



Dear PRI Policyholder:

In wake of the COVID-19 pandemic, Governor Cuomo issued Executive Order 202.13 (the “Order”) in an effort to ease the economic burden brought about by this pandemic. In furtherance of that Order, the Superintendent of the New York State Department of Financial Services (the “Department”) has implemented emergency measures, through April 28, 2020 unless otherwise extended, which extend the grace periods and provide certain other rights to individuals and small businesses (which are resident in New York State, independently owned and operated, and employ fewer than 100 individuals) who can demonstrate financial hardship as a result of the COVID-19 pandemic. The Order and regulations provide the following:

Moratorium on Cancellation, Non-Renewal, and Conditional Renewal

If you are an affected policyholder, there is a moratorium on PRI cancelling, non-renewing, or conditionally renewing your 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, PRI 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 PRI 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 still demonstrate financial hardship as a result of the COVID-19 pandemic. This also applies if PRI 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 PRI 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 PRI or premium finance agency, as applicable, shall accept as satisfactory proof. Such statement is not required to be notarized.

Should you have any questions or concerns regarding the foregoing or would like to discuss billing or alternative payment arrangements, please contact PRI's Underwriting Department at 1-800-632-6040 or underwritingcontact@medmal.com.

Please check the Department's website at <https://www.dfs.ny.gov/consumers/coronavirus> for updates.

Sincerely,

A handwritten signature in blue ink that reads "Bruce C. Shulan". The signature is fluid and cursive, with the first letters of each name being capitalized and prominent.

Bruce C. Shulan
President & Chief Executive Officer
Physicians' Reciprocal Insurers