

## GENERAL COMPANY GUIDELINES

For the convenience of our customers, combined policies are issued which are comprised of Kane County Mutual's property coverage and Grinnell Mutual Insurance Company's liability coverage. All policies are issued through and payments made to Kane County Mutual. In providing insurance products to our customers, the company's policy does not unfairly discriminate on any basis including, but not limited to: race, color, religion, national origin, handicap, lawful occupation, geographic location, age, gender, or marital status. The following guidelines are intended to assist the agent in binding coverage for applicants on property insurance.

### 1. Personal Characteristics of the Applicant

- a. Applicants should exhibit stability in their employment, personal and financial matters.
- b. Should have a favorable loss history.
- c. Demonstrate pride of ownership.
- d. Have had prior insurance coverage where the need existed.
- e. Be a permanent citizen of the United States.

### 2. Applications

- a. The agent must personally inspect and recommend a risk before binding and submitting a **signed** application.
- b. All applications must be correctly, legibly, and completely filled out using the appropriate form or they will be returned without issue. A completed application will include:
  1. Full first and last name and middle initial of all applicants.
  2. Mailing address
  3. Property location
  4. Daytime and evening phone numbers
  5. Applicants' date of birth and Social Security number
  6. Requested coverage/limits of liability
  7. Deductible
  8. Billing/payment plan
  9. Underwriting information including photos of the risk
  10. Loss history
  11. Additional Interests
  12. Current insurance score for the applicant(s).
- c. Applications are completed via our Web Inquiry online site. The completed and signed application must be mailed to our Geneva office.
- d. Agents do not have binding authority for homes over \$550,000. Please contact our office for approval.
- e. Insurance shall be extended from the effective date as indicated on the application, provided the coverage applied for and the described risk are in accordance with the company's underwriting rules. **The company shall have the right to reject any application effective upon notice.**

### 3. Special Clauses

The following are the clauses that are most commonly added to the policy to protect the interests of those other than the named insured and will automatically appear on the policy if the information is included on the application. If one of these clauses is desired after the policy has been issued the Request for Change Form (RMIC 99-123) or accord form should be used.

- a. Contract of Sale Clause – Provides protection for both the seller and the purchaser of property as their interest may appear at the time of a loss. If property is sold under contract, the company will endorse the policy to protect all interested parties. Advise the company of the correct name and address of both the seller and purchaser. Any change in title should be promptly reported to the company.
- b. Mortgage Clause – Protects the Mortgagee’s interest in the insured property in the event of a loss, and provides the proper notice be given before cancellation, and that the Mortgagee’s interest in the policy shall not be forfeited by acts of the insured. If the property is mortgaged, the company will endorse the policy with the Mortgage Clause for the protection of the mortgagee. Advise the company of the mortgagee’s exact name and address.
- c. Loss Payable/Additional Insured Clause – Provides protection for a person, other than the named insured who had an interest in the insured property.
- d. Other Interests – Provides protection to a person, other than the named insured, who has an interest in the insured property other than the above listed clauses.

### 4. Prohibited Risks

Under personal lines, the company will not assume coverage for damage on the following prohibited risks:

- a. Dwellings that are known to be vacant, unoccupied or abandoned on a permanent basis
- b. Commercial Property
- c. Camper trailers/Mobile Homes that are less than 40’ long and 10’ wide
- d. Autos, trucks, or aircraft
- e. Professional racing or show horse stables
- f. Wire Corncribs
- g. Tools of a trade
- h. Turkeys

### 5. Policy Assignment

If insured property is sold, the policy may not be assigned to the new owner. It must be rewritten as a new policy.

## **6. Other Insurance**

The policy prohibits other insurance on buildings unless permission is granted by the companies and is so stated in the declarations.

## **7. Inspections**

At the option of the company, an inspection may be made of the insured property to verify condition and value at any time during a policy period.

## **8. Policy Changes**

Policy changes may be made by submitting a Request for Change through our Web Inquiry online site. Please clearly and completely indicate the necessary changes to be made to the policy.

Additions: Premiums for additional amounts of insurance will be pro-rated. The additional premium will be based upon the number of days from the effective date of the change until the next policy anniversary date

Cancellations: A policy may be cancelled at the request of the insured upon return of the policy or a signed Accord request for cancellation. The unearned premium, if any, will be refunded to the insured on a pro-rata basis. The company may also cancel a policy. A notice of such cancellation will be mailed to the insured and the mortgagee. A copy of the cancellation form will be sent to the agent. For both partial and total cancellations the refund will be issued on a pro-rata basis.

When the company cancels a policy, a number of days notice is required before the cancellation becomes effective. These requirements are:

1. Non-Payment of Premium: 10 days notice
2. Cancellation for other reasons: 30 days notice
3. Non-renewal: 30 days prior to the renewal date up to 5 years, and 60 days prior to the renewal if in effect over 5 years.

## **9. Premium Notices**

Premium notices will be directly mailed to each policyholder, or stated mortgagor, approximately 30 days before the anniversary date of the policy. If payment is not received, the policy becomes delinquent on the due date. However, the policy will remain in effect for a period of 30 days after the anniversary date. A past-due notice will be mailed two business days after the due date to the responsible party. If the premium has not been received 15 days beyond the renewal or installment date, a lapse notice will be generated. Copies of this notice will go to the insured, agent, and all lienholders or interests listed on the declarations. At this time the agent is encouraged to contact the insured to remind him to make payment. Policies will be cancelled for non-payment 30 days beyond the due date, effective the renewal date.

## **10. Premium Payment Options**

A choice of premium payments has been provided for the convenience of our customers. Payments may be made annually, semi-annually, or quarterly installments. Insureds may also set up recurring automatic payments (ACH) through our office. The enrollment form is available on our website.

A billing fee is assessed on semi-annual, quarterly, and monthly installments. See the Miscellaneous Rate Page for the amount of the billing fee. We accept payment by cash, check, money order, or by credit card or electronic funds transfer (EFT) through our website. We accept Visa, MasterCard, Discover and American Express (AMEX) cards.

## **11. Agent's Commission Statements**

A monthly statement listing the premiums received by the company will be sent to each agency showing the gross amount received on each, and the commission due to the agent. A company check for the commission amount will accompany the statement.