

NOTICE TO NEW JERSEY POLICYHOLDERS ISSUED POLICIES BY  
AMERICAN ALTERNATIVE INSURANCE CORPORATION'S

On April 10, 2020, the New Jersey Department of Banking and Insurance (“Insurance Department”) issued Bulletin 2020-15 specifically addressing 90-Day Grace Period for Property and Casualty Insurance Premium Payments Due to the disruption caused by COVID-19.

The Insurance Department has directed all insurers transacting property and casualty insurance in New Jersey to provide their insureds, who may be experiencing a financial hardship due to COVID-19, with at least a 90-day grace period to pay insurance premiums so that insurance policies are not cancelled for nonpayment of premium during this time due to circumstances beyond the control of the insured.

A policyholder may elect the 90-day emergency grace period for the payment of insurance premiums to begin retroactively on April 1, 2020 or opt for the grace period to begin on May 1, 2020. **Please contact your agent if you wish to elect the 90-day emergency grace period.**

During the 90-day emergency grace period, insurance companies have been also instructed by the Department to:

- Waive late payment fees otherwise due, and not report late payments to credit rating agencies;
- Allow premiums due but not paid during the 90-day period to be paid over the remainder of the current policy term or up to 12 months in up to 12 equal installments, whichever is longer, except that an insurer may permit a longer repayment period.

The 90-day emergency grace period is intended to apply to all installment payments, including renewal down payments, **provided that the insured provides notice to the insurer** that the insured wishes to continue coverage. It is not intended to change the terms of the issued policy or be considered a forgiveness of the premium. Rather, it is intended that the insurer grant the policyholder an extended grace period for the payment of premium due without penalty or interest.

**Please contact your agent** to ensure that you have the ability to make prompt insurance payments through alternate methods of payment, such as online payments, if you are able to make premium payments during the 90-day emergency grace period.