

## Explanatory Memorandum

### COVID-19 Premium Refunds, Credits, and Reduction Report

Company Name: Essentia Insurance Company ("Essentia")

NAIC Code: 37915

If your company writes in any lines of insurance specified in Bulletin 2020-8 (Amended) and has determined no refunds are necessary, please explain and provide any relevant documents.

Line of Business	Program	Explanation
Private Passenger Automobile	Classic Auto Program CDI Filing # 19-1854	After analysis to determine whether it should be subject to the terms of the bulletin, Essentia Insurance Company's only private passenger automobile business, a collector vehicle program, has not seen a credible change in the claims activity related to COVID-19. The nature of our program is different than private passenger programs where commuter coverage is a typical use, our program is limited to vehicles that are of special interest and are maintained for collector vehicle purposes. Risks are much lower mileage and are not "daily driver" vehicles. The change in risk exposure due to the Covid-19 pandemic is going to be much different from a standard auto private passenger insurance risk, and a low usage "collector" auto insurance risk. Essentia will not be adjusting premiums due to COVID-19 at this time; however, we will continue to monitor claims activity and adjust course as warranted.