

**Questions and answers regarding Bulletin 2020-3, as amended:**

- 1. What policies are subject to the moratorium?** All insurance policies issued or issued for delivery in Mississippi. This includes all lines of insurance written through either the admitted or surplus lines market.
- 2. If a notice of cancellation or nonrenewal has been sent on a policy prior to March 24, 2020, the date provided in the amended bulletin, and the policy will nonrenew or cancel on or after March 24, 2020, will companies need to reinstate this policy?** Yes, if the policy is cancelled or nonrenewed due to nonpayment of premium.
- 3. For policies that go in default for nonpayment during the 60 day moratorium period, when should notices of cancellation/ nonrenewal be sent?** Notices may be sent after the 60 day period has run. Any notice period required by statute or the policy shall apply.
- 4. What if a company wants to cancel due to fraud?** The Bulletin only addresses cancellations/nonrenewals that are due to nonpayment of premium; if there is another legally recognized reason for cancellation or nonrenewal, then the cancellation or nonrenewal may be made pursuant to the existing statutory or policy notice requirement.
- 5. Do policyholders have to request that they receive the moratorium?** No, the moratorium is automatic.
- 6. During the moratorium, if there is a policy that would normally be cancelled due to nonpayment of premium and a claim occurs, can the insurance company deduct owed premiums from the claims payment?** Yes, the insurer can deduct any owed premiums from the claims payment.
- 7. What if the 60 day moratorium needs to be extended?** MID is monitoring the COVID-19 pandemic closely. If this crisis continues past the 60 day moratorium, MID will review the situation and assess whether or not the moratorium should be extended or revised.