

Territories in which Mendota Mutual Insurance Company will provide coverage.

Boone, Bureau, Carroll, DeKalb, Grundy, Henry, Kane, Kankakee, Kendall, La Salle, Lee, Livingston, Marshall, McHenry, McLean, Ogle, Peoria, Putnam, Stark, Stephenson, Whiteside, Will, Winnebago, Woodford

Mine Subsidence Counties:

Bureau, Grundy, La Salle, Marshall, Putnam, Peoria

MENDOTA MUTUAL INSURANCE COMPANY
1019 Main Street, PO Box 498
Mendota, IL 61342

January 2011

Year to Date
Percent Change Factors

Location by First 3 Digits of Zip Code	Percent Change Factors 1/2011 – 1/2012
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Location by First 3 Digits of Zip Code	Percent Change Factors 1/2011 – 1/2012
Illinois	
600	1.02
601	1.02
602	1.02
603	1.02
604	1.02
605	1.02
606	1.02
607	1.02
608	1.02
609	1.02
610	1.02
611	1.02
612	1.02
613	1.02
614	1.02
615	1.02
616	1.02
617	1.02
618	1.02
619	1.02
620	1.02
622	1.02
623	1.02
624	1.02
625	1.02
626	1.02
627	1.02
628	1.02
629	1.02

GENERAL INFORMATION

HISTORICAL BACKGROUND

The Mendota Mutual Insurance Company presently is one of the strongest Farm Mutuals in the State of Illinois.

Its original heritage traces back 115 years to the year of 1875 when a group of 34 local settlers and business men met and determined to form an insurance company. On March 31, 1875 they met and applied for permission to form Mendota, Troy Grove and Clarion Farmers Insurance Company. Permission was granted by the State of Illinois and the first policy was issued to Daniel Snyder on May 1, 1875. The first year \$48.00 was the gross premium income.

In 1907, the Board of Directors voted to offer wind and tornado insurance to their policyholders written by Rockford District Mutual Tornado Insurance Company. This company provided wind and tornado coverage to 19 counties in northern Illinois. Rockford District Mutual Tornado Insurance Company later changed its name to Rockford Mutual Insurance Company.

Throughout the years additional territory was added and in 1987 the name was changed to Mendota Mutual Insurance Company and the territory was enlarged to 23 counties. In 2003 Independent Farms merged with Mendota Mutual Insurance Company.

As of June 1, 1990 Mendota Mutual Insurance Company will be providing coverage for broad perils including wind and hail. Rockford Mutual Insurance Company also reinsures both the fire, E.C., wind and hail coverages that Mendota Mutual Insurance Company is assuming on that date.

Combined Policy

Since the Mendota Mutual Insurance Company's Charter does not permit writing liability or earthquake insurance, a cooperative venture has been established with Rockford Mutual Insurance Company. In this agreement Mendota Mutual and Rockford Mutual will issue a combined policy, with Mendota Mutual assuming the property risks and Rockford Mutual assuming the liability and earthquake risks.

All applications, correspondence and loss reports should be sent to Mendota Mutual Insurance Company office, except a liability loss involving BODILY INJURY. If a loss involves BODILY INJURY you should call the Rockford Mutual Insurance Company claims office immediately. The toll free number is 800-747-2957.

GENERAL INFORMATION

UNDERWRITING GUIDELINES

General

The ability of the Company to provide competitive rates and coverages depends on the ability of the Agent and the Underwriter to select good risks. The quality of management is an important element in determining a good risk.

The insured portrays good management by:

- a. good housekeeping and maintenance practices, with the premises reflecting obvious pride of ownership;
- b. construction characteristics of the dwelling or building comply with generally accepted building code standards;
- c. cooperation in implementing recommendations to eliminate unsafe conditions or reduce hazards;
- d. a favorable loss history.

RISK SELECTION

Recognizing not every property is insurable under the forms, rules and rates of the Company, the Company will endeavor to provide a market for the farm and residential risks of the people within our geographical territory. It may be necessary to adjust the rates charged and/or the standard insuring agreements for an individual risk to be acceptable. In the selection of good quality business the following hazards and underwriting considerations are of the utmost importance. Explain in detail in the "Remarks" section of the application when any of these conditions exist.

- a. When the roof is nearing or is at the worn out stage and/or the siding is in need of repair. Replacement cost coverage should not be written.
- b. High risk theft exposure includes:
 1. Frequent travel or entertainment;
 2. "Target" risk;
 3. Lack of adequate locks or other precaution against theft.
- c. High risk liability exposure includes:
 1. Broken, sagging or unsupported steps or stairs;
 2. Poor maintenance of sidewalks and other areas;
 3. The ownership of vicious dogs or other dangerous animals.
- d. High risk fire exposure includes:
 1. A heating system which is inadequate or in need of repair;
 2. Chimneys, flues or stovepipes cracked or otherwise in poor condition;
 3. Buildings not properly repaired or maintained;
 4. Accumulation of litter inside or near the building
 5. Flammable liquids stored inside;
 6. Tall grass or weeds near the buildings;
 7. Oversize fuses;
 8. Improper storage of oily rags or paint cloths;
 9. Extension cords running under rugs or tacked to baseboards;
 10. Overloaded electrical outlets;
 11. Unsafe electrical wiring;
 12. Exposed Styrene or Urethane foam insulation.
- e. High risk moral hazard includes an insured who:
 1. Has a reputation of being irresponsible or careless;
 2. Has a poor credit reputation or who is heavily in debt;
 3. Is a heavy user of intoxicants or drugs;
 4. Has the inability to hold a job for any length of time;

5. Has a record of criminal convictions or illicit business relationship;
6. Is extremely hard to get along with.

INSURANCE TO VALUE

1. "Actual Cash Value" means full replacement cost less depreciation.
2. "Replacement Cost" means the current cost to rebuild new without deduction for depreciation.
3. "Market Value" is the amount which in all probability would be arrived at by fair negotiations between an owner willing to sell and the purchaser wanting to buy.
4. All property should be insured for full adequate protection against a total loss.

TARGET MARKETS

1. Farm Owner Operations.
2. Farm Tenant Operations.
3. Farm Landlords.
4. Owner Occupied Residential Property (Homeowners).

POLICY PERIODS

<u>Type of Policy:</u>	<u>Continuous</u>
Homeowners	Yes
Dwellings	Yes
Mobile Homes	Yes
Farms	Yes
Watercraft	Yes
Snowmobiles	Yes
Recreational Vehicles	Yes
Inland Marine	Yes

All policies are reviewed on a regular basis, with updated underwriting information required every three (3) years.

PREMIUM

Is Actual Premium: Policy & Endorsements will no longer be rounded.

Changes:

Additional & Returns Premium: If premium is \$0.00 - \$9.99, premium will be held until next billing. Any premium \$10.00 and over, premium will be billed at the time of endorsement.

Policy Fee: \$20.00 per policy

Modes of Payment:

- a. Annual
- b. Semi-annual – Multiply total premium by 50% and add \$5.00 per bill, \$10.00 per year.
- c. Quarterly – Multiply total premium by 25% and add \$5.00 per bill, \$20.00 per year.

Premium Notice Billing Procedure:

- a. The notice of payment due will be mailed minimum of fifteen days prior to the due date.
- b. If the payment has not been received on the due date, a cancellation notice will be mailed and a late fee of \$20.00 will be due to reinstate the policy. The insured has no coverage if we have not received the premium by the due date. If your agency collects the premium after the due date, notify the company of payment and obtain a statement of no loss from the insured.
- c. Ten days after the due date, the policy is cancelled out of our system.

Billing Procedures:

New Business – direct bill

Premium must be collected by your agency at the time coverage is bound.

Policy Changes – direct bill

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NAMING THE INSURED

A Home Protector or Farm Protector Policy may be written in the name(s) of individual(s), partnerships, corporations and trusts having a legal interest in the property.

A Tenant's Policy may be written on one or two individuals who reside in the same household. You will need to charge the additional liability premium for resident non-relative, if the two are not married.

APPLICATIONS

The application is the most important source of information used in the underwriting of new business. All applications for insurance must be submitted to the home office within 7 days of the effective date of coverage. The postmark on the envelope will determine the date mailed. To avoid writebacks and delays in policy issuing please be sure to provide all necessary information.

- a. Applications must be correctly filled out and legible, all underwriting questions must be answered or the applications will be returned.
- b. Use the given name of women, if they are included as named insureds. Example: John A. Jones and Mary L. Jones - NOT Mrs. John A. Jones.
- c. Use the full name and middle initial of the applicant.
- d. Business names should be written to include those having an insurable interest in the business as follows: John A. Jones and Walter B. Brown, d/b/a Hilltop Farm.
- e. If the property is purchased on contract for deed; the contract purchaser should be the named insured. The contract seller should be shown on the application under Other Interests.
- f. Photos, cost estimator, diagrams and premium are required; they must be submitted with the application.
- g. Any additional information the agent can supply about the risk or the insured, should be submitted with the application.
- h. all applications must be signed by the insured and agent. If you do on line application, your agency must retain signatures for seven years.
- i. When applicable submit any supplemental application. Examples: Woodburning Stove Questionnaire, Inland Marine, Recreational Vehicle or Watercraft Applications.

PHOTOGRAPHS

Good photographs are a valuable underwriting tool. Photographs which are blurred, too dark, or taken from too far a distance are of little help to underwriting and therefore unacceptable. Photographs should show one structure each. They should be clear and close enough to show condition of the dwelling and roof.

Photographs are required on all risks excluding Tenant and Condominiums.

REJECTION PROCEDURES

If the Company shall find it necessary to reject a risk, we will accept a withdrawal of application within the first thirty days of coverage. If we have requested additional information and have not received it by the reply date stated in the correspondence, we will issue the policy and send direct notice of cancellation. Any time a policy is issued there will be a charge.

CANCELLATIONS

All cancellations are calculated pro-rata.

Cancellations may be requested with one of the following:

- a. Return the insured's original policy with the request to cancel.
- b. Submit a Request for Change signed by the insured and marked "Total Cancellation".
- c. Obtain the insured's signature on a Lost Policy Receipt form or an Acord Cancellation Request.
- d. Written request from the agent for non-payment of premium.

note: Flat cancellation is not permitted if request to cancel is received by the Company more than 30 days after effective date of policy.

If a Certificate of Insurance has been issued for a policy that is being cancelled, the notice of cancellation requirement of the Certificate must be honored. See CERTIFICATE OF INSURANCE rule.

CHANGES

Changes to policies may be requested by:

- a. Make the request on a Request for Change Form.
- b. Mark the change on the Declaration page and return to Underwriting.
- c. Submit the change on the Blue Review Form, 99-103R.
- d. Computer change request.

All requests for change must have the appropriate policy information and the new information needed to make the change. If a request for change entails specific insurance, such as a watercraft endorsement, the appropriate application for the item being added must be submitted. Reduction in coverage requires the insured's signature.

TRANSFERS

Not allowed. Complete new application must be submitted.

ASSIGNMENT OF POLICY

Not allowed. Complete new application must be submitted.

INSPECTIONS

The Company may inspect an insured property to determine underwriting acceptability, or compliance with underwriting requests.

CERTIFICATES OF INSURANCE

Certificates of Insurance may be issued by the agent. Use the Acord Form. Send the Company copy of the Certificate to Underwriting. If the Certificate requires a change in the policy, send the Request for Change information also.

Contact Underwriting if a Certificate Holder wants specific wording to be put on the Certificate of Insurance.

If a Certificate of Insurance has been issued for a policy that is being cancelled, the notice of cancellation requirement of the Certificate must be honored. The date of cancellation must include the proper notice to the Certificate Holder. Normally, this is 10 days.

MODERN DWELLING DISCOUNT

Owner occupied dwellings are eligible if the construction age is 15 years or newer. The amount of credit will be adjusted annually in accordance with the age of the dwelling.

BINDERS

Binders may be issued by the Agent. If a binder is issued, submit the Company's copy within 7 days of the effective date. The postmark on the envelope will determine the date mailed.

The binder form should be completely filled out, showing:

- a. The type of coverage to be provided.
- b. The items to be insured.
- c. The amount of coverage.
- d. The length of time the binder is to apply.

A binder will not exceed 30 days. A charge will be made on all binders that expire if a policy is not written with the company(s). If a policy is to be written, a charge will be necessary if the effective date of the policy does not coincide with the effective date of the binder.

DEFERRED LOSS PAYMENT ENDORSEMENT

For various reasons, the agent or the Company may request that the Deferred Loss Payment clause be attached to a policy. This clause withholds payment of any claim which is in excess of 50% of the amount of insurance on the building unless certain conditions are met. If this endorsement is added during the policy term, the insured should acknowledge by signing the endorsement.

MINE SUBSIDENCE INSURANCE

Explanation

The Illinois Mine Subsidence Act (Article XXXVIII) requires that mine subsidence insurance be available for any structure in Illinois on policies providing fire and extended coverage beginning October 1, 1979. The Act provides that insurance be provided unless waived in writing, but 68 counties have been exempted from this automatic coverage requirement.

- a. The following counties in the Company's writing area are NOT EXEMPTED, and coverage must be provided unless waived in writing, up to a maximum limit of liability of \$100,000 per structure.

Bureau
Grundy
La Salle
Marshall
Putnam

- b. The coverage must be provided, if requested, in any other of the counties.
- c. Applications received in the home office for issuance which do not have the waiver form properly signed will be issued with the mine subsidence premium charged if they are located in the non-exempt counties.

Mine Subsidence Coverage

- a. **Definition** - Mine Subsidence means loss caused by lateral or vertical movement, including any resulting collapse of structures from collapse of man-made underground mines including but not limited to coal, clay, limestone and fluorspar mines. Mine Subsidence does not mean loss caused by earthquake, landslide, volcanic eruption or caused by collapse of storm or sewer drains and rapid transit tunnels.
- b. **Property Covered** - For an additional premium, the structures are insured against direct loss caused by mine subsidence for any one occurrence of not more than the structures's amount of insurance or \$100,000, whichever is less.

Coverage and Premium Schedule for Residential Property
Rates effective April 1, 2008

Coverage Limit		Premium	Coverage Limit		Premium
	10,000	\$21	380,001	UP TO 390,000	\$134
10,001	UP TO 20,000	\$24	390,001	400,000	\$136
20,001	30,000	\$27	400,001	410,000	\$138
30,001	40,000	\$30	410,001	420,000	\$140
40,001	50,000	\$33	420,001	430,000	\$142
50,001	60,000	\$36	430,001	440,000	\$144
60,001	70,000	\$40	440,001	450,000	\$146
70,001	80,000	\$42	450,001	460,000	\$148
80,001	90,000	\$46	460,001	470,000	\$150
90,001	100,000	\$49	470,001	480,000	\$152
100,001	110,000	\$52	480,001	490,000	\$154
110,001	120,000	\$55	490,001	500,000	\$156
120,001	130,000	\$58	500,001	510,000	\$158
130,001	140,000	\$61	510,001	520,000	\$160
140,001	150,000	\$65	520,001	530,000	\$162
150,001	160,000	\$67	530,001	540,000	\$164
160,001	170,000	\$71	540,001	550,000	\$166
170,001	180,000	\$73	550,001	560,000	\$168
180,001	190,000	\$77	560,001	570,000	\$170
190,001	200,000	\$80	570,001	580,000	\$172
200,001	210,000	\$83	580,001	590,000	\$174
210,001	220,000	\$86	590,001	600,000	\$176
220,001	230,000	\$89	600,001	610,000	\$178
230,001	240,000	\$92	610,001	620,000	\$180
240,001	250,000	\$95	620,001	630,000	\$182
250,001	260,000	\$98	630,001	640,000	\$184
260,001	270,000	\$101	640,001	650,000	\$186
270,001	280,000	\$105	650,001	660,000	\$188
280,001	290,000	\$108	660,001	670,000	\$190
290,001	300,000	\$111	670,001	680,000	\$192
300,001	310,000	\$114	680,001	690,000	\$194
310,001	320,000	\$117	690,001	700,000	\$196
320,001	330,000	\$120	700,001	710,000	\$198
330,001	340,000	\$123	710,001	720,000	\$200
340,001	350,000	\$126	720,001	730,000	\$202
350,001	360,000	\$128	730,001	740,000	\$204
360,001	370,000	\$130	740,001	750,000	\$206
370,001	380,000	\$132			

Coverage applies to structures meaning any dwelling building, farm building or fixture permanently affixed to realty including:

1. Cost of excavations, grading or filling;
 2. Foundations of buildings, boilers or engines which are below the undersurface of the lowest basement floor, or where there is no basement, below the surface of the ground;
 3. Underground pilings, piers, pipes, flues and drains; and
 4. Pilings which are below the low water mark.
- c. **Property Not Covered** - Coverage does not apply to personal property, land, lawn, shrubs, trees, crops, and agricultural field drainage tile.
- d. **Perils Not Insured Against** - This Coverage does not insure against loss caused by earthquake, landslide, volcanic eruption, collapse of storm or sewer drains and rapid transit tunnels or earth movement other than mine subsidence, soil conditions, soil erosion, soil freezing or thawing, improperly compacted soil, construction defects, and roots of trees or shrubs. The exclusion of loss caused by earth movement in this policy does not apply to mine subsidence.
- e. **Deductible** - In case of loss by mine subsidence, the following deductible applies separately to each structure:
1. 2% of the limit of liability, but not less than \$250 and not more than \$500 shall be deductible from each loss.
 2. No other deductible in this policy applies to mine subsidence.
- f. **Premiums** - See premium tables.
1. **Town Policies** - Rate the Coverage A amount of insurance for each dwelling.
 2. **Farm Policies** - Rate the four highest valued structures. All structures will be covered. Structures cannot be insured individually.

Eligibility

All dwellings, buildings, farm buildings, mobile homes or fixtures permanently affixed to realty.

RMIC EARTHQUAKE COVERAGE RULES

Refer to Earthquake Section in the manual.

Earthquake endorsements are written as a one year continuous renewal.

BUILDING CONSTRUCTION DESCRIPTIONS

- a. Frame: exterior walls of wood or other combustible construction including wood-iron clad, stucco on wood or plaster on combustible supports. A combination of brick and frame construction shall be classified as frame when the exterior walls of frame construction (including gables) exceeds 33 1/3% of the total wall area.
- b. Brick: exterior walls constructed of masonry materials such as adobe, brick, concrete, gypsum, block, hollow concrete block, stone, tile or similar materials, and floors and roof of combustible construction. Exterior walls of combustible construction, 100% veneered with brick or stone. A combination of brick and frame construction shall be classified as brick when the exterior walls of brick construction exceeds 66 2/3%.

FIRE PROTECTION CLASSIFICATIONS

- a. Where fire protection classified areas are published with a single classification, properties within the classified area should receive that fire protection classification.
- b. Where fire protection classification areas are published with a split classification, the FPC is determined as follows:
 1. Three road miles or less to responding fire station, and hydrant within 1,000', use the first listed protection class. ((e.g.) 6/9 use FPC 6).
 2. Three road miles or less to a responding fire station and hydrant within 1,000', use the listed protection class of the responding fire department.
 3. All unlisted fire protection stations use FPC 9.
- c. Suburban Protection

A Dwelling located outside the city limits may be rated with the same protection class as the responding town, providing the dwelling is located within 3 miles travel distance from the primary responding fire station.

LOSS SETTLEMENT PROVISIONS

Four types of Loss Settlement Clauses are available for dwellings/buildings:

- a. Clause 1 - Actual Cash Value
- b. Clause 2 - 80% Replacement Cost: Pays for the repair or replacement without deduction for depreciation, if dwelling is insured for at least 80% of its replacement cost.

OR

Repair or Replace Loss Settlement: Pays for the repair or replacement with commonly available material, without deduction for depreciation. Not available unless dwelling is insured for at least 60% of replacement cost.

- c. Clause 3 - Guaranteed Repair or Replacement Cost: Guarantees Repair or Replacement, even if the costs exceed the policy limits. Must be insured for 100% of the dwellings replacement cost.

note: When the provisions of the above loss settlements are not satisfied, due to underinsurance, ACV will be paid. The insured may also elect to accept an ACV settlement.

Two types of loss settlement are available for household contents:

- a. Clause 1 - Actual Cash Value
- b. Clause 4 - Replacement cost

INFLATION GUARD

If this coverage is included:

The limits of liability shown in the Declarations for Dwelling - Coverage A will be revised at each policy anniversary to reflect the rate of change in construction costs. Any adjustments to Dwelling - Coverage A will result in adjustments in: Other Structures - Coverage B, Personal Property - Coverage C and Loss of Use - Coverage D, when coverages are applicable.

Adjustments or changes may be made by the Insured, subject to verification.

HOMES UNDER CONSTRUCTION

A dwelling under construction is eligible under the Home Protector or Farm Protector Program. The following rules apply:

- a. Policies may be written only for individuals on risks eligible for Home Protector/Farm Protector coverage when the construction is completed.
- b. The construction must not exceed six months.
- c. The amount of insurance written must equal the full anticipated replacement value when completed.
 1. Residential and/or Agricultural Cost Estimator is required at time of application.
 2. Residential and/or Agricultural Estimator and photograph are required when construction is completed.
- d. The inception date of the policy must not be later than:
 1. Date that construction begins above the level of the lowest basement floor, or...
 2. Where there is no basement, the date construction begins.
- e. New Home Theft of Building Material Endorsement.
 1. May be added to provide theft of attached and unattached building materials. Coverage is provided up to six months on the described premises. An amount of \$1,000 or \$2,000 coverage is available subject to \$250 minimum deductible. premium is a flat charge which is fully earned.

BUILDER'S RISK - DWELLINGS

Coverage may be provided under endorsement for dwelling(s) while under construction. This endorsement shall provide for coverage under Basic Perils.

- a. Insurance should be written for 100% of the completed value amount, thereby eliminating the necessity of having to endorse frequently in an attempt to keep coverage up with the progress of construction.
- b. The coverage for builder's risk is 10% of the completed value.
Example \$100,000 home, \$10,000 builder's risk.
Premium: \$12.236 per \$1,000.
- c. All coverage under builder's risk endorsement shall be subject to a minimum \$250 deductible.

- d. It will be necessary to cancel the builder's risk policy upon the completion of the construction. Once building is complete, a cost estimator and picture are required.
- e. Dwelling being built by professional builders or contractors for resale can not be insured in this Company.

SEASONAL/SECONDARY RESIDENCE

If the insured maintains two residences within the State of Illinois, and the Company insures the primary residence, a Homeowners or Dwelling Policy may be written on the seasonal/secondary residence. The type of policy will depend upon the location of the dwelling and the number of days of occupancy during the year.

note: Refer to home office.

DWELLINGS WITH SPECIAL CONSTRUCTION

Mobile Homes

Altered Mobile Homes, permanent foundation and shingled roof, will be considered a Mobile Home and rated accordingly.

Pre-Assembled or Modular Homes

Designed to be nearly completely fabricated and assembled in a factory.

- a. Transported to building site in two or more sections and placed together on the foundation. Low-to-average cost is the primary concern.
- b. Any dwelling in this category not meeting the requirements of 2 X 4 wall studs must be rated as a Mobile home.
- c. Can not be written as a Special Home Protector or Special Farm Protector.

Solar Heated Homes

Designed to use liquid as the transfer medium and others with unusual or homemade solar heating equipment, not acceptable. Passive solar heating systems using air as the heat transfer medium are eligible and may be bound.

Earth Sheltered Homes

To be eligible, earth homes must be architecturally designed and built by a qualified contractor. "Do it Yourself" projects are unacceptable. At least one side must be exposed and there must be a grade level entrance.

Earth Sheltered, Dome homes or Geodesic homes, Wood Basement Walls and Log Homes should be submitted to Company non-bound for consideration.

OUTDOOR RADIO AND TELEVISION EQUIPMENT (SATELLITE DISH)

Coverage of \$ 500 is provided under Personal Property - Coverage C.

note: This amount may be increased - see rate table.

SWIMMING POOLS

Above ground and inground swimming pools are acceptable if properly fenced. Above ground pools with attached decks are acceptable provided a ladder can be raised when the pool is not being used, to prevent access.

Coverage for above ground pools is provided by Coverage C - Personal Property. Inground pools are covered under Coverage B - Other Structures on the Homeowners Policy and Coverage A - Dwelling on the Farm Policy. Care should be taken to include the additional value of the pool when insuring the dwelling and/or contents.

PERSONAL INLAND MARINE COVERAGES

(Refer to Inland Marine Section of manual for specific rules and rates.)

Personal Inland Marine Insurance may be written with any Home or Farm Policy. The all-risk Personal Articles Floater Endorsement (RMIC 99-500) and Scheduled Property Endorsement (RMIC 99-501) are available.

The following special requirements are applicable.

- a. Annual minimum premium is \$13.00.
- b. The Company must receive a fully complete Personal Inland Marine Application (RMIC 99-042) showing appropriate endorsement to be attached. Forward with the application required appraisals, receipts, photographs, etc. The effective and expiration dates will be the same as the Home or Farm Policy.

RECREATIONAL UNITS

Watercraft Owners Endorsement (RMIC 99-8022)
Recreational Vehicles Owners Endorsement (RMIC 99-8023)

Certain classes of personal property may be written with a Home Protector or Farm Protector Policy with attachment of the appropriate endorsement. Refer to the Recreational Section of the manual for specific rules and rates.

Recreational endorsements must carry the same Liability and Medical Payment limits as on the policy it is being endorsed to.

For attachment to the Home Protector and/or Farm Protector Policy, the completed Recreational Boat Application (RMIC 99-063) and/or Field and Trail Application (RMIC 98-035) must be submitted.

ILLINOIS PRIVACY ACT

In accordance with the Illinois Insurance Information Practices and Privacy Act of 1981, the Company(s) provides "Notification of Insurance Practices Form" to agents for distribution to Insureds. The Company(s) require its agents to provide the Insured a copy of this form at time of completing application. All agents must comply with the Act regarding personal insurance.

"Notification of Insurance Information Practices - Adverse Underwriting Decision Form" is also available should Insureds question or disagree with specific items of information relative to an adverse underwriting decision.

WOODBURNING STOVES

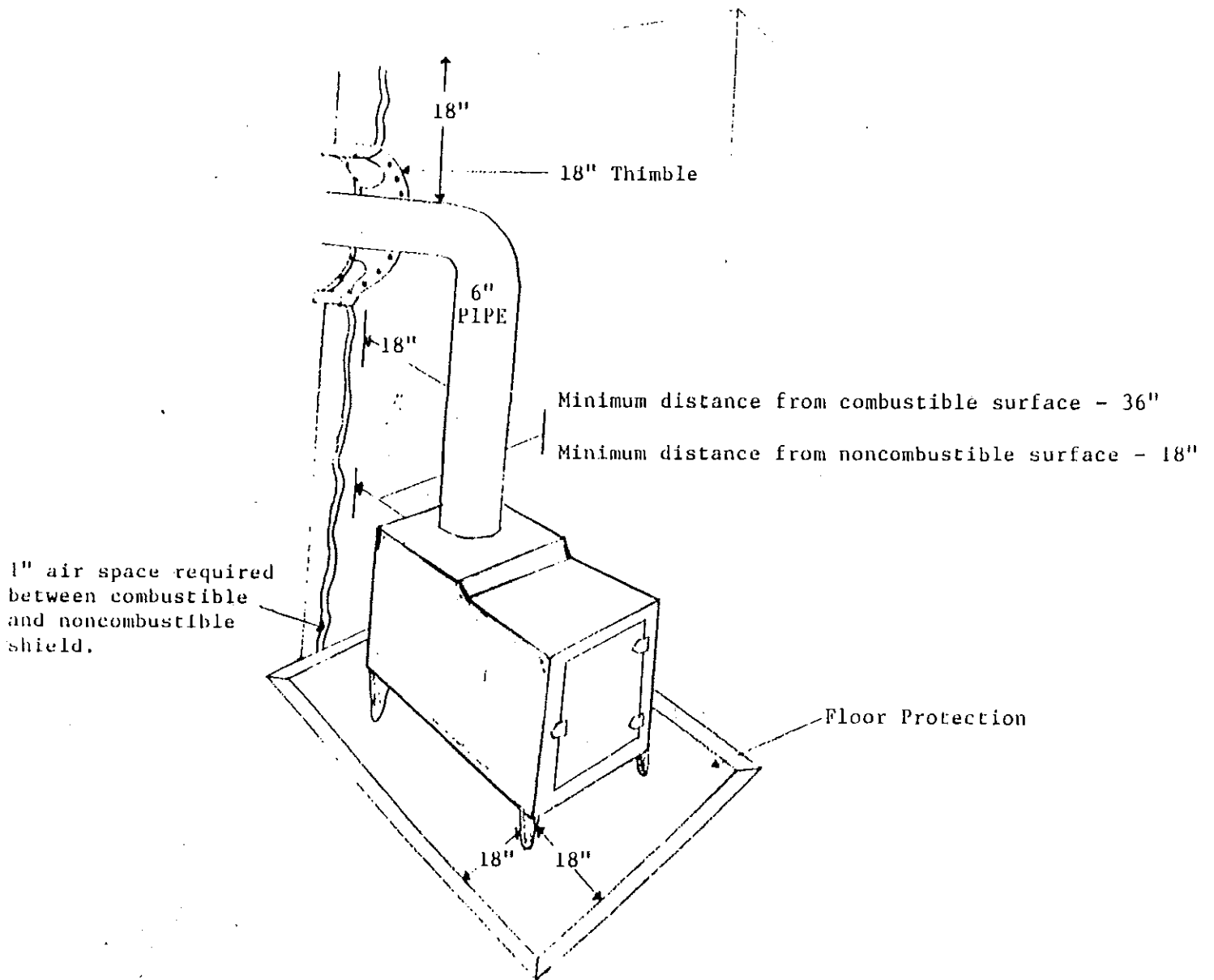
NO NEW APPLICATION is accepted with woodburning stoves.

Existing policies that have woodburning stoves will have a \$ 65.00 sur-charge added on to the premium, providing the installation meets with the specifications as shown on page GEN - 21.

CORN BURNING STOVES 5-08-06

NO NEW APPLICATION is accepted with Corn Burning Stoves.

Existing policies that have corn burning stoves will have a \$65.00 sur-charge added on to the premium, providing installation meets with specifications.



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TERRITORY

This Company can issue insurance policies on risks in the following counties:

Bureau	DeKalb	Grundy
Kane	Kendall	LaSalle
Lee	Livingston	Marshall
Ogle	Putnam	McHenry

Boone, Carroll, Winnebago, Whiteside, Henry, Stark, Peoria, Woodford

MINIMUM INSURANCE QUICK REFERENCE GUIDE

Use this quick reference guide to determine the amount of insurance required for the property being insured.

Type of Property	Minimum Amount
Dwellings:	
Special Select	\$ 80,000
Special Owner-Occupied	60,000
Class A Owner-Occupied	50,000
Class B Owner-Occupied	35,000
Class A	50,000
Class B	35,000
Class C	20,000
Class D - Seasonal Dwelling	5,000
Personal Property:	
Two Persons	12,000
One Person	10,000
Condo Unit Owner:	10,000
Mobile Homes:	
Owner-Occupied	6,000
Non owner-occupied	3,000
Contents	3,000
Farm Outbuildings:	
Class A	5,000
Class B	3,000
Class C	2,000
Class D	Minimum Premium \$15.00 ACV
Class G	4,000
Class S	5,000
Farm Personal Property:	
Scheduled	2,000
Blanket	15,000
Inland Marine	ACV
Watercraft	ACV
Snowmobiles	ACV
Recreational Vehicles	ACV

Mendota Mutual Insurance Company - Discounts

Home/Auto Discount

The Home/Auto Discount is available for insured's who have a homeowners policy written with Mendota Mutual Insurance Company and a private passenger auto policy written with Rockford Mutual Insurance Company.

The Home/Auto Discount is 5% and will apply to the total premium for Wind, Fire, Inland Marine, Earthquake and Liability. The Home/Auto Discount will not be applied to Mine Subsidence.

When a homeowners application is submitted and the applicant and/or spouse has an inforce private passenger auto policy with Rockford Mutual, write Home/Auto discount and the Auto policy number in the Explanation/Restrictions section of the application. We will then apply the discount to the homeowners policy when it is issued.

If an auto policy is written with Rockford Mutual during the policy term, the discount will be added at the next renewal. If the auto policy is cancelled the discount will be removed from the home policy at the next renewal. The discount cannot be added or removed from policies mid-term.

Home Discount

The Home Discount is available for insured's who have a homeowners policy written with Mendota Mutual Insurance Company and a private passenger auto policy written with your Agency.

The Home Discount is 5% and will apply to the Fire and Wind premium only.

When a homeowners application is submitted and the applicant and/or spouse has an inforce private passenger auto policy with your Agency, write Home discount in the Explanation/Restrictions section of the application and attach a copy of the auto declaration page. We will then apply the discount to the home policy when it is issued.

If an auto policy is written with your Agency during the policy term, the discount will be added at the next renewal. It is the Agency's responsibility to provide Mendota Mutual Insurance Company with proof that they have written the auto coverage. **The Agency MUST provide Mendota Mutual Insurance Company with a copy of the auto declaration page 45 days prior to the home renewal.** Any time after the 45 days and the discount will be applied at the next years renewal. A copy of the auto declaration will need to be submitted each year in order to continue the discount. This discount will be effective 9-1-99 for new business and 11-1-99 for renewals.