

# Direct Bill Information

*for* ACE USA *Policyholders*

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## BILLING OF POLICY & ENDORSEMENT PREMIUM

Premium is broken down and billed as follows:

### Down Payment of Policy Premium

- The Down Payment is 25% of the total premium of all direct bill policies on the account.
- All Taxes and Surcharges are billed in full with the Down Payment.
- A \$5 service fee is added to the invoice. The service fee varies by state, but the maximum is \$5 per installment.
- Down Payment is due upon binding. If it is not paid upon binding, an invoice is mailed to the insured 2 - 5 days after the policies are transacted in the system, and is due in approximately 20 business days.

### Monthly Installments

- The balance of the policy premium after the 25% down payment is divided into 9 monthly installments as follows:
  - The 1<sup>st</sup> through 8<sup>th</sup> installments are calculated at 8.33% of the total policy premium.
  - The 9<sup>th</sup> installment is calculated at approximately 8.36% of the total policy premium.
- Invoices for monthly installments are mailed on the inception date of the policy and are due approximately 20 days later. For example, if the policy effective date is 01/01/2010, the monthly installment invoices would be mailed around the 1<sup>st</sup> of each month and would be due around the 21<sup>st</sup> of that month.
- A \$5 service fee is also added to each invoice. The service fee varies by state, but the maximum is \$5 per installment.

### Return Premium Endorsements

*The additional premium generated by an endorsement can be billed numerous ways depending on when it is transacted.*

- If the endorsement is transacted while the insured is still amidst their 9 month billing cycle, the return premium generated by the endorsement will be divided into a 25% credit and the balance of the return premium will be divided into 9 installment credit amounts as follows:
  - The 1<sup>st</sup> through 8<sup>th</sup> installments are calculated at 8.33% of the total endorsement premium
  - The 9<sup>th</sup> installment is calculated at approximately 8.36% of the total endorsement premium
- The next invoice that generates after the endorsement is transacted will include the down payment credit, any taxes and surcharges credited in full, and the number of installments it would take to catch up to the policy billing credited.
- If a return premium endorsement is transacted and the policy is paid in full, a refund check will be sent to the insured in the amount of the return premium generated by the endorsement.

### Additional Premium Endorsements

*The additional premium generated by an endorsement can be billed numerous ways depending on when it is transacted.*

- If the endorsement is transacted while the insured is still amidst their 9 month billing cycle, the additional premium generated by the endorsement will be divided into a 25% down payment and the balance of the additional premium will be divided into 9 installment amounts as follows:
  - The 1<sup>st</sup> through 8<sup>th</sup> installments are calculated at 8.33% of the total endorsement premium
  - The 9<sup>th</sup> installment is calculated at approximately 8.36% of the total endorsement premium
- The next invoice that generates after the endorsement is transacted will include the down payment, any taxes and surcharges in full, and the number of installments it would take to catch up to the policy billing.
- If an additional premium endorsement is transacted and the policy is paid in full, an invoice will be mailed for the total additional premium including any taxes and surcharges.
- A \$5 service fee is also added to each invoice. The service fee varies by state, but the maximum is \$5 per installment.

*\*\* Please note, the billing of additional and return premium endorsements may vary depending on the timing of the transactions and invoices, state rules, and other circumstances. To avoid billing problems, please pay the amount due on your invoice.*

[Click here for FAQ](#)

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## PAYMENT OPTIONS

- Payments can be mailed to ACE USA. This is the only payment option available at this time.
- Checks and money orders should be made payable to ACE USA and mailed to one of the addresses below.
- Include your 20-digit ACE USA account number on your check or money order.

### Lockbox Address

ACE USA  
Dept. Ch. 14089  
Palatine, IL 60055-4089

### Overnight Address

ACE USA  
Chicago Regional Lockbox  
Attn: Box 14089  
5505 N. Cumberland Avenue, Suite 301  
Chicago, IL 60656  
Phone # 773-763-5631

[Click here for Frequently Asked Questions regarding payment information](#)

## CANCELLATION FOR NONPAYMENT OF PREMIUM

- If payment for an installment due is not received by the due date listed on the invoice, cancellation notices are mailed approximately 5 days after the due date giving approximately 10 days to pay.
- If payment is not received by the cancel date listed on the cancellation notice, the policies are cancelled for nonpayment of premium.
- If payment is received by the cancel date rescission notices are mailed and coverage is continued without lapse in coverage.

[Click here for information regarding late payments](#)

[Click here for Frequently Asked Questions regarding cancellation for nonpayment of premium](#)

[Click here for FAQ](#)

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## LATE PAYMENTS

If payment for an installment due is not received before the day that the next invoice is scheduled to generate, that invoice will not generate. Another invoice will not generate until the following month and will bill for the previous month's installment and that month's installment, both due in 20 days. The following is a general timeline example as to how the billing takes place when an installment is not paid by the due date, with 3 different scenarios. This example is based on an account with an effective date of the 1<sup>st</sup> of the month.

### **BILLING TIMELINE EXAMPLE**

*January 1* Invoice is mailed for January installment - Due January 22

*January 22* January installment is due  
Payment not yet received - Account is Past Due

*January 27* Payment not yet received for January installment  
Cancellation notices are mailed to the Insured - Cancel date is February 11

### **SCENARIO #1 - PAYMENT RECEIVED BEFORE FEBRUARY INVOICE IS SCHEDULED TO GENERATE**

*January 28* Payment is received for January installment  
Account is current - rescission notices are mailed advising that coverage is still in place

*February 1* Invoice is mailed for February installment - Due February 22

### **SCENARIO #2 - PAYMENT RECEIVED AFTER FEBRUARY INVOICE WAS SCHEDULED TO GENERATE**

*February 1* Payment not yet received for January installment  
February invoice scheduled to generate does not generate

*February 5* Payment is received for January installment  
Account is current - rescission notices are mailed advising that coverage is still in place

*March 1* Invoice is mailed for February and March installments - Both Due March 22

### **SCENARIO #3 - PAYMENT NOT RECEIVED BY CANCEL DATE**

*February 11* Payment not yet received for January installment  
Policies are cancelled effective 2/11 for nonpayment of premium

[Click here for Frequently Asked Questions regarding cancellation for nonpayment of premium](#)

[Click here for FAQ](#)

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## FREQUENTLY ASKED QUESTIONS

*Click on a question below to view the answer*

### General Information

How do I make changes to my billing address?

I lost my invoice, how can I get another copy?

Why am I receiving a refund check?

Who can I contact with additional questions regarding billing or payment options?

### Installment & Invoice Information

How are down payment and installment amounts calculated?

Is there a monthly service fee?

Why is my service fee more than \$5 this month?

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What if my payment is not received by the due date?

### Payment Information

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I received a cancellation notice for nonpayment of premium. Will my policy actually be cancelled?

What happens if my payment is received before the cancellation date listed on the cancellation notice?

If my policies are cancelled for nonpayment of premium, can they be reinstated?



## General Information

### How do I make changes to my billing address?

Contact Irwin Siegel Agency's Accounting Department at 1-800-622-8272 or by email [siegelaccounting@siegelagency.com](mailto:siegelaccounting@siegelagency.com) to have changes made to your billing address.

### I lost my invoice, how can I get another copy?

Contact Irwin Siegel Agency's Accounting Department at 1-800-622-8272 or by email [siegelaccounting@siegelagency.com](mailto:siegelaccounting@siegelagency.com) to request a copy of your invoice.

### Why am I receiving a refund check?

A refund check would generally be issued for one of 3 reasons:

1. Your account is paid in full and a return premium endorsement was transacted, generating a credit on the account.
2. Your account is paid in full and you have made an overpayment.
3. Your account has been cancelled mid-term and you have paid more than the earned premium after cancellation, producing a credit on the account.

**For more questions regarding your *billing*, contact Irwin Siegel Agency's Accounting Department at 1-800-622-8272 or by email [siegelaccounting@siegelagency.com](mailto:siegelaccounting@siegelagency.com)**

## Installment & Invoice Information

### How are down payment and installment amounts calculated?

Your annual premium is broken down into a 25% down payment and 9 monthly installments. All policy taxes and surcharges are due in full with the down payment. [Click here for more information regarding invoicing of premium](#)

### Is there a monthly service fee?

There is a \$5 service fee charged to each invoice. The service fee varies by state, but the maximum is \$5 per installment.

### Why is my service fee more than \$5 this month?

You may have paid only the installment amount last month and forgotten to include the service fee in your payment. If the service fee is not paid it is carried over to the next invoice, along with the service fee for the current installment.

### Why did my monthly installment amount change?

Monthly installment amounts will change anytime an additional or return premium endorsement is transacted on your account. Endorsements are done, at the insureds or brokers request, to add, delete, or change locations, vehicles, coverage, etc. [Click here for more information regarding invoicing of endorsement premium](#). For specific information regarding a change in installment amounts, contact ISA's Accounting Department at 1-800-622-8272 or by email [siegelaccounting@siegelagency.com](mailto:siegelaccounting@siegelagency.com)

### When are the invoices mailed and due?

The Down Payment invoice is mailed the day after the policies are transacted in the system. Invoices for monthly installments are mailed on the inception date of the policy and are due approximately 20 days later. For example, if the policy effective date is 01/01/2010, the monthly installment invoices will be mailed around the 1<sup>st</sup> of each month and will be due around the 21<sup>st</sup> of that month.

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### **What if my payment is not received by the due date?**

If payment for an installment due is not received by the due date, the account is in Past Due status. Approximately 5 days after the due date, if payment is still not received, cancellation notices will be mailed to the insured giving about 10 days to pay the past due installment before the policies are cancelled for nonpayment of premium. If payment is not received before the day that the next invoice is scheduled to generate, that invoice will not generate. Another invoice will not generate until the following month and will bill for the previous month's installment and that month's installment, both due in 20 days. [Click here for more information regarding late payments.](#)

**For more questions regarding *installment and invoice information*, contact Irwin Siegel Agency's Accounting Department at 1-800-622-8272 or by email [siegelaccounting@siegelagency.com](mailto:siegelaccounting@siegelagency.com)**

## **Payment Information**

### **What payment options are available?**

Payments can be mailed to ACE USA. This is the only payment option at this time.

#### **Lockbox Address**

ACE USA  
Dept. Ch. 14089  
Palatine, IL 60055-4089

#### **Overnight Address**

ACE USA  
Chicago Regional Lockbox  
Attn: Box 14089  
5505 N. Cumberland Avenue, Suite 301  
Chicago, IL 60656  
Phone # 773-763-5631

### **Who do I make the check payable to?**

Checks or money orders should be made payable to ACE USA and should include the 20 digit ACE USA account number.

### **How can I find out if my payment was received?**

You can contact Irwin Siegel Agency's Accounting Department at 1-800-622-8272 or by email [siegelaccounting@siegelagency.com](mailto:siegelaccounting@siegelagency.com)

**For more questions regarding *payment information*, contact Irwin Siegel Agency's Accounting Department at 1-800-622-8272 or by email [siegelaccounting@siegelagency.com](mailto:siegelaccounting@siegelagency.com)**

## **Cancellation Notices**

### **I already mailed my payment, why did I receive a cancellation notice?**

Cancellation notices for nonpayment of premium are mailed approximately 5 days after the installment due date. If you recently mailed payment, the notice most likely crossed in the mail with your payment. To find out if your payment was received, you can contact Irwin Siegel Agency's Accounting Department at 1-800-622-8272 or by email [siegelaccounting@siegelagency.com](mailto:siegelaccounting@siegelagency.com).

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**I received a cancellation notice for nonpayment of premium. Will my policy actually be cancelled?**

If you do not pay your past due installment before the cancellation date listed on the cancellation notice, your policies will be cancelled. If the cancellation date is approaching, we suggest you send your payment via overnight mail to the following address:

ACE USA  
Chicago Regional Lockbox  
Attn: Box 14089  
5505 N. Cumberland Avenue, Suite 301  
Chicago, IL 60656  
Phone # 773-763-5631

**What happens if my payment is received before the cancellation date listed on the cancellation notice?**

If payment is received before the cancellation date, rescission notices will be mailed advising that payment was received and that your coverage is still in place.

**If my policies are cancelled for nonpayment of premium, can they be reinstated?**

Payments credited to the account after cancellation does not guarantee reinstatement of coverage with the insurance carrier. This is up to the underwriter. Generally, if the payment is received within a few days of the cancellation date, and a No Loss Letter is sent to ISA stating that no known losses have occurred in the time since the policy was cancelled, the policies may be reinstated without a lapse in coverage.

**For more questions regarding *cancellations*, contact Irwin Siegel Agency's Accounting Department at 1-800-622-8272 or by email [siegelaccounting@siegelagency.com](mailto:siegelaccounting@siegelagency.com)**

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