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## This Customer Update is for information purposes only.

To our valued policyholders and agents:

*This letter explains an important update regarding our cancellation policy. This is not a cancellation letter.* Chesapeake Employers' Insurance Company will reinstate normal premium cancellation practices, specifically **canceling a current term policy due to non-payment (balance due) for a prior policy term, effective August 1, 2023.**

Information is provided below on the cancellation process and options for payment. Chesapeake Employers appreciates your support in ensuring timely payment of your premium.

### What does this mean?

**Beginning August 1, 2023, Chesapeake Employers will cancel a current policy for:**

- Failure to pay outstanding premiums due from a previous policy term.

**If a balance exists on a prior term debt, the following may occur:**

- Chesapeake Employers will send, 20 days in advance, an "Intent to Cancel" notice to both the insurance agency of record (if applicable) and the policyholder.
- If the outstanding balance is paid prior to the cancellation date, the "Intent to Cancel" will be withdrawn. Otherwise, cancellation of the policy will take effect at 12:01 a.m. on the date specified in the cancellation notice.
- Upon cancellation, a final payroll audit will be conducted, and if applicable, a bill for the outstanding balance will be forwarded to the policyholder.

**For your convenience, Chesapeake Employers offers several payment options. They include:**

- Electronic Funds Transfer (EFT)
- Credit cards (MC/VISA, Discover)
- Check
- Recurring payments option
- Pay-as-you go through SmartPay

If you have questions about your bill or payments regarding your current or prior policy, **please call your agent or call our Customer Service Center at 1-800-264-4943.** As always, we appreciate your business.

Please stay safe and healthy. Thank you for your continued trust in us to be your workers' compensation insurance company. We are proud to be here to help the businesses of Maryland.

Sincerely,

Paige Beck, CPA, President