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 your life insurance policy or annuity contract if you can demonstrate financial hardship as a result of the novel coronavirus ("COVID-19") pandemic. 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.

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, respectively.

Insurance Payments - Grace Period

If you can demonstrate financial hardship as a result of the COVID-19 pandemic, your insurer 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.

Catching up on Overdue Insurance Payments

The regulations also require your insurer 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 also applies if the insurer sent you a nonpayment cancellation notice prior to March 29, 2020.

Policies Financed by Premium Finance Agencies – Grace Period

If your life insurance policy or annuity contract has been financed through a premium finance agency, and you do not make an installment payment, the premium finance agency may not cancel your life insurance policy or annuity contract for a period of at least 90 days, including any contractual grace period, if you can demonstrate financial hardship as a result of the COVID-19 pandemic, 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 and can demonstrate financial hardship as a result of the COVID-19 pandemic, the premium finance agency must extend the due date for the installment payment by at least 90 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 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 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 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 Executive Order or regulations, please contact your insurer, broker, or premium finance agency.