

By accepting this policy and paying the premium, the Named Insured (Policyholder) becomes a member of the Company. Members are entitled to vote at all meetings of the membership. The Named Insured shall cease to be a member of the Company at the time the policy is canceled or otherwise terminated.

NOTICE OF ANNUAL POLICYHOLDERS MEETING

The Annual Policyholders Meeting will be at 12:00 p.m. (Noon) Eastern Time on the second Thursday of June each year. The meeting will be at the Company's principal offices, or such location as designated in accordance with the Company Bylaws. The purpose of the meeting is to review the Company's Annual Financial Statement, elect members to serve on the board of directors, approve any mergers that may be authorized by the Tennessee Department of Commerce and Insurance, and transact any other business which may lawfully come before the Annual Meeting.

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 personal 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 personal 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.

SPECIAL COVERAGE REDUCTION IN THE EVENT OF VACANCY OR UNOCCUPANCY

It is agreed that should any building or building contents covered by this policy sustain a loss following thirty (30) or more consecutive days of vacancy or unoccupancy immediately preceding the loss, the amount of coverage applicable to such loss shall be one half (1/2) the amount shown in the declarations section of the policy otherwise applicable. The reduction of coverage applies whether or not such period of vacancy or unoccupancy commenced prior to the inception date of this policy.

Vacancy means containing no contents pertaining to operations or activities customary to occupancy of the building.

Unoccupancy means containing contents pertaining to the occupancy of the building while operations or other customary activities are suspended.

In consideration of the additional risk assumed by the company when buildings are vacant or unoccupied, it is agreed that no adjustment in policy premium will be made for this endorsement.

VANDALISM

Expanded Coverage and Special Terms

1. **We** pay for vandalism to property covered under Coverage A Residence, Coverage B Related Private Structures and Coverage C Personal Property, including vandalism losses which would otherwise be excluded because they occurred while the residence was in the care, custody, or control of a tenant. The cost of painting or repairing the interior of a residence or private structure is excluded from coverage.
2. Under **How Much We Pay for Loss or Claim**, the following changes apply:
 - a) The deductible provision is replaced by the following with respect to vandalism losses: Deductible: **We** pay only that part of the loss in each occurrence which is more than \$1000.
 - b) The following coverage limit applies to vandalism losses:

Maximum Payment: **We** pay a maximum of \$3000 for all vandalism losses which occur during the policy period.

INSURED PREMISES LIMITATION

It is agreed that this endorsement permits the writing of dwelling and liability coverages on risks that are located on parcels of land greater than one acre in size, and those which have buildings which were 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. If Liability and Medical Payments coverages are provided by the policy (see Declarations), coverage is limited to non-business and non-farming pursuits. Losses occurring more than 200 feet from an insured residence 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.

All other "terms" of the policy apply.

POLICY NOT ASSESSABLE

This is a non-assessable policy.