



## AMERICAN TRANSIT INSURANCE COMPANY

April 10, 2020

Dear Policyholder,

A recent Executive Order issued by Governor 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 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 (“COVID-19”) pandemic (“affected policyholder”). These grace periods and rights are currently in effect but are temporary, though they may be extended further. If you have a premium payment that is or was due between the period of March 29, 2020 and April 28, 2020, and are unable to make the payment due to financial hardship as a result of the COVID-19 pandemic, you may be eligible for relief. 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 an individual and an affected policyholder, please contact us or your broker if you are uncertain whether your policy is covered. 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. If you are a small business and an affected policyholder, please contact us or your broker if you are uncertain whether your policy is covered.

- A copy of the Executive Order and regulations can be found at <https://www.governor.ny.gov/news/no-20213-continuing-temporary-suspension-and-modification-laws-relating-disaster-emergency> and [https://www.dfs.ny.gov/system/files/documents/2020/03/re\\_consolidated\\_amend\\_pt\\_405\\_27a\\_27c\\_new\\_216\\_text.pdf](https://www.dfs.ny.gov/system/files/documents/2020/03/re_consolidated_amend_pt_405_27a_27c_new_216_text.pdf), respectively.

### **Moratorium on Cancellation, Non-Renewal, and Conditional Renewal**

If you are an affected policyholder, American Transit will not cancel, non-renew, or conditional renew your commercial auto insurance policy for non-payment for a period of 60 days. The 60-day period commences with the policy premium due date which falls between March 29 and April 28, 2020. In addition, during this 60-day period, if you do not make a timely premium payment and can demonstrate financial hardship as a result of the COVID-19 pandemic, we will 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 also requires us to permit you, as an affected policyholder, 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 demonstrate financial hardship as a result of the COVID-19 pandemic. This also applies if we sent you a nonpayment cancellation notice prior to March 29, 2020.

### **Policies Financed by Premium Finance Agencies – Grace Period**

If your insurance policy has been financed through a premium finance agency, and you, as an affected policyholder, do not make an installment payment, the premium finance agency may not cancel your policy for a period of at least 60 days, including any contractual grace period, and subject to the safety and soundness of the premium finance agency. In addition, if you do not make a timely installment payment to the premium finance agency, the premium finance agency must extend the due date for the installment payment by at least 60 days, may not impose any late fees relating to that installment payment, and may not report you to a credit reporting agency or a debt collection agency regarding that installment payment.

### **Catching up on Overdue Payments to Premium Finance Agencies**

If you, as an affected policyholder, do not make a timely installment payment to the premium finance agency due to financial hardship as a result of the COVID-19 pandemic, the premium finance agency must permit you to pay the installment payment over a 12-month period if you can still demonstrate financial hardship as a result of the COVID-19 pandemic, subject to the safety and soundness of the premium finance agency. This also applies if the premium finance agency issued a non-payment 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 due to financial hardship as a result of the COVID-19 pandemic, you may submit to us or your 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 we or your 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 Executive Order or regulations, please contact American Transit Insurance Co. at 1-800-683-ATIC (2842) or e-mail us at [COVIDRelief@american-transit.com](mailto:COVIDRelief@american-transit.com), your broker, or your premium finance agency.