

POLICYHOLDER NOTIFICATION

This policyholder notification is being sent at the request of the New York State Department of Financial Services to all insureds that have commercial property insurance to inform you of how COVID-19 (Coronavirus) impacts any business interruption coverage you may have on your policy.

Midstate Mutual Insurance Company issues commercial policies in the form of Businessowners, Special Multi-Peril and Standard Fire contracts. Businessowner policies include business interruption coverage, however Special Multi-Peril and Standard Fire policies must be endorsed to obtain business interruption coverage. Business interruption coverage is triggered when cause of loss insured against causes loss and damage to building or business property resulting in non-operation of business. Contained in many of the business interruption coverages is a provision for loss of income when a civil authority prohibits access to your premises as a result of a covered cause of loss to property at a premises other than yours.

When business interruption coverage is provided, it is contingent on loss and damage occurring to insured building or business property by cause of loss insured against resulting in non-operation of business. Pandemic contamination (COVID-19) does not constitute physical loss and damage to building or business property, consequently, there is no coverage for business interruption from COVID-19.

In addition, there are no available coverages in your policy that would provide protection from contingent business interruption or supply chain interruption.

This policyholder notification is not a contract of insurance. It is intended to provide information on your commercial property insurance. It is recommended that you review your policy carefully to determine your rights, duties and obligations. This information is intended to assist you in the review of your policy.