

MUTUAL POLICY PROVISIONS

By accepting this policy and paying the premium, the Named Insured becomes a Member of the Company. Members are entitled to vote at all meetings of the company. The Name Insured shall cease to be a member of the Company at the time the policy is cancelled or otherwise terminated.

NOTICE OF ANNUAL POLICYHOLDERS MEETING

The annual meeting is held at 10:00 AM on the second Saturday of March each year. The meetings are held at the principal offices of the Company, or such locations as are designed in accordance with the Company Bylaws. The annual meetings are held for the purpose of electing directors and transacting such other business as may properly come before a meeting of the Members.

PRIVACY POLICY

Your privacy is important to us, and we are committed to protecting it. We respect your right to keep personal information private, and to avoid unwarranted solicitations. We have developed the following privacy policy to let you know how we handle your personal information in compliance with state and federal laws.

- A. We collect non-public personal information about you from the following sources:
 - 1) Information we receive from you on applications and other forms.
 - 2) Information about your transactions with us, our affiliates, or others.
 - 3) Information we receive from consumer and credit reporting agencies
- B. We do not disclose any non-public information to anyone except as permitted by law.
- C. We do not sell your personal information to third parties.
- D. We may disclose the following kinds of non-public private information about you:
 - 1) Information we receive from you on applications or other forms. This includes such things as your name, address, telephone number, social security number, date of birth, place of employment, and driver's license number.
 - 2) Information about your transactions with us and our affiliates, such as policy and account numbers, policy coverage, premium, and payment history.
 - 3) Information we receive from consumer reporting agencies such as your credit worthiness and credit history.
- E. We restrict access to non-public personal information about you as described above to those employees, independent contracting agents, and other affiliated entities or individuals who need to know that information in order to provide products or services to you. Their right to further disclose or use that information is limited by our employee conduct rules, applicable law, and non-disclosure agreements where appropriate. We maintain safeguards that comply with federal and state law to protect your non-public personal information.

If you have any questions about our privacy policy or about the use of your personal information, please contact us.

MOLD OR FUNGUS**Incidental Property Coverages**

The following additional coverage is added:

8. Mold or Fungus – We will pay up to:

- a. A total of \$2500 for direct physical loss to property covered under Coverage A – Dwelling, Coverage B – Related Private Structures on Premises, and Coverage C – Personal Property caused by or consisting of mold or fungus if the mold or fungus is the direct result of a peril insured against as defined in the Perils Section of your policy. This coverage does not apply if the loss results from your failure to reasonably maintain or protect the property following a covered loss and;
- b. A total of \$1500 for Coverage D – Additional Living Expenses and Loss of Rent Coverage if the insured premises or a portion of the insured living premises is made unfit for occupancy due to a loss caused by or consisting of mold or fungus which is a direct result of a peril insured against as defined in the Perils Section of your policy.

The coverages provided above are only coverages under Coverage A - Dwelling, Coverage B – Related Private Structures on Premises, Coverage C – Personal Property Coverage and Coverage D – Additional Living Expenses and Loss of Rent Coverage for damage caused by or consisting of mold or fungus caused directly or indirectly regardless of any other cause or event contributing concurrently or in any sequence. These incidental coverages do not provide additional insurance and do not increase the limit of liability stated for the Principal Coverages. The coverages above are subject to all of the terms of the applicable Principal Coverages A, B, C or D.

Exclusions That Apply to Property Coverages

Item 10 is deleted and replaced by the following:

- 10. **Wear and Tear** – This includes damage caused by marring, deterioration, inherent vice, latent defect, mechanical breakdown, rust, corrosion, contamination, or smog unless caused by a peril insured against by this policy.

The following exclusion is added:

- 11. **Microbial Organisms** – including but not limited to mold, mold spores, fungus, bacterium, parasitic microorganisms and wet or dry rot other than as provided in Incidental Coverages – Mold or Fungus.

Liability Coverage Section

The following is added to form ML-9:

Exclusions that Apply to Coverages L and M:

- 12. Arising out of exposure to microbial organisms, including but not limited to mold, mold spores, fungus, bacterium, parasitic microorganisms, and wet or dry rot.

If your policy provides Farm Liability Coverage, the following exclusion is added to form ML-10:

Exclusions That Apply To Both Personal Liability and Medical Payments to Others

- 1.1. Arising out of exposure to microbial organisms, including but not limited to mold, mild spores, fungus, bacterium, parasitic microorganisms and wet or dry rot.

Except as specifically modified in this endorsement, all provisions of the policy to which this endorsement is attached also apply.

LEAD LIABILITY EXCLUSION

This endorsement changes the coverage provided by this policy.

Exclusions That Apply to Coverage L and M

The following is added:

This policy does not apply to:

1. actual or alleged bodily injury that results directly or indirectly from the ingestion, inhalation, or absorption of lead in any form;
2. actual or alleged property damage that results directly or indirectly from any form of lead;
3. any loss, cost, or expense arising out of any request, demand or order the **insured** or others test for, monitor, clean up, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of lead; or
4. any loss, cost or expense arising out of any claim or suit by or on behalf of any governmental authority for damages resulting from testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, or neutralizing or in any way responding to or assessing the effects of lead.

ADDED PERILS FOR REFRIGERATED FOOD PRODUCTS

We cover loss to contents of a freezer or refrigerated unit on the **insured premises**. **We** pay no more than \$250. The covered contents must be owned by **you**. The loss must be caused by change in temperature resulting from:

1. Interruption of electrical service to refrigeration equipment. The interruption must be caused by damage to the generating or transmission equipment.
2. Mechanical or electrical breakdown of the refrigeration system.

You must maintain the refrigeration equipment in proper working condition. No deductible applies.

CARE PROVIDED FOR OTHERS – A BUSINESS ACTIVITY

The word **business**, as used in this policy, includes services regularly provided by an **insured** for the care of others and for which and **insured** is compensated. Therefore, the policy exclusions and limitations that apply to **business** property and **business** activities also apply to services provided for the care of others.

AMENDATORY ENDORSEMENT – LIABILITY COVERAGE SECTION

The exclusion relating to the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants, or pollutants is deleted.

Incidental Liability Coverages

Item 'a.' under "Damage to Property of Others" is replaced by the following:

- a. owned by an **insured** or owned by, rented to or leased to another resident of **your** household or the tenant of an **insured**;

Exclusions That Apply to Coverages L And M

The following exclusions are added:

This policy does not apply to liability which results directly or indirectly from:

- the discharge, dispersal, release, or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants, or pollutants into or upon land, the atmosphere or a water course, body of water, bog, marsh, swamp, or wetland;
- the transmission of a communicable disease by an **insured**; or
- the actual, alleged or threatened sexual molestation of a person.

INSURED PREMISES LIMITATION

It is agreed that this endorsement permits the writing of Homeowners coverage on risks that are located on parcels of land greater than one acre in size, and those which have buildings which are designed for farm use, or which are used for farming, subject to the following conditions:

- A. That property coverages provided for the Residence (Coverage A) and for Related Private Structures (Coverage B) are limited to the described dwelling and to private structures incidental to the ownership, maintenance or use of that dwelling located within 200 feet thereof. No coverage is provided for business personal property or for farm personal property except as noted in the General Policy Provisions. Structures designed or used for farming or business are specifically excluded from coverage. Trees, plants, shrubs, lawns, and outdoor antennas located over 200 feet from the residence are also excluded from coverage.
- B. The liability and medical payments coverages provided by this policy (see Form ML-9) are limited to non-business and non-farming pursuits. Occurrences more than 200 feet from the insured dwelling on land owned, rented, or used by an insured are excluded from coverage.

It is agreed that no adjustment in policy premium will be made for this endorsement.

ADDITIONAL PERIL

This policy insures against direct physical loss to covered property cause by the following peril:

Sinkhole Collapse

This means loss caused by sudden settlement or collapse of earth supporting covered property. The earth settlement or collapse must result from subterranean voids created by the action of water on a limestone or similar rock formation.

However, **we** do not cover the value of land or the cost of filling sinkholes.

POLICY NOT ASSESSABLE

This is a non-assessable policy.