

GEICO INSURANCE AGENCY INC
C/O FULFILLMENT DEPT LOC 2200
PO BOX 3758
GRAND RAPIDS MI 49501-3758

21

MAN TRUONG
277 GRATIOT AVE STE 100-A4551
DETROIT MI 48226

PAYMENT CONFIRMATION

COPY

Dear MAN TRUONG:

Your policy packet is enclosed. Please take a few minutes to read through the enclosed documents. This contract is your assurance of protection in case of an insured loss. Copies of your current policy forms are available upon your request. If you have any questions, please contact us at the address shown above or call us at 1-800-958-6121.

Thank you for choosing us for your insurance. We appreciate the opportunity to provide you coverage.

Sincerely,

GEICO INSURANCE AGENCY INC
C/O FULFILLMENT DEPT LOC 2200
45- 4334-999

P.S. Did you know . . . Electronic payments are available!

To sign up for electronic payments, please go to **foremostpayonline.com**. You may choose to have us automatically withdraw your premium payments electronically from your designated account as they come due, or go to **foremostpayonline.com** to see your bill and make a payment. As always, simply call our billing service at 1-800-532-4221 with questions about your bill.

Need to report a claim? The Claims Contact Center is available to take your call 24 hours a day, seven days a week at 1-800-527-3907, or you may report a claim online at **Foremost.com**.

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P.O. BOX 2450
GRAND RAPIDS, MICHIGAN 49501-2450

November 20, 2017

MAN TRUONG
277 GRATIOT AVE STE 100-A4551
DETROIT MI 48226

RE: Policy Number 381 - 5000170982
FOREMOST INSURANCE COMPANY GRAND RAPIDS, MICHIGAN

Dear MAN TRUONG:

Thank you for your recent premium payment.

If you have questions about your policy or coverage limits, please give your insurance representative a call. Your representative will be happy to review your policy with you. You'll find your representative's name and address listed on your policy Declarations Page.

Our goal is to provide you with quality coverage and peace of mind. Thank you for your trust and confidence.

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**Electronic Funds Transfer (EFT) Authorization
and Terms and Conditions
For One-Time Withdrawal or Automatic Payment Setup**

To make a one-time EFT withdrawal or to set up for Automatic EFT withdrawals:

1. Go to www.foremostpayonline.com and set up; or
2. Complete this form and return it to:
 - Your Foremost Representative, or
 - Foremost Specialty Lines, Attention: EFT/EPM Department, PO Box 3218, Grand Rapids, MI 49501, or
 - You may fax the completed form to us at **1-877-618-2318**.

☐ **I choose a one-time only EFT withdrawal. Amount: \$ _____ (Down payment or other one-time payment.)**

☐ **I choose Automatic EFT withdrawals (Note: Automatic EFT withdrawals will not be made for any bills already sent out.)**

I authorize Foremost Insurance Company, Grand Rapids, Michigan and its affiliates and subsidiaries ("Foremost") to initiate a one-time and/or Automatic EFT withdrawals (as indicated above).

For policy number _____ (First 13 digits) (Example 103-1234567890-01)

Policyholder name _____
(Please Print)

From the following bank account:

Routing/Transit Number _____ Account Number _____

For payment of premium in the amount indicated above
(if one-time EFT indicated above).

To pay for future installment payments due on my policy
(if Automatic EFT indicated above).

(Include a copy of a current voided check with your request.)

Account Type: ☐ Individual ☐ Business

Choose One: ☐ Checking ☐ Savings

If one-time EFT indicated above, the EFT withdrawal will take place on or after today's date. If Automatic EFT indicated above, Automatic EFT withdrawals will be deducted from my account on the date the installment is due for the amount due. I understand that payments with due dates falling on a Saturday, Sunday, or holiday may be processed the following business day. **I also understand and agree that the amounts and dates of the withdrawals are determined by the payment plan I selected for my policy and are not flexible.**

I certify that I am an owner or authorized signer for this account.

I authorize the financial institution where this account is held to honor the withdrawals.

I acknowledge it is my responsibility to have sufficient funds in this account to cover these withdrawals. I understand that any withdrawal that is refused due to insufficient funds may be resubmitted at Foremost's discretion. If there are not sufficient funds in this account, I understand my policy may cancel or expire.

If I choose to discontinue Automatic EFT withdrawals or change my account information, **I can do so by going to foremostpayonline.com or by sending a signed written notice to Foremost Specialty Lines, Attention: EFT/EPM Department, P.O. Box 3218, Grand Rapids, MI 49501.** To change my account information, I will send a new, completed authorization form. (Written notice should contain your policy number and your request to stop the automatic withdrawals. Please print and sign your name and date the request.)

The written notice to discontinue EFT withdrawals or change account information must give Foremost and the financial institution enough advance notice that it provides two weeks to act on the request before the next withdrawal is made.

If you are signed up to have your payments automatically withdrawn electronically and decide to request a cancellation of your policy, please check the status of your outstanding bills at that time. Although we will discontinue future automatic withdrawals once we process your request to cancel your policy, it possible that an automatic withdrawal may have begun to process around the same time as the policy cancellation.

I have also read and agree to the Terms and Conditions that follow.

Name (please print)

E-mail address

Signature

Date

COPY

EFT TERMS AND CONDITIONS

Definitions

"We," "us" and "our" means the insurance company authorized to make electronic withdrawals for insurance payments. "You," "your" and "yours" means the person or persons authorizing the electronic withdrawals for insurance payments. "Automatic payments" ("EFT") means EFT withdrawals automatically being deducted from your designated account on the date the premium is due for the amount due, as specified on the bill.

Service Provider

You authorize us to use a third party to make the authorized EFT withdrawals.

Application of Payments

1. Funds withdrawn will be applied only to the designated policy or replacement policies for that policy.
2. Funds withdrawn will first be applied to any outstanding premium balance in the current policy term. Any excess will then be applied to the renewal term if a bill has been issued for the renewal term.
3. "Business day" means Monday through Friday excluding our company holidays.
4. Payment transactions requested after 7:30 p.m. Eastern Time will be processed the following business day.
5. You agree to have the funds in the designated account on the date you request the EFT withdrawal, whether or not the date falls on a business day. Note: It may take 3-5 business days for your account to reflect the payment.

Non Sufficient Funds

EFT withdrawals that are refused due to non sufficient funds (NSF) may be resubmitted at our discretion. If we are unable to electronically withdraw the funds from your account, any payment posted in good faith will be reversed from your policy and a cancellation notice will be issued for your policy.

Removal from Automatic EFT

Regarding multiple returned payments: If we receive multiple returned payments due to an invalid account number, non sufficient funds, or for any other reason, we may remove your authorization for Automatic EFT payments.

Policy Cancellation

Regarding cancellation notices: If we send you a cancellation notice for the designated policy, we will not process an EFT withdrawal for the amount due. To continue your coverage, you must pay the amount due by another method. Contact your agent for assistance.

Note: If you request a cancellation, please check the status of your outstanding bills at that time. Although we will discontinue future automatic withdrawals once we process your request to cancel your policy, it's possible that an automatic withdrawal may have begun to process around the same time as the policy cancellation.

Exclusions of Warranties and Limitation of Liabilities

THE ELECTRONIC FUNDS TRANSFER SERVICE AND RELATED DOCUMENTATION ARE PROVIDED ON AN "AS IS" BASIS WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

In addition, we do not warrant, guarantee or make any representations regarding the security of accounts, or that this site is free from destructive materials, including but not limited to computer viruses, hackers, or other technical sabotage, nor does it warrant, guarantee or make any representations that access to this site will be fully accessible at all times, uninterrupted, or error-free.

IN NO EVENT WILL WE OR OUR AFFILIATES BE LIABLE FOR ANY DAMAGES, INCLUDING WITHOUT LIMITATION DIRECT OR INDIRECT, SPECIAL, INCIDENTAL, COMPENSATORY, EXEMPLARY OR CONSEQUENTIAL DAMAGES, LOSSES OR EXPENSES, INCLUDING WITHOUT LIMITATION LOST OR MISDIRECTED APPLICATIONS, LOST PROFITS, LOST GOODWILL, OR LOST OR STOLEN PROGRAMS OR OTHER DATA, HOWEVER CAUSED AND UNDER ANY THEORY OF LIABILITY ARISING OUT OF OR IN CONNECTION WITH (1) USE OF WWW.FOREMOSTPAYONLINE.COM, OR THE INABILITY TO USE THIS SITE BY ANY PARTY; OR (2) ANY FAILURE OR PERFORMANCE, ERROR, OMISSION, INTERRUPTION, DEFECT, DELAY IN OPERATION OR TRANSMISSION; OR (3) LINE OR SYSTEM FAILURE OR THE INTRODUCTION OF A COMPUTER VIRUS, OR OTHER TECHNICAL SABOTAGE, EVEN IF WE, OR OUR AFFILIATES, OR THE EMPLOYEES OR REPRESENTATIVES THEREOF, ARE ADVISED OF THE POSSIBILITY OR LIKELIHOOD OF SUCH DAMAGES, LOSSES OR EXPENSES.

System Requirements/Equipment

We use encryption to make your information unreadable as it passes over the Internet. Therefore, we strongly recommend that you use the latest version of your browser software for maximum security.

Privacy Policy

To view our privacy policy, go to http://www.foremost.com/privacy_policy.htm

Billing Notices

You are responsible for reviewing any billing notices mailed to you or presented to you via foremostpayonline.com. Notices will continue to contain important information about your policy.

Storage of Information

Information stored on Foremost PayOnlines® is kept under physical, electronic or procedural controls that comply with or exceed government standards. We authorize our employees and agents to get information about you only when they need it to do their work for us. We require companies working for us to protect information. They agree to use it only to provide services we ask them to perform for us.

Changing or Stopping a One-Time EFT Withdrawal

If you need to change or stop a one-time EFT withdrawal after you've submitted your request, contact us at 1-800-532-4221 prior to 7:30 p.m. Eastern Time **the same business day** your transaction was submitted. After 7:30 p.m., transactions for the day will begin processing and no changes can be made.

To Discontinue Automatic EFT Withdrawals

The authority for automatic EFT withdrawals remains in effect until we have received written notice from you of its termination, in such time and manner as to afford us a reasonable opportunity to act upon it. To discontinue automatic EFT withdrawals, update your Foremost PayOnline® account at foremostpayonline.com or send a signed, written request to: Foremost Specialty Lines, Attention: EFT/EPM Department, PO Box 3218, Grand Rapids, MI 49501. Written notice should contain your policy number and your request to stop the automatic withdrawals. Please print and sign your name and date the request.

Note: Please allow up to two weeks for processing of your request. Withdrawals scheduled within two weeks after your request may still take place. If you are signed up to have your payments automatically withdrawn electronically and decide to request a cancellation of your policy, please check the status of your outstanding bills at that time. Although we will discontinue future automatic withdrawals once we process your request to cancel your policy, it's possible that an automatic withdrawal may have begun to process around the same time as the policy cancellation.

Automatic Payments When Policy is Set Up for 12-Payment Plan

For your policy to be set up on a 12-payment plan, you must also be enrolled for automatic payments. If you are not, or if you stop automatic payments, the policy billing may be adjusted to a different payment plan and the payment schedule changed accordingly. (Not applicable in Colorado.)

Security

If you are enrolled at foremostpayonline.com, you agree not to allow your User ID and password to be used by any unauthorized individuals. You are responsible for all payments authorized using Foremost PayOnline®. If you permit Authorized Users or other persons to use Foremost PayOnline® or your User ID and password, you are responsible for any transactions they authorize. If you believe your User ID and password have been lost or stolen, or that someone may attempt to use Foremost PayOnline® without your consent, you must notify us at once by calling the toll-free number in the "Contact Us" information in the paragraph below during customer service hours.

Maintaining Accurate Information

It is your sole responsibility to ensure that your contact and account information is current and accurate. We are not responsible for any payment processing errors or fees incurred if you do not provide accurate account or contact information.

Account and contact information can include, but is not limited to, items such as your name, phone number, e-mail address, and bank account information. To change this information, either update your Foremost PayOnline® account at foremostpayonline.com or contact us as indicated below.

Please Note: If you need to change information specific to your policy, such as your mailing address/property location or coverages, please contact your Foremost representative. Changes to your policy **cannot** be made at foremostpayonline.com.

Amendments to Terms and Conditions

We reserve the right to change these Terms and Conditions at any time.

Method of Refund

If your policy has no outstanding balance at the time we receive a payment, we will credit the payment back to your account with a Foremost PayOnline® reference number.

For all other refunds, we will pay you by check. We will not initiate an EFT deposit for these other types of refunds.

Fees

Foremost PayOnline® is currently available at no charge. However, we reserve the right to charge a fee for Foremost PayOnline® in the future. Any such fee may be amended from time to time in accordance with these Terms and Conditions. All other fees that currently apply to your policy or chosen payment plan remain in effect.

Non-waiver

Any failure by us to act upon any breach of this Agreement shall not be deemed to constitute a waiver of any subsequent breach of that or any other term or condition, or of any right to thereafter enforce the Agreement.

Contact Us

You may write to us at: Foremost Specialty Lines, Attention: EFT/EPM Department, P.O. Box 3218, Grand Rapids, MI 49501. Or, you may call us during business hours at 1-800-532-4221.

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November 20, 2017

MAN TRUONG
277 GRATIOT AVE STE 100-A4551
DETROIT MI 48226

IMPORTANT MESSAGE ABOUT:

Policy Number: 381-5000170982

Dear MAN TRUONG:

We're pleased to offer you Specialty Dwelling insurance.

Please take a moment to review the enclosed policy documents. As your insurance representative has discussed with you, the coverages and features which make up our policy offer are not precisely what you requested. If you accept the policy coverages as shown on your Declarations Page, simply pay the required policy premium and file the enclosed documents with your policy records.

Customer satisfaction is important to us. If you have questions about our policy offer, we encourage you to contact your insurance representative. Your representative will be happy to review the policy and coverages with you.

We believe you'll find our Specialty Dwelling Policy provides you with one of the best insurance policies available. Thank you for the opportunity to serve your insurance needs.

Sincerely,



Cindy McLane
Specialty Lines Underwriting Director

Enclosure: Declarations Page
cc: agent

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The following disclosure is required by regulation of the U.S. Treasury Department.

**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM
INSURANCE COVERAGE**

Coverage for acts of terrorism is included in your policy. You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2015, the definition of act of terrorism has changed. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury - in consultation with the Secretary of Homeland Security, and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020, of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

The portion of your annual premium that is attributable to coverage for acts of terrorism is \$0.00, and does not include any charges for the portion of losses covered by the United States government under the Act.

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NOTICE OF CLAIM - MICHIGAN

Notice to our authorized representative is considered notice to us. Failure to give any notice required by this policy shall not invalidate any claim made by a person seeking coverage if it shall be shown not to have been reasonably possible to give such notice promptly and that notice was given as soon as was reasonably possible.

5208 11/06

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POLICY NUMBER: 381-5000170982-01

RENEWAL OF:

POLICY PERIOD BEGINNING 11/17/17 **ENDING** 11/17/18 12:01 A.M. STANDARD TIME

YOU AS NAMED INSURED AND YOUR ADDRESS

MAN TRUONG
277 GRATIOT AVE STE 100-A4551
DETROIT MI 48226-2239

YOUR POLICY IS SERVICED BY

GEICO INSURANCE AGENCY INC
C/O FULFILLMENT DEPT LOC 2200
PO BOX 3758
GRAND RAPIDS MI 49501-3758

AGENCY CODE:
454334999

TELEPHONE:
1-800-958-6121

COVERAGES: Coverage is provided only where an Amount of Insurance or a Limit of Liability is shown and a premium is stated for the Peril Insured Against. Detailed descriptions and any limitations will be found in your policy.

LOCATION # 1

IMPORTANT RATING INFORMATION

PREMISES	1544 ANNE AVE			
DESCRIPTION:	LINCOLN PARK MI 48146-1704			
CONSTRUCTION:	FRAME	TERRITORY:	B	YR. BUILT: 1928
FAMILIES:	2	PROT. CLASS:	5	FORM: DF3
OCCUPANCY:	RENTAL	RESP. FIRE DEPT.:	LINCOLN PARK FS	
HYDRANT:	WITHIN 1,000 FEET	COUNTY:	WAYNE	
FIRE DEPT.:	WITHIN 5 MILES			

SECTION I COVERAGES	AMOUNT OF INSURANCE	ADD'L/RETURN PREMIUM	ANNUAL PREMIUM
A. DWELLING	\$ 50,000		\$ 516.00
B. OTHER STRUCTURES			
N/A GARAGE	\$ 5,000		\$ 38.00
C. PERSONAL PROPERTY	\$ 1,000		\$ 15.00
D. LOSS OF RENTS	\$ 5,000		\$ 39.00
(1/12 PER MONTH)			

SECTION I LOSSES ARE SUBJECT TO A DEDUCTIBLE OF: \$1,000 ALL PERILS

SECTION II COVERAGES	LIMIT OF LIABILITY	ADD'L/RETURN PREMIUM	ANNUAL PREMIUM
F. PREMISES LIABILITY WITHOUT LEAD	\$ 100,000 EA ACCIDENT		\$ 216.00
G. MEDICAL PAYMENTS	\$ 1,000 EA PERSON		\$ 5.00
	\$ 10,000 EA ACCIDENT		

FORMS/ENDORSEMENTS THAT APPLY TO LOCATION # 1			ADD'L/RETURN PREMIUM	ANNUAL PREMIUM
11003	03/06	DWELLING FIRE THREE - LANDLORD		
11042	07/12	REQUIRED CHANGE - MICHIGAN		
5208	11/06	NOTICE OF CLAIM - MI		
11030	03/06	EARTHQUAKE EXCLUDING MASONRY VENEER	\$	35.00
11035	03/06	REPAIR COST - DWELLING	\$	95.00
11037	03/06	WATER BACKUP OF SEWERS OR DRAINS	\$	75.00

DISCOUNTS/SURCHARGES THAT APPLY TO LOCATION # 1			ADD'L/RETURN PREMIUM	ANNUAL PREMIUM
CLAIMS FREE DISCOUNT			\$	-6.00
PRE-1930 CHARGE			\$	100.00
TENANT SCREENING DISCOUNT			\$	-6.00
2 FAMILY SURCHARGE			\$	67.00

LOCATION # 1 Annual Premium \$ 1,189.00

TOTAL ANNUAL POLICY PREMIUM \$ 1,189.00

MINIMUM EARNED PREMIUM \$25

THIS DECLARATIONS PAGE WITH YOUR FOREMOST POLICY PROVISIONS AND ANY ENDORSEMENTS ISSUED TO FORM A PART THEREOF COMPLETES THE ABOVE NUMBERED POLICY.

Processed: November 20, 2017

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REQUIRED CHANGE - MICHIGAN
11042 07/12

DEFINITIONS

The following definition is added:

Personal injury means injury to a tenant or resident of the dwelling described on the Declarations Page, including consequential **bodily injury**, arising out of one or more of the following offenses:

1. Wrongful eviction from or wrongful entry into that dwelling.
2. False arrest, detention or imprisonment associated with or as a consequence of that wrongful eviction or wrongful entry.
3. Malicious prosecution of any such tenant or resident associated with or as a consequence of that wrongful eviction or wrongful entry.
4. Wrongful invasion of the right of private occupancy held by that tenant or resident.
5. Oral or written publication, in any manner, of material that slanders or libels that tenant or resident.
6. Oral or written publication, in any manner, of material that violates the right to privacy held by that tenant or resident.

SECTION I - Your Property Coverages

The following is added:

Your Additional Coverages

We may work with merchants to provide the best possible value for services and replacement of your property. If we are able to negotiate discounts or other benefits with merchants, we will extend those discounts or other benefits to you. You may contact the merchants directly. When you do, you may be afforded additional discounts and services. You are under no obligation to purchase any property or services from these merchants, nor are we obligated to provide these benefits.

SECTION I - Exclusions

Exclusion 1. is changed to read:

1. Loss of or to any property otherwise insured by this policy if that loss is intentionally caused by any of you or performed at any of your direction.

The exclusion of loss or damage, due to the peril of fire, caused by any of you or performed at your direction does not apply to property of any of you who did not know or suspect that the fire would occur and who did not participate in or contribute to the loss in any way, either actively or passively.

SECTION I - Our Payment Methods

COVERAGE A - Dwelling

COVERAGE B - Other Structures

The following paragraph is added:

If a municipality elects to apply their rights under Michigan law, a part of our payment for an insured

fire, explosion, windstorm or hail, vandalism or malicious mischief or riot or civil commotion, loss will be withheld. We will pay the withheld amount in accordance with the provisions of Michigan law.

If your Declarations Page displays Coverage F - Premises Liability and Coverage G - Medical Payments to Others, the following SECTION II provisions and exclusions apply:

SECTION II - Your Liability Coverages

Coverage F - Premises Liability

The following provision is added:

If a claim is made or a suit is brought against you for damages because of **personal injury**, caused by an offense to which this coverage applies, we will:

1. Pay up to the Limit of Liability shown on the Declarations Page for compensatory damages for which you are legally liable.
2. Provide a defense at our expense by attorneys of our choice.

We may make any investigations and settle any claims or suits that we decide appropriate. Our obligation to defend any claim or suit ends when the amount we pay in settlement or judgment for damages resulting from the offense equals the Limit of Liability. Coverage F - Premises Liability applies to **personal injury** only if the offense occurs on your premises during the policy period shown on the Declarations Page.

SECTION II - Exclusions

The following additional exclusions apply to **personal injury** liability coverage only:

We will not pay for **personal injury**:

1. To any of you other than an employee described in the insuring agreement.
2. Arising out of liability assumed by any of you in any contract or agreement whether before or after the offense occurs.
3. Caused by a violation of a penal law or ordinance committed by or with the knowledge or consent of any of you.
4. Arising out of the actual, alleged or threatened discharge, dispersal, release, escape of, or the ingestion, inhalation or absorption of **pollutants**.
5. Arising out of the loss, cost or expense from any governmental direction or request that you test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **pollutants**.

6. Arising out of nuclear reaction, radiation or radioactive contamination.
7. Resulting from or caused by the presence of mold, mildew, or other fungi, their secretions, and dry and wet rot of any kind regardless of the cause, condition or loss that led to their formation or growth.
8. Caused by or at the direction of any of you with the knowledge that the act would violate the rights of another and inflict **personal injury**.
9. Arising out of the rendering or failing to render professional services.
10. Arising out of **business** pursuits of any of you.

Policy Conditions

3. **Concealment or Fraud** is changed to read:
 - a. With respect to loss caused by fire, we do not provide coverage to any of you who has:
 - (1) Intentionally concealed or misrepresented any material fact or circumstance;
 - (2) Engaged in fraudulent conduct; or
 - (3) Made false statements;relating to this insurance.
 - b. With respect to loss caused by a peril other than fire, the entire policy will be void if any of you:
 - (1) Intentionally conceal or misrepresent any material fact or circumstance;
 - (2) Engage in fraudulent conduct; or
 - (3) Make false statements;whether before or after a loss or claim relating to this insurance.

4. What to Do When You Have a Loss.

The following is added to the second paragraph: Notice to our authorized representative is considered notice to us. Failure to give any notice required by this policy shall not invalidate any claim made by a person seeking coverage if it shall be shown not to have been reasonably possible to give such notice promptly and that notice was given as soon as was reasonably possible.

5. **Appraisals** is changed to read:
5. **Appraisals.** If you and we fail to agree on the amount of the loss, then both you and we have the right to select a competent and independent appraiser within 20 days from the day of disagreement. The appraisers will determine the amount of the loss. If they do not agree, then the appraisers will choose a competent and impartial umpire. Then each appraiser will submit his amount of the loss to the umpire selected by them or by a court having jurisdiction if the appraisers cannot agree upon an umpire. The agreement of any two will determine the amount of loss for damage to your property. You pay your appraiser and we pay our appraiser. You and we share equally the expenses of the umpire and all other expenses of the appraisals.

In no event will an appraisal be used for the purpose of interpreting any policy provision, determining causation or determining whether any item or loss is insured by this policy. If there is an appraisal, we still retain the right to deny the claim.

7. **Our Right to Recover From Others** is changed to read:

After we have paid a claim, except for Medical Payments to Others, we have the right to recover the payment from anyone who may be held responsible for the loss or damage. If we pay any of you for a loss deliberately caused or directed to be caused by any other of you, we will have the right to recover that payment from the person who deliberately caused or directed another to cause the loss by fire. You may waive your rights to recover against another person for loss involving the property covered by this policy. This waiver must be in writing prior to the date of loss.

8. **Legal Action Against Us** is changed to read:
8. **Legal Action Against Us.** You may not bring legal action against us concerning this policy unless you have fully complied with all of the policy terms. Suit must be brought within one year after the loss or damage occurs. The time for commencing an action is tolled from the time you notify us of the loss until we formally deny liability.

The following conditions are added:

17. **Cancellation.** You may cancel your policy by letting us know of the date cancellation is to take effect. If a mortgagee is named on the Declarations Page, we will provide acknowledgment to the mortgagee regarding cancellation of the mortgagee's interest in this policy.

We may cancel this policy for any reason. We will mail a cancellation notice to you at least 30 days before this policy is cancelled (10 days if you have not paid the premium, or if there is evidence of incendiarism, or fraud).

Your mortgagee may cancel this policy if your dwelling has been foreclosed or the mortgagee has otherwise acquired ownership of it. The mortgagee may then cancel this on behalf of all parties who have an interest insured by this policy and upon surrender of the policy.

If there is any refund of premium due you, we will mail it to you with your cancellation notice or as soon as possible after we mail the notice. The return premium will be calculated pro rata. If you cancel, return premiums will be subject to the "Minimum Earned Premium" shown on the Declarations Page of this policy. Pro rata cancellation means that we keep

premium only for the period of time you were insured. If your premium is financed, that financing interest will be recognized in any refund due.

The minimum earned premium on any policy cancelled shall not be less than the pro rata premium for the expired time or \$25.00, whichever is greater.

18. **Nonrenewal.** We agree to offer to renew your policy unless we mail to you, at least 30 days before the ending policy term date shown on the Declarations Page, written notice of our intention not to renew this policy.

19. **Automatic Termination.** If we offer to renew or continue this policy, but you or your representatives do not accept our offer, then this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due will mean that you have not accepted our offer.

20. **Notice of Cancellation or Nonrenewal.** We will address the cancellation or nonrenewal notice to your address shown in the policy. Under the authority of federal law, the United States Postal Service and its authorized agents or vendors may forward the cancellation or nonrenewal notice to an updated address per any change of address that you have presented to or filed with the United States Postal Service. If notice is mailed, proof of mailing will be sufficient proof of notice.

COPY

EARTHQUAKE COVERAGE EXCLUDING MASONRY VENEER - DWELLING FIRE THREE
11030 03/06

We insure risk of direct, sudden and accidental physical loss to **covered property** caused by earthquake. If more than one earthquake shock occurs during a 72 hour period, all shocks will constitute one earthquake.

But we do not insure:

1. Loss caused directly or indirectly by any flood, tidal wave, storm surge or tsunami; or
2. Loss to exterior masonry veneer. Stucco is not considered masonry veneer. The value of damaged exterior masonry veneer will be deducted from the Amount of Insurance applicable to the insured property before applying the deductible clause.

Covered property insured by this endorsement means only:

1. The dwelling described on the Declarations Page. But, **covered property** does not include structural modifications or upgrades to the dwelling unless you reported them to us before the earthquake occurred.
2. Other structures on your **premises**. **Covered property** does not include pools, saunas, walkways, decks, driveways, tennis courts, nonstructural recreational facilities, piping for utilities (including gas, electric, water and sewer) fencing, antennas, landscaping or exterior retaining walls.
3. The personal property insured by your policy. **Covered property** does not include glassware, china, porcelain, ceramic items, artwork and other decorative items.

Covered property does not include and we do not insure:

1. Pools, saunas, walkways, decks, driveways, tennis courts, nonstructural recreational facilities, piping for utilities (including gas, electric, water and sewer) fencing, antennas, or exterior retaining walls;
2. Trees, shrubs, plants, and lawns;
3. Glassware, china, porcelain, ceramic items, artwork and other decorative items; or
4. Land or any cost required to repair, rebuild, stabilize or otherwise restore the land.

Your Additional Coverages

When direct, sudden and accidental physical loss to **covered property** is caused by earthquake, the following coverage described in **Your Additional Coverages** does not apply:

5. Trees, Shrubs, Plants and Lawns.

SECTION I - Exclusions

Exclusion 15. does not apply to loss caused by earthquake, including land shock waves or tremors before, during or after a volcanic eruption.

SECTION I - Deductible

Each loss will be subject to a deductible which is the greater of:

1. 10% of the Amount of Insurance for the coverage shown on the Declarations Page; or
2. \$1,000

The deductible for each coverage will be applied to the lesser of:

1. The loss for each coverage; or
2. The Amount of Insurance for each coverage.

This deductible applies separately to each insured loss under **Coverage A - Dwelling, Coverage B - Other Structures, and Coverage C - Personal Property.**

An example of your earthquake deductible

When you buy earthquake coverage, your deductible, when there is earthquake damage, is 10% of each coverage, with a minimum \$1,000 deductible per coverage. We apply the deductible separately to your dwelling, personal property and other structures. The following chart gives an example of how the earthquake deductible would apply.

This is just an example:

Home Insured at \$70,000	\$ 7,000 deductible
Personal Property Insured at \$35,000	\$ 3,500 deductible
Other Structures Insured at \$7,000	\$ 1,000 deductible*
TOTAL DEDUCTIBLE	\$11,500 deductible

* A minimum deductible of \$1,000 is applied.

This coverage does not increase the Amount of Insurance that applies to **covered property**.

REPAIR COST DWELLING

11035 03/06

SECTION I - Our Payment Methods

Coverage A - Dwelling is changed to read:

SECTION I - Our Payment Methods

Coverage A - Dwelling

Total Loss Payment Method

A total loss occurs when the dwelling is damaged beyond reasonable repair.

When a total loss occurs, your loss will be equal to the Amount of Insurance shown on the Declarations Page.

No deductible will apply.

Partial Loss Payment Method

Repair Cost Payment Method

When a partial loss occurs, the amount we pay for loss to the dwelling will be the lowest of:

1. The **repair cost** of the damage to the dwelling;
2. The amount actually spent for necessary repair or replacement of the damaged dwelling; or
3. The Amount of Insurance shown on the Declarations Page for the dwelling.

If the cost to repair or replace the damaged property is more than \$2,500, we will pay no more than the actual cash value of that damage until actual repair or replacement is completed.

We may make a cash settlement or repair or replace the property with property of like kind and quality. We will give you notice of our intention within 30 days after we receive your proof of loss.

We will not pay for loss consisting of actual or perceived reduction of market value after the damaged property has been replaced, restored or repaired.

The damage to your property will reduce the Amount of Insurance available during the policy period by the amount of the damage. Your coverage will return to the Amount of Insurance shown on the Declarations Page upon completion of the repairs or replacements.

Actual Cash Value Payment Method

You may disregard the Repair Cost Payment Method and make a claim on an Actual Cash Value Payment Method. If you do, you may make further claim within 180 days after

the loss for any additional cost you incur in replacing the damaged property. If you do elect to make a claim on an Actual Cash Value Payment Method, then the amount we pay for loss to the dwelling will be the lowest of:

1. The difference between the **actual cash value** of the dwelling immediately before the loss and its **actual cash value** immediately after the loss;
2. The **actual cash value** of the damaged part of the dwelling at the time of the loss;
3. The amount required to repair or replace the dwelling; or
4. The Amount of Insurance shown on the Declarations Page for the dwelling.

We may make a cash settlement or repair or replace the property with property of like kind and quality. We will give you notice of our intention within 30 days after we receive your proof of loss.

We will not pay for loss consisting of actual or perceived reduction of market value after the damaged property has been replaced, restored or repaired.

The damage to the dwelling will reduce the Amount of Insurance available by the amount of the damage. Your coverage will return to the Amount of Insurance shown on the Declarations Page upon completion of the repairs or replacements.

DEFINITIONS

Repair cost means the cost to repair or replace damaged building structures to a condition and appearance similar to that which existed at the time of the loss, using conventional construction materials and methods that are currently available without extraordinary expense.

But **repair cost** does not mean loss, damage or increased loss caused by enforcement of any governmental requirement regulating construction, repair, occupancy, renovation or remodeling.

11035 03/06

All other provisions of your policy apply.

WATER BACKUP OF SEWERS OR DRAINS

11037 03/06

SECTION I - Your Property Coverages

The following Additional Coverage is added:

Water Backup of Sewers or Drains. We will pay up to \$5,000 for direct loss to insured property caused by water or sewage which:

1. Backs up through sewers and drains; or
2. Enters into and overflows from a sump.

This coverage does not apply to damage which is caused directly or indirectly by the negligence of any of you, including but not limited to the failure to repair or maintain the sump pump.

A \$250 deductible will apply to each loss.

SECTION I - Exclusions

Exclusion 7. is changed to read:

7. Loss caused by:

- a. Flood water, surface water, waves, tidal water, tidal waves, storm surge, tsunami or overflow of a body of water or spray from any of these whether or not driven by wind;
- b. Water below the surface of the ground, regardless of its source. This includes water which exerts pressure on or flows, seeps or leaks through any part of the dwelling or other structures, foundation, sidewalk, driveway or swimming pool.

This exclusion applies whether or not there was widespread damage and whether or not it was caused by a human activity or an act of nature.

This exclusion does not apply to ensuing loss caused by fire or explosion.

11037 03/06

All other provisions of your policy apply.

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Extraordinary Life Circumstances

As a named insured, if you believe an extraordinary life circumstance has negatively impacted your credit information, you may request, in writing, that we provide reasonable exceptions to our underwriting and/or rating practices. Examples of extraordinary life circumstances include but are not limited to:

- a. Catastrophic event, as declared by the federal or state government.
- b. Serious illness or injury, serious illness or injury to an immediate family member.
- c. Death of a spouse, child, or parent.
- d. Divorce or involuntary interruption of legally owed alimony or support payments.
- e. Identity theft.
- f. Temporary loss of employment for a period of 3 months or more, if it results from involuntary termination.
- g. Military deployment overseas.
- h. Predatory lending resulting in the foreclosure of, or commencement of proceedings or an action to foreclose, a mortgage of real property owned by the insured or insurance applicant.
- i. Other events, as determined by the insurer.

Your request must be received within 60 days from the date of your application or renewal.

Please contact Underwriting at 1-866-219-6214 for details on qualifying circumstances and how to request an exception, or via mail at Foremost Insurance Group, Attention: Underwriting, P.O. Box 2047, Grand Rapids, MI 49501-2047.

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FOREMOST INSURANCE COMPANY GRAND RAPIDS, MICHIGAN

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Welcome to Foremost® - A Leading Property Insurer

We're pleased you've selected Foremost to insure your home. Our goal is to offer you insurance that provides you the coverage you want at a reasonable price. One way we do this is by letting you customize your insurance coverage so that it's right for you.

You can tailor your policy. Your Foremost policy is designed to give you several ways to balance the level of coverage you want with your budget. Your policy includes coverage for your Dwelling. You have the option to purchase coverage for Other Structures, Personal Property, Loss of Rents and Liability. Here are a few of the most popular coverage options you can add to your policy:

- **Replacement Cost for your Personal Property** changes your settlement provision to repair your damaged property or replace it with new property of like kind and quality if a covered loss occurs. This means no depreciation will be taken.
- **Theft Coverage** allows you to add theft of personal property from \$1,000 up to \$5,000.
- **Water Backup of Sewers or Drains** provides up to \$5,000 for direct loss to insured property caused by water or sewage which backs up through sewers and drains or overflows a sump.
- **Extended Replacement Cost on Dwelling** extends up to an additional 25% of the Amount of Insurance for Coverage A - Dwelling towards the replacement of the dwelling in the event of a total covered loss.
- **Replacement Cost Dwelling** provides replacement cost on the dwelling for partial losses. Total losses remain Agreed Loss Settlement. Agreed Loss Settlement means that in the case of a covered total loss to the home, your settlement will be the Amount of Insurance listed on your Declarations Page.
- **Personal Liability** provides Liability and Medical Payments coverage on owner-occupied one-to-four-family dwellings.
- **Personal Injury Liability** provides Personal Injury coverage if a claim is made or a suit brought for damages because of an offense named in the endorsement. Must have Personal Liability coverage.
- **Premises Liability** provides Premises Liability and Medical Payments coverage for the owner of a one-to-four-family rented dwelling.
- **Landlord Personal Injury Liability** provides Personal Injury coverage if a claim is made or a suit brought for damages by the tenant or resident of the insured dwelling because of an offense named in the endorsement. Must have Premises Liability coverage.
- **Earthquake Coverage** insures your Dwelling, Other Structures and Personal Property against damage caused by an earthquake.
- **Identity Fraud Coverage** reimburses you for certain expenses necessary to correct erroneous information and restore your credit when an unauthorized person criminally incurs debt under your name. Credit monitoring options are also available.
- **Unrelated Named Insured Coverage** extends policy coverage to individuals who reside in your owner-occupied home full time, but are not members of your family.

More Ways to Customize Your Coverage

Deductible. This is the amount of the loss for which you are responsible. Higher deductibles will reduce your premium, but the amount of the loss for which you are responsible will be higher. In most cases, you can choose your deductibles. There may be separate deductibles for different types of losses.

Discounts. To verify you've received all the discounts that apply to you, check your Declarations Page to make sure the information is correct. Some ways you may qualify for a premium reduction are if you or your spouse are age fifty or older, if you have another personal lines or qualifying life policy with Foremost, Farmers® or 21st Century, if your home is made of certain construction materials, if you have fire or burglar alarms, or if you're a member of certain affinity groups. In addition, we offer discounts to landlords who insure multiple properties, use a property management company, belong to a landlord association and those who perform tenant screening.

Flood. Coverage for flood is available in most communities through the National Flood Insurance Program. Your insurance agent or broker can help you obtain flood insurance. You can also learn more at www.floodsmart.gov or by calling 1-888-379-9531.

Find out more. We encourage you to make sure you have the coverage you want for your property. This form lists only a few of the optional coverages that Foremost offers and each description simply summarizes the coverage. Since this summary is not part of your policy, please read the actual policy language as it takes precedence over these summaries. A fee applies for most of the optional coverages listed and you must meet certain established criteria for some of them before they can be added to your policy. Not all features, discounts or coverage options are available in all areas or for all products.

If you have any questions or are interested in adding an optional coverage you don't have, or one that you don't see listed above, please contact your agent or broker. They will be able to review your policy and coverage options with you. You'll find their name and address listed on the left side of your policy Declarations Page.

Please take a moment to read your policy and review the information shown on your Declarations Page. This information is used to rate your policy and assures you are charged the correct premium. If you have questions or concerns, your agent or your broker will be happy to work with you to address them.

We consider it a privilege to be in business to serve policyholders like you. Thanks again for choosing Foremost. As one of over two million policyholders who trust Foremost to insure their financial investment against the unexpected, you've made a good choice.

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Privacy Notice Foremost® Insurance Group

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In the course of our business relationship with you, we collect information about you that is necessary to provide you with our products and services. We treat this information as confidential and recognize the importance of protecting it. We value your confidence in us.

This notice from the member companies of the Foremost Insurance Group ("Foremost") describes our privacy practices regarding information about our customers and former customers that obtain financial products or services from us for personal, family, or household purposes.

Information We Collect

We collect certain information ("nonpublic personal information") about you and the members of your household ("you") from the following sources:

- Information we receive from you on applications or other forms, such as your social security number, assets, income, and property information;
- Information about your transactions with us, our affiliates or others, such as your policy coverage, premiums, and payment history; and
- Information we receive from a consumer reporting agency or insurance support organization, such as motor vehicle records, credit report information and claims history.

Information We Disclose

We do not disclose any nonpublic personal information about you, as our customer or former customer, except as described in this notice.

We may disclose the nonpublic personal information we collect about you, as described above, to companies that perform marketing services on behalf or to other financial institutions with which we have joint marketing agreements and to other third parties, all as permitted by law.

Many employers, benefit plans or plan sponsors restrict the information that can be shared about their employees or members by companies that provide them with products or services. If you have a relationship with Foremost or one of its affiliates as a result of products or services provided through an employer, benefit plan or plan sponsor, we will abide by the privacy restrictions imposed by that organization.

We are permitted to disclose personal health information: (1) to process your transaction with us, for instance, to determine eligibility for coverage, to process claims or to prevent fraud; (2) with your written authorization; and (3) otherwise as permitted by law.

Sharing Information with Affiliates

We will not disclose nonpublic personal information, as described above in **Information We Collect**, except with affiliates of Foremost, including:

- Financial service providers, such as insurance companies and reciprocals, investment companies, underwriters, brokers/dealers; and
- Non-financial service providers, such as management companies, attorneys-in-fact and billing companies.

We are permitted by law to share with our affiliates our transaction and experience information with you.

We will not share with our affiliates information we receive from a credit reporting agency or insurance support organization, such as motor vehicle records, credit report information, and claims history.

Modifications to Our Privacy Policy

We reserve the right to change our privacy practices in the future, which may include sharing nonpublic personal information about you with nonaffiliated third parties not otherwise permitted by law. Before we do that, we will provide you with a revised privacy notice.

Security

We restrict access to personal information about you to those individuals, such as our employees and agents, who provide you with our products and services. We require those individuals to whom we permit access to your customer information to protect it and keep it confidential. We maintain physical, electronic, and procedural safeguards that comply with applicable regulatory standards to guard your nonpublic personal information.

Website

Our website privacy notices, such as the one located at foremost.com, contain additional information particular to website use. Please pay careful attention to those notices if you transmit personal information to Foremost over the Internet.

Recipients of this Notice

If there is more than one person insured under this policy, only the named insured on that policy will receive this notice, though any policyholder may request a copy of this notice. You may receive more than one copy of this notice if you have more than one policy with Foremost. You also may receive notices from affiliates, other than those listed below. Please read those notices carefully to determine your rights with respect to those affiliates' privacy policies.

Affiliates

The following is a list of some but not all of our affiliates: Farmers Insurance Group of Companies® including Farmers Insurance Exchange, Fire Insurance Exchange, Truck Insurance Exchange, and Mid-Century Insurance Company, Bristol West Insurance Group® including Bristol West Casualty Insurance Company, Bristol West Insurance Company, Bristol West Preferred Insurance Company, Coast National Insurance Company, and Security National Insurance Company (Bristol West Specialty Insurance Company in TX), and 21st Century Insurance & Financial Services including 21st Century Indemnity Insurance Company, 21st Century Insurance & Financial Services, Inc., 21st Century Insurance Company, 21st Century National Insurance Company, 21st Century Premier Insurance Company, and 21st Century Security Insurance Company.

Any Questions?

This notice is required by federal law. If you would like additional information about these federal laws, please visit our website at www.foremost.com.

Signed: Foremost Insurance Company Grand Rapids, Michigan
 Foremost Signature Insurance Company
 Foremost Property and Casualty Insurance Company
 Foremost County Mutual Insurance Company
 Foremost Lloyds of Texas

The above is a list of the Foremost Companies on whose behalf this notice is being sent.