



**NOTICE TO CALIFORNIA INSUREDS  
REGARDING PREMIUM REDUCTIONS  
April 16, 2020**

On April 13, 2020, California issued a bulletin entitled *Premium Refunds, Credits and Reductions in Response to COVID-19 Pandemic*. This bulletin is applicable to admitted policies only.

The company has received many inquiries from the industry regarding the Hudson Insurance Group's response to the bulletin.

It is our understanding that the department's intent by issuing this bulletin is to provide a structure that would allow companies to take actions that would otherwise be deemed illegal and subject insurance companies to enforcement actions by the insurance department. Refunding premiums to insureds means that the carrier is deviating from its filed and approved rate plans.

California is not requiring that insurers deviate from filed and approved rate plans. California is asking that insurers analyze decreased exposures and re-rate those exposures in accordance with their already filed rate plans.

Many insureds will not qualify for premium reductions because of how they are rated under approved rate filings.

The company is in the process of analyzing its products and identifying potentially impacted insureds. Further guidance regarding implementation of the bulletin will be forthcoming. In the interim, please do not hesitate to contact your underwriter should you have any questions.