

URGENT: NOTICE OF PENDING CANCELLATION AND POLICY LAPSE

Date: [Insert Date]

To: [Name of Director/Officer or Board of Directors]

Company: [Insert Company Name]

Address: [Insert Company Address]

Re: Directors and Officers (D&O) Liability Policy #[Insert Policy Number]

Dear [Insert Name],

This letter serves as formal notification that your Directors and Officers Liability insurance policy is scheduled to be cancelled effective [Insert Cancellation Date] due to [Insert Reason, e.g., non-payment of premium/failure to provide required documentation].

Consequences of Policy Lapse:

- **Loss of Coverage:** Personal assets of directors and officers may be exposed to legal claims, settlements, and defense costs.
- **Coverage Gap:** D&O insurance is typically "claims-made" coverage. A lapse may result in the loss of coverage for both past and future acts.
- **Regulatory Risk:** A lapse may violate corporate bylaws or investor agreements.

To prevent this cancellation and maintain continuous coverage, you must take the following action by [Insert Deadline Time/Date]:

[Insert Required Action, e.g., Remit payment of \$0.00 / Submit the attached renewal forms]

If the required action is not completed by the deadline, your coverage will terminate, and a formal notice of cancellation will be issued to the relevant regulatory bodies where applicable.

If you have already addressed this matter, please disregard this notice. Otherwise, please contact [Insert Contact Name/Department] at [Insert Phone Number/Email] immediately.

Sincerely,

[Your Name/Signature]

[Your Title]

[Your Organization]