies are covered by the DFS regulation, including auto, homeowners' and renters' insurance.

If you are a Small Business, only certain types of commercial lines property and casualty insurance policies are covered by the DFS regulation, generally including (but not limited to) property, fire, commercial general liability, special multiperil, medical malpractice, workers' compensation, commercial auto (including livery and other for-hire vehicles), and commercial umbrella insurance.

Small Business means "*any business that is:*

1. *Resident in this State [New York],*
2. *Independently owned and operated, and*
3. *Employs 100 or fewer individuals."*

What Relief is Afforded?

a. Property and Casualty Insurers

Property and casualty insurers are required to provide the following relief to individuals and Small Businesses who can demonstrate financial hardship due to COVID-19:

- Provide a 60-day grace period for the cancellation, conditional renewal or non-renewal of a policyholder's qualifying insurance policy;
- Allow premiums due but not paid during the 60-day period to be paid over a 12-month period; and



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- Waive any late fees relating to the premium payment, and withhold any notice to credit reporting agencies or debt collection agencies regarding such premium payment.

Premium payment relief also applies if the insurer sent you a nonpayment cancellation notice prior to March 29, 2020.

b. Premium Finance Agencies

Premium finance agencies must provide the same relief to those individuals and Small Businesses who have financed the payments of their eligible property and casualty premiums, subject to safety and soundness considerations of the premium finance agencies.

DFS requires premium finance agencies to provide the following relief to individuals and Small Businesses who can demonstrate financial hardship due to COVID-19:

- Provide at least a 60-day grace period for the cancellation of a qualifying policy, including any contractual grace period;
- Extend the due date for installment payments under the premium financing agreement by at least 60 days;
- Allow installment payments due but not paid during the applicable grace period to be paid over a 12-month period; and
- Waive any late payment fees, and withhold notice to credit reporting agencies or a debt collection agencies regarding that installment payment.

This also applies if the premium finance agency issued a non-payment cancellation notice prior to March 29, 2020.

How do I Apply for Relief?

If you, as an affected policyholder, are unable to make a timely premium payment due to financial hardship as a result of the COVID-19 pandemic, you may submit to your



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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, which the insurer or premium finance agency, as applicable, shall accept as satisfactory proof. Such statement is not required to be notarized.

Questions?

If you have any questions regarding your rights under the Order or DFS regulation, please contact your Account Executive, insurer, or premium finance agency.

The Order and DFS regulation cover additional requirements that this notice does not discuss. Please review the DFS regulation and Order for full requirements.

The Order is also available on our Website.

Sincerely,

Your team at Mountain West Insurance & Financial Services, LLC