

## Explanatory Memorandum

Travelers recognizes the difficulties faced by many of our policyholders, our agents and broker partners and the community. As a result, we have put in place many relief efforts to assist during this difficult time.

### Commercial Automobile (in place through at least June 30, 2020)

For commercial automobile insureds, we have enhanced our Seasonal Lay-up Credits rules to better respond to the individual circumstances of our insureds.

1. We are waiving any 60-day minimum requirement when a policyholder requests a seasonal lay-up credit.
2. The credit is available for any vehicle type currently not in use.
3. We are waiving any requirement of maintaining full coverage for at least one vehicle,
4. We will be fair and reasonable to insureds seeking to utilize the rule for an unlimited number of days within the policy period.

With many businesses disrupted and suspending some or all their operations, this credit will reduce their liability and collision premium while the vehicle(s) are not in use. This relaxation will provide insureds a credit of at least 15% of the vehicle's annual premium on each requested vehicle for the period of time established by the insured.

(Not applicable to Northland companies as the current rule responds appropriately)

### Workers' Compensation (in place through at least June 30, 2020)

We made significant changes to our audit process for workers' compensation policies for the protection of our insureds and our staff. Primarily, we will undertake all audits virtually, leveraging technology investments made by our company.

We will also be extending deadlines for premium audits; including those where audit non-compliance letters have been sent, and where insureds cannot access books and records by the set deadlines.

Our Premium Audit team will proactively contact scheduled insureds to ensure that they are aware of the changes and to answer any questions they may have.

### Other Commercial lines efforts

Travelers has suspended cancellation and nonrenewal of coverage for all lines of business due to nonpayment through June 15, 2020. We will not charge interest, late fees or penalties during this period, providing policyholders extra time to pay their premiums without risking cancellation. We continue to monitor ongoing developments related to COVID-19 and will make appropriate adjustments to our practices as needed.

Information regarding all policyholder accommodations, as well as the latest information on the steps Travelers is taking in response to COVID-19, can be found on our dedicated site on Travelers.com. The website, which is detailed on the next page, is being updated regularly as we continue to issue new guidance, implement new procedures and publish useful information for customers, agents and brokers.

We continue to work with our impacted insureds and the brokers and agent community to navigate these unprecedented times. If you have any questions or would like additional information concerning any of our existing relief programs, please feel free to contact me.

Thank you

## Travelers.com COVID-19 Information

Content Category	Content Description	Links
<b>Landing Page</b>	Landing page with overview of information and links to content.	<a href="https://www.travelers.com/about-travelers/covid-19-coronavirus-update">https://www.travelers.com/about-travelers/covid-19-coronavirus-update</a>
	A description of our Business Resiliency program.	<a href="#">Business Resiliency Plans</a>
<b>Customers</b>	Details of our billing relief plan for customers.	<a href="#">Billing Relief</a>
	Details on our personal lines auto premium credit program.	<a href="#">Stay-at-Home Auto Premium Credit Program</a>
	Working with business customers and their agents and brokers to address specific needs based on underwriting and state regulatory requirements.	<ul style="list-style-type: none"> <li>• Providing premium credits for commercial auto policyholders whose vehicles have been taken off the road.</li> <li>• Adjusting exposures for general liability and workers compensation policies, taking into account reduced payroll, sales and receipts.</li> </ul>
	Description of revised claim handling and inspection protocols.	<a href="#">Updated Claims Processes</a>
	Description of revised premium audit process.	<a href="#">Virtual Premium Audits</a>
	High-level information on Business Interruption insurance.	<a href="#">Business Interruption Information</a>
	Answers to common questions we've been hearing from customers.	<a href="#">Frequently Asked Questions</a>
	Login for MyTravelers.com.	<a href="#">MyTravelers.com</a>
<b>Agents and Brokers</b>	Details on our accelerated commission payment program.	<a href="#">Accelerated Commission Payments</a>
	A letter to U.S. agents and brokers from senior leaders.	<a href="#">Letter From Our Leadership</a>
<b>Communities</b>	Details on our charitable efforts.	<a href="#">\$5 Million to COVID-19 Relief Efforts</a>
<b>Articles and Resources</b>	Various guides from Travelers Risk Control.	<a href="#">Setting Up Home Offices</a>
		<a href="#">Cybersecurity Tips For Working Remotely</a>
		<a href="#">Food Services and Curbside Pickup</a>
		<a href="#">Construction Site Safety During Shutdown</a>
		<a href="#">Unexpected Property Shutdown Risks</a>
<b>Stay Informed</b>	Links to third party sites, such as the CDC.	<a href="#">U.S. Centers for Disease Control and Prevention</a>
		<a href="#">World Health Organization</a>
		<a href="#">U.S. Occupational Safety and Health Administration</a>
		<a href="#">U.S. Small Business Administration</a>
		<a href="#">U.S. Chamber of Commerce</a>