

“Babysitting” Suggested Letter

Your homeowner’s (automobile) insurance policy through (Name of Company) is written on a direct-billed basis. You receive your premium payment notices directly from the Company at each billing anniversary or due date. Should your payment be late, the company will send you a notice of cancellation for non-payment or a reminder notice that the premium is overdue and your insurance will be terminated.

In the past it has been our agency’s practice to contact any of our policyholders that receive this notice to remind them to send the premium to (Name of Company). This has proven to be both expensive and time consuming for our agency.

Effective (Thirty days from date of this letter) our agency will no longer contact our policyholders regarding past due premiums and will assume no responsibility for notifying any customers to pay their premiums. As the policy is a contract between the insurance company and the person named on the insurance, it is the insured’s responsibility to pay the premium when due. We are sure you will understand our position in this matter.

Thank you for giving us the opportunity to handle your insurance. We appreciate your continued business and support.

Note: This is only a suggested letter. It is recommended you have it reviewed by legal counsel prior to using.

Also, place a copy of the letter in every insured’s file or enter the notation in your automated system, if your agency is on transactional filing. It is also recommended this procedure be made a part of your written manual of procedures.