

URGENT: NOTICE OF EXPIRATION AND COVERAGE LAPSE

Date: [Insert Date]

To: [Name of Director/Officer/Board Member]

Company: [Insert Company Name]

RE: Notice of Failure to Renew Directors and Officers (D&O) Liability Insurance

Dear [Name],

This letter serves as formal notification that the Directors and Officers (D&O) Liability Insurance policy for [Company Name], Policy Number [Policy Number], expired on [Expiration Date].

Despite previous reminders, the renewal process was not completed, and the premium remains unpaid. Consequently, the policy has lapsed, and there is currently no coverage in place for the personal liabilities of the directors and officers of this organization.

Consequences of Lapse:

- **Loss of Personal Asset Protection:** Directors and officers are now personally liable for legal costs and damages resulting from lawsuits alleging wrongful acts, errors, or omissions.
- **Loss of Continuity:** A lapse in coverage may result in the loss of "prior acts" coverage, meaning the new policy may not cover claims arising from actions taken before the new effective date.
- **Increased Premiums:** Future applications for coverage may be subject to higher premiums or stricter underwriting requirements due to the history of a lapse.

To reinstate coverage or secure a new policy immediately, please provide the following by [Time] on [Date]:

1. Completed and signed renewal application.
2. Payment of the outstanding premium invoice.
3. A signed "No Known Claims" declaration.

Please contact [Contact Name] at [Phone Number] or [Email Address] immediately to resolve this matter and restore protection for the leadership team.

Sincerely,

[Your Name]

[Your Title]

[Department Name]