

FOR IMMEDIATE RELEASE

George Dale, Commissioner of Insurance / State Fire Marshal

Mississippi Insurance Department

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Insurers directed to grant grace periods in hurricane-impacted areas

Insurance Commissioner George Dale today called on all insurance companies doing business in Mississippi to grant a 60-day grace period for collection of insurance policy premiums owed by residents of the state impacted by Hurricane Katrina.

Once the Department get electricity notices will be sent to all insurance companies licensed to do business in the state of Mississippi directing that their policyholders residing in the areas impacted by Hurricane Katrina be granted a 60-day extension on payment deadlines for premiums owed on all types of insurance policies.

"For those in Mississippi who are now struggling to get their lives back together, the last thing they ought to have to worry about is being non-renewed on some form of insurance because they cannot make their premium payment on time," Dale said.

"This voluntary directive does not mean that insurance companies will forgive owed premiums," Dale said. "It gives policyholders who have been impacted by the hurricane an additional 60 days to pay their premiums without being non-renewed for not paying their premium."

The directive would apply to anyone that has damage due to Hurricane Katrina. Similar voluntary directives have been issued in the wake of recent hurricanes and other natural disasters, as well as during the call-up of military personnel during the Persian Gulf War and the furlough of federal workers in 1996.

"Insurance companies have been very good about complying with these directives and giving an extra helping hand to those impacted by these kind of emergencies," Dale said.

Dale said " We have been in communication with all the major writers in Mississippi and they are ready to send what ever kind of help and resources are needed to handle claims once people are allowed back into the impacted areas."