

ALLEGANY CO-OP INSURANCE COMPANY

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NOTICE TO POLICYHOLDERS

Homeowners' and Farmowners' Policies (ML-2, ML-2T, ML-3, ML-3T, ML-5, ML-5T)

Damage to underground utility lines can be a costly surprise for a homeowner.

Most homeowners do not realize that they are responsible for underground service lines that connect their home to a public utility. Examples of underground service lines include water, sewer, and power lines. Repairs can be costly due to the additional expense of excavation, Mutual Boiler Re estimates the average cost at \$6,000. This is an expense that is not normally covered by insurance.

Attached is a brochure that provides a brief explanation of coverage that Allegany Co-op will now be offering for underground service lines. The brochure also provides answers to frequently asked questions regarding coverage as well as a few examples of covered losses.

For a small premium charge of \$15, your Allegany Co-op Insurance Policy, to which this notice applies, will now automatically include this important coverage. By adding this coverage to your Homeowners' or Farmowners' Policy, we are able to offer it at dramatic savings, compared to the cost of purchasing a separate policy. These savings, which are passed on to you, are generated by not having to process and issue an additional policy.

This coverage can be removed from your policy with no increase in premium. If you do not want this coverage please contact your Agent to request that it be removed from your policy.

No coverage is provided by this notice, nor can this notice be construed to replace any provision of your policy. You should read your policy and any related endorsements and review your policy declarations page for complete information on the coverage that is provided by your policy. If there is any conflict between the policy and this Notice, the provisions of the policy shall prevail.