

PATRICK PRENDIVILLE  
24661 DEL PRADO STE 3  
DANA POINT, CA 92629-2805



# Home Insurance Renewal

P NYE, C FOSTER  
1335 PALISADES DR  
PACIFIC PALISADES CA 90272

8/12/2024

Dear Pamela Nye and Chuck Foster,

Thank you for choosing Farmers for your homeowners insurance needs. We appreciate the opportunity to offer continued coverage for you and your family contingent upon payment toward the premium as stated below.

Please review the renewal offer documents that have been enclosed:

- Declaration page – a summary of your insurance coverages, limits, and deductibles
- Detailed reconstruction cost estimate of your home

**You may notice you're no longer receiving the Good Payer and Preferred Pay Plan discounts. Unfortunately, we're no longer permitted to offer these discounts to any California policy holders. We regret that we're unable to provide this discount anymore and we encourage you to chat with your agent to see if there are other discounts you may be eligible for.**

As a way to thank you for your continued business, we have added to your Declining Deductibles® balance. Your accumulated balance appears on your Policy Declaration in the Deductible section.

A summary of your premium and policy change information is shown below. With this renewal, you'll see an increase in your home coverage limits. As inflation and reconstruction costs rise, so does the amount of coverage needed to rebuild your home in the event of a total loss. For more information on these changes, please see the "Reconstruction Cost and Your Coverage A (Dwelling) Amount" page of this document.

## Premium at-a-glance

► Policy Premium

**\$4,191.00**

## Your Farmers Policy

**Policy Number: 33667-75-00**  
Effective: 10/14/2024 12:01 AM  
Expiration: 10/14/2025 12:01 AM

## Property Insured

1335 Palisades Dr  
Pacific Palisades, CA 90272-2153

## Your Farmers Agent

**Patrick Prendiville**  
24661 Del Prado Ste 3  
Dana Point, CA 92629-2805  
(949) 487-9696  
[pprendiville@farmersagent.com](mailto:pprendiville@farmersagent.com)

To file a claim log on to [Farmers.com](https://www.farmers.com)  
or the [Farmers® Mobile App](#) or call  
**1-800-435-7764**

## Did you know?



### Farmers Friendly Review

Contact your agent to learn more about the policy discounts, coverage options, and other product offerings that may be available to you.



### Go Paperless

**Save stamps, time and trees....Go Paperless!** You can choose to receive your Farmers policy documents and/or billing statement electronically. Enroll at [farmers.com](https://www.farmers.com) and choose the paperless options!



### Go Mobile

The [Farmers® Mobile App](#) gives you 24/7 account access on the go. Text GETAPP to 29141 to download it today!

# Renewal (continued)

---

## Summary of changes

	<i>Previous</i>	<i>Renewal</i>
Coverage: Dwelling	\$644,000	\$690,000
Discount: Wildfire Mitigation Discount	Not Included	Included

This is not a bill. Your bill with the amount due will be mailed separately.

If you prefer, you can log into [farmers.com](https://farmers.com) today to review your balance and make a payment. You can also contact us at 1-877-327-6392 or visit your agent's office with your payment.

Sincerely,

Farmers Insurance Group®



# Your Coverage At A Glance

Insurance policies are contracts - long and full of details. Where do you even start? Farmers is here to help, with these highlights of your coverage and limits.\*



**\$690,000**

**Dwelling\*  
Coverage A**

For the cost to repair or rebuild your home

**\$379,500**

**Personal Property  
Coverage C**

Personal belongings - furniture, electronics, appliances, clothing, etc.

**\$69,000**

**Separate Structures  
Coverage B**

For the cost to repair or rebuild fences or other structures on your property

**\$1,000,000**

**Personal Liability  
Coverage E**

Liability for injury or damages to others

**\$1,000**

**Medical Payments  
Coverage F**

No-fault medical payments for guests injured on your property

**\$138,000**

**Loss of Use  
Coverage D**

Increased costs to live elsewhere while repairing your home

**Deductibles**

Water	\$6,900
All Other Perils	\$5,000

**Declining Deductibles®**  
\$50 Earned Credit

**3 Years Claim Free**

1

2

3

4

5

Keep it up! 2 more years to Claim Forgiveness

Congrats! You have the following Features and Discounts:

**Features**

- ✓ Claim Forgiveness
- ✓ Declining Deductibles®









**Discounts**

- ✓ Group - Nurse
- ✓ Claim Free
- ✓ Wildfire Mitigation

# Policy Notices

## Additional Coverages for Your Homeowners Insurance Policy

Homeowners insurance starts with standard coverages, such as the cost to repair or replace your home after a covered loss, the cost to repair or replace damaged or destroyed personal property, and personal liability coverage. But many common risks aren't covered by a standard homeowners policy. Optional coverages let you address more risks. Here are some of our most popular options to balance coverage and costs. Any you have already chosen will show a  below.

 <p><b>Valuable Items - Specified</b></p> <p>Adds coverage for specific, listed items of valuable personal property, such as jewelry, cameras, artwork, furs, guns, silverware, or musical instruments. Each item must be described in detail with an agreed value. Coverage includes loss from mysterious disappearance.</p>	 <p><b>Marring to Certain Metal Materials</b></p> <p>Adds coverage for wind or hail marring to metal building materials such as gutters, and downspouts.</p>	 <p><b>Cyber and Identity Shield</b></p> <p>Provides coverage for a wide range of identity theft or cyber events, including Ransomware Support Service, Identity Theft Restoration, Data Recovery and System Restoration, Wire Transfer Fraud, and Internet Clean-up.</p>
 <p><b>Zero-Deductible Glass</b></p> <p>Pay no deductible for damaged glass attached to your home or separate structures.</p>	 <p><b>Limited Leakage and Seepage</b></p> <p>Covers water damage, up to a stated amount, that results from slow, accidental leakage or seepage of water.</p>	 <p><b>Equipment Breakdown</b></p> <p>Adds coverage for damage caused by breakdown or rupture of boilers, or mechanical, electrical, electronic or fiber optic equipment.</p>
 <p><b>Home Sharing</b></p> <p>Provides coverage for short-term rental of all or part of the home.</p>	 <p><b>Water Backup and Sump Overflow - All Types of Covered Property</b></p> <p>Coverage is available for water damage from sewer/drain backups or sump overflows, up to the stated limit. Does not cover flood damage.</p>	

This statement provides a list of some of the types of optional insurance coverages that may be available to you. Contact your Farmers<sup>®</sup> Agent, or us, to discuss these and other additional coverages.



# Farmers Smart Plan Townhouse® Declarations

**Policy Number:** 33667-75-00  
**Effective:** 10/14/2024 12:01 AM  
**Expiration:** 10/14/2025 12:01 AM  
**Named Insured(s):** Pamela Jane Nye Family Trust  
 1335 Palisades Dr  
 Pacific Palisades, CA 90272  
[pamelajanenye@neurosciencesnursing.org](mailto:pamelajanenye@neurosciencesnursing.org)  
**Property Insured:** 1335 Palisades Dr  
 Pacific Palisades, CA 90272-2153  
**Underwritten By:** Farmers Insurance Exchange  
 6301 Owensmouth Ave.  
 Woodland Hills, CA 91367

## Premiums

▶ **Policy Premium** **\$4,191.00**

\*Also see Information on Additional Fees below.

### This is not a bill.

Your bill with the amount due will be mailed separately.

## Description of Property

**Year of Construction** 1973  
**Construction Type** Frame with 0% - 33% Masonry Veneer  
**Roof Type** Composition Shingle  
**Roof Surface Material Type** Composition Shingle

**Age of Roof** 24  
**Occupancy** Owner Occupied (Primary Resident)

**Number of Units** 1

## Property Coverage

Coverage	Limit
Coverage A - Dwelling	\$690,000
Extended Replacement Cost (In Addition to Coverage A Limit)	10% (\$69,000)
Coverage B - Separate Structures	\$69,000

Coverage	Limit
Coverage C - Personal Property	\$379,500
Personal Property Replacement Cost	Covered
Coverage D - Loss of Use	\$138,000
Additional Living Expense Term	12 Months

## Declarations (continued)

### Liability Coverage

Coverage test	Limit
Coverage E - Personal Liability	\$1,000,000
Personal Injury	Not Covered
Increased Limit for HOA Loss Payment	\$51,500

Coverage	Limit
Coverage F - Medical Payments to Others	\$1,000

### Additional Coverage Options

Coverage	Limit
Building Ordinance or Law (10% of Coverage A or B)	
Coverage A	\$69,000
Coverage B	\$6,900
Water Backup and Sump Overflow	Not Covered
Roof Materials Loss Settlement	Replacement Cost
Cyber and Identity Shield	Not Covered
Personal Property at 2nd Residence	\$37,950.00(10% of Personal Property Limit)
Theft of Jewelry Watches Furs	\$1,000/\$2,500
Theft of Firearms	\$2,500
Business Property - On Premises / Off Premises	\$2,500/\$500
Motor Vehicle Parts	Not Covered

Coverage	Limit
Portable Electronic Equipment - Off Premises	\$5,000
Money	\$250
Deeds, Securities, Valuable Papers	\$1,000
Theft of Silverware, Goldware	\$2,500
Fine Arts and Imported Rugs	\$5,000
Collectable Cards and Comic Books	\$200/\$1,500
Watercraft and Windsurfers	\$1,500
Trailers	\$1,200

### Deductible

Type of Loss	Deductible
Liability Losses	\$0
Applicable to each covered loss except Water Loss	\$5,000
Water Loss (1% of Cov. A Limit)	\$6,900
Single Loss Deductible	Covered

Percent Deductibles adjust with changes to Cov. A Limit

**▶ You have accumulated \$50 of Declining Deductibles<sup>®</sup> benefit to be used toward the deductible on your next covered loss.**

## Declarations (continued)

### How We Settle a Covered Loss for Property Claims

All loss settlement options, including replacement cost options, are subject to the terms, conditions and limitations stated in the policy, which includes its endorsements. Certain optional endorsements may contain their own loss settlement provisions not reflected here.

#### Property Losses

#### Loss Settlement Terms

Dwelling & Separate Structures (Pays up to the limits for Coverage A or B)	
Roof Materials	Replacement Cost
Wall-to-Wall Carpet	Replacement Cost
Fence	Actual Cash Value
Rest of Dwelling	Extended Replacement Cost
<hr/>	
Personal Property Contents (Pays up to the limit for Coverage C)	Replacement Cost

### Discounts Applied to Policy

#### Discount Type

Group - Nurse

Wildfire Mitigation

#### Discount Type

Claim Free

### Other Policy Features and Benefits

- Claim Forgiveness - this benefit prevents your premium from increasing as a result of your next claim after your policy has been in force for five years without a claim.
- Declining Deductibles<sup>®</sup> - This benefit reduces the amount of the deductible you will have to pay on a future loss. Refer to the Deductible section to see your earned benefit amount.

### Mortgage / Other Interest

#### 1st Mortgagee

#### Loan Number

Jpmorgan Chase Bank, N A  
Its Successors and/or Assigns ATIMA  
PO Box 4465  
Springfield, OH 45501-4465

1234242470

### Policy and Endorsements

This section lists the policy form number and any applicable endorsements that make up your insurance contract. Any endorsements that you have purchased to extend coverage on your policy are also listed in the coverages section of this declarations document: 56-5683 3rd ed.; CA121 1st ed.; CA133 3rd ed.; 25-8531 10-12; G7642 1st ed.

### Other Information

- Your policy has a Fair Plan Companion Endorsement; see endorsement CA121.
- For a lower premium, this Farmers Smart Plan Home<sup>®</sup> policy offers less coverage than is available in the Farmers Next Generation<sup>®</sup> Homeowners product. If you qualify under Farmers<sup>®</sup> underwriting guidelines, you may be eligible to purchase enhanced coverage in the Next Generation Homeowners product for an additional premium. You may contact your Farmers<sup>®</sup> agent for additional details.

## Declarations (continued)

---

- **The California Department of Insurance has developed the California Home Insurance Finder, an online tool that can assist you in obtaining insurance for your home. The Finder contains names, addresses, telephone numbers, and internet website links of licensed insurance agents, brokers, and insurance companies that may be able to sell insurance to you. The Finder is organized by ZIP Code and the languages in which the agent, broker, or insurance company sells insurance.**
- **THIS POLICY DOES NOT COVER THE PERIL OF FIRE. THERE ARE OTHER RESOURCES FOR FINDING FIRE COVERAGE, INCLUDING USING THE CALIFORNIA DEPARTMENT OF INSURANCE'S HOME INSURANCE FINDER OR PURCHASING COVERAGE FROM THE CALIFORNIA FAIR PLAN ASSOCIATION.**
- **You may obtain an application form from your insurance agent, broker, or directly from the California FAIR Plan, Public Affairs Department. The office is located at 3435 Wilshire Boulevard, Suite 1200, Los Angeles, California 90010. The telephone number is (800) 339-4099. You may also obtain an application from the California FAIR Plan website at <https://www.cfpnet.com/>.**
- Farmers Friendly Reviews<sup>®</sup> are a great way to make sure you are receiving all the discounts for which you qualify, and identify any potential gaps in coverage. Contact your agent to learn more about the policy discounts, coverage options, and other product offerings that may be available to you.
- The limit of liability for this structure (Coverage A) is based on an estimate of the cost to rebuild your home, including an approximate cost for labor and materials in your area, and specific information that you have provided about your home.
- This policy contains a flood exclusion. Flood coverage may be purchased separately from the National Flood Insurance Program, if available in your area.
- This policy contains an earthquake exclusion. Contact your agent for information concerning the availability of earthquake coverage.
- Building Ordinance or Law Coverage is subject to terms, conditions, and restrictions that are identified on a separate disclosure form attached to your Declarations.
- This policy includes 10% Building Ordinance coverage (calculated as a percentage of coverage A or B) as applied per the policy. This policy provides building code upgrade coverage for the increased costs of repairing or replacing damage to the insured dwelling caused by a covered loss because of building ordinances or laws regulating the repair or replacement. Building code upgrade coverage is provided based on the increased costs associated with building ordinances or laws in effect at the time of loss or rebuilding, up to policy limits for this coverage. The policy may denote restrictions, if any, on coverage for compliance with applicable building codes that take effect after the date of loss, but before the issuance of required building permits.

### \*Information on Additional Fees

The "Fees" stated in the "Premium/Fees" section on Page 1 apply on a per-policy, not an account basis. The following additional fees also apply:

- 1. Service Charge per installment** (In consideration of our agreement to allow you to pay in installments):
  - For Recurring Electronic Funds Transfer (EFT): **\$0.00** (applied per account)
  - For Recurring Credit/Debit Card plans: **\$5.00** (applied per account)
  - For all other payment plans: **\$7.00** (applied per account)
- 2. Late Fee: \$15.00** (applied per account)
- 3. Returned Payment Charge: \$25.00** (applied per check, electronic transaction, or other remittance which is not honored by your financial institution for reasons including, but not limited to, insufficient funds or a closed account)
- 4. Reinstatement Fee: \$25.00** (applied per policy)

One or more of the fees or charges described above may be deemed a part of premium under applicable state law.

If this account is for more than one policy, changes in these fees are not effective until the revised fee information is provided for each policy.



## Policy Notices

---

### BUILDING ORDINANCE OR LAW DISCLOSURE

Your policy includes Building Ordinance or Law coverage subject to certain terms, conditions and restrictions. This disclosure provides a description of the terms, conditions and restrictions for this coverage. This disclosure is provided for informational purposes only. It is not a part of your policy and does not affect or provide coverage, in and of itself.

#### **Coverage and Limits.**

We will pay up to the percentage of the applicable Coverage A or Coverage B stated limit, shown in the Declarations, for the increased costs that you actually and necessarily incur when you repair, replace, rebuild, demolish or remove, hereinafter "repair", covered loss or damage to the dwelling or separate structure because of or resulting from the enforcement of any building law.

- o This Coverage is additional insurance.
- o The building law must be adopted by the local government in which the dwelling is located, be in force at the time of the covered loss or damage and directly apply to the part of the dwelling or separate structure which sustained damage.
- o Enforcement of the building law must directly apply to the "repair" of:
  - that specific part of the dwelling or separate structure which has sustained damage; or
  - to undamaged parts of the dwelling or separate structure, which is "physically necessary" in the course of repairs to complete the "repair" of that part of the dwelling or separate structure which has sustained the covered damage. "Physically necessary" does not include where building law does not apply to the covered damage, but a governmental authority will not approve or permit "repair" of the covered damage unless you or anyone acting on your behalf also complies with that building law.
- o If you should rebuild the dwelling or separate structure at another location, then we will only pay in the Extension of Coverage the increased costs that you would have incurred to "repair" the dwelling or separate structure at the same location.
- o The decision whether or not a building law applies will be reviewable by a court.
- o We do not cover:
  - the actual or perceived loss in value to the dwelling or separate structure due to the requirements of any building law;
  - the cost to "repair", stabilize or otherwise restore land;
  - the costs to comply with any building law which requires an insured or others to remediate the dwelling or a separate structure, or a part thereof;
  - the increased cost to "repair" if the dwelling or separate structure is not intended for the same type of occupancy as the pre-loss event dwelling or separate structure;
  - the increased cost to "repair" the dwelling or separate structure until it is actually "repaired";
  - increased costs of construction, renovation, repair or replacement that are a result of your failure to timely undertake repairs or rebuilding of loss or damage;
  - the costs of demolition if you should fail to reasonably mitigate or "repair" loss or damage and as a result the dwelling or separate structure then becomes subject to demolition;
  - those costs of complying with any building law that you were required to comply with before the covered loss or damage, even if the building law was not being enforced, and which building law you failed to comply with;
  - those costs of complying with any building law that regulates the zoning or use of the dwelling or separate structure; or
  - those costs of conforming, correcting or remedying any original or subsequent construction, addition, modification, renovation or repair to a building or other structure which did not conform to a building law in effect

## Policy Notices (continued)

---

- when the construction, modification, renovation or repair was performed.
- o The coverage is subject to all other policy terms, exclusions, deductibles and conditions.



# Policy Endorsements

## Declining Deductibles® Endorsement (G7642 - 1st Edition)

In Section I – Property Conditions, Deductible Clause, the following is added:

### Declining Deductibles Reward ("Reward").

- (1) With each renewal of this policy, you will accrue a \$50 Reward which we will add to a Declining Deductibles Balance ("Balance") for you.
  - i. The amount of your Balance will be available to reduce the applicable Section I policy deductible(s) that applies to your next paid claim.
  - ii. The \$50 Reward will accrue even during those policy periods when you have a claim or some of your accrued Balance is used to reduce an applicable deductible.

Example 1. After you have renewed this policy for two years, you will have accrued a Balance of \$100 that will reduce your applicable policy deductible as follows.

The applicable deductible (as shown in the Declarations):	\$500
Minus the Balance (as of the second renewal):	\$100
Equals the effective deductible for your next covered claim:	\$400

If you have a \$1000 claim the \$500 policy deductible is reduced to \$400. Your paid claim will be \$600 instead of \$500.

- (2) **Eligibility.** In order to qualify for this benefit you must:
  - i. maintain this policy in force without interruption; or
  - ii. if you cancel this policy, purchase another Farmers Flex<sup>SM</sup> Personal Home policy or another Farmers Insurance Group<sup>®</sup> homeowner policy with a Declining Deductibles<sup>®</sup> Endorsement within 60 days of the cancellation. The new policy must insure the **dwelling** or your replacement **dwelling**. If you purchase such other policy, then your Balance will transfer to the replacement policy as of the date of cancellation.
- (3) **Program Rules:**
  - i. The Balance that is accrued as of the date of loss will be available to reduce the applicable deductible(s) for that loss up to the full amount of the applicable deductible(s). Additional accruals of Rewards at the renewal following the loss will not be available for that loss.
  - ii. Your Balance will be applied to reduce the applicable deductible(s) on every loss where a claim payment is made.
  - iii. Any remaining Balance that is unused after being applied to reduce a deductible on a paid claim will remain in your Balance for use towards another paid claim.

Example 2. After you renew this policy for twelve years with no claims you will have accrued a Balance of \$600. That Balance will be applied to any loss prior to the next renewal to reduce the deductible applicable to that loss. Any remaining amount will remain in your Balance.

The applicable deductible (as shown in the Declarations):	\$500
Your Balance:	\$600
Balance used to reduce the deductible:	\$500
Your <i>effective deductible</i> on next paid claim:	\$0
Your new Balance after claim payment:	\$100



## Policy Endorsements (continued)

---

If you have a \$1000 claim and a \$600 Balance, the \$500 policy deductible is reduced to \$0. Your paid claim will be \$1000 instead of \$500. You have a remaining Balance of \$100.

- iv. If two or more claims are pending at the same time, the full Balance *as of the date of loss* will apply to the claim that is paid first. Any remaining Balance will be available to reduce the applicable deductible when the next claim is paid.
- v. If the amount of the claim is less than or equal to your applicable deductible after it has been reduced by your available Balance, then your Balance will not be used and will remain available for use on your next paid claim.

Example 3.

Amount of claim	\$350
The applicable deductible (as shown in the Declarations):	\$500
Your Balance:	\$150
<hr/>	
Balance used to reduce the deductible:	\$0
Balance available for your next paid claim:	\$150

- (4) Your Balance will be applied to reduce the amount of the applicable deductible on every claim if the deductible is applicable to the claim except as explained above in item (3)v.
- (5) Rewards have no cash value to you other than to reduce the amount of an applicable deductible.
- (6) Rewards do not apply if a mortgagee is named in the Declarations, and the mortgagee has foreclosed on the property prior to the date of loss.

# Policy Notices

## Notice to Consumer - California Residential Property Insurance Disclosure

**Policy Number:** 33667-75-00

**Insured's Name:** Pamela Jane Nye Family Trust

This disclosure is required by Section 10102 of the California Insurance Code. This form provides general information related to residential property insurance and is not part of your residential property insurance policy. Only the specific provisions of your policy will determine whether a particular loss is covered and the amount payable. The information provided does not preempt existing California law.

### Primary Forms of Residential Dwellings Coverage

**You have purchased the coverage(s) checked below. Note: Actual Cash Value Coverage is the most limited level of coverage listed. Guaranteed Replacement Cost is the broadest level of coverage.**

- Actual Cash Value Coverage** for either a total or partial loss to the structure or its contents pays the amount it would cost you to repair, rebuild, or replace the thing lost or injured, less a fair and reasonable deduction for physical depreciation based upon its condition at the time of the injury or the policy limit, whichever is less. A deduction for physical depreciation applies only to components of a structure that are normally subject to repair and replacement during the useful life of that structure.
  - Replacement Cost Coverage** is intended to provide for the cost to repair or replace the damaged or destroyed dwelling, without a deduction for physical depreciation. Many policies pay only the dwelling's actual cash value until the insured has actually begun or completed repairs or reconstruction on the dwelling. Coverage only pays for replacement costs up to the limits specified in your policy.
  - Extended Replacement Cost Coverage** is intended to provide for the cost to repair or replace the damaged or destroyed dwelling without a deduction for physical depreciation. Many policies pay only the dwelling's actual cash value until the insured has actually begun or completed repairs or reconstruction on the dwelling. Extended Replacement Cost provides additional coverage above the dwelling limits up to a stated percentage or specific dollar amount. See your policy for the additional coverage that applies.
- N/A\* **Guaranteed Replacement Cost Coverage** covers the full cost to repair or replace the damaged or destroyed dwelling for a covered peril regardless of the dwelling limits shown on the policy declarations page.
- Building Code Upgrade Coverage**, also called Ordinance and Law coverage, covers additional costs to repair or replace a dwelling to comply with the building codes and zoning laws in effect at the time of loss or rebuilding. These costs may otherwise be excluded by your policy. Meeting current building code requirements can add significant costs to rebuilding your home. Refer to your policy or endorsement for the specific coverage provided and coverage limits that apply.

\*N/A = Not available

**Read Your Policy and Policy Declarations Page Carefully:** The policy declarations page shows the specific coverage limits you have purchased for your dwelling, personal property, separate structures such as detached garages, and additional living expenses. The actual policy and endorsements provide the details on extensions of coverage, limitations of coverage, and coverage conditions and exclusions. The amount of any claim payment made to you will be reduced by any applicable deductibles shown on your policy declarations page. It is important to take the time to consider whether the limits and limitations of your policy meet your needs. Contact your agent, broker, or insurance company if you have questions about what is covered or if you want to discuss your coverage options.

### Information You Should Know About Residential Dwelling Insurance

## Policy Notices (continued)

---

**Avoid Being Underinsured:** Insuring your home for less than its replacement cost may result in your having to pay thousands of dollars out of your own pocket to rebuild your home if it is completely destroyed. Contact your agent, broker, or insurance company immediately if you believe your policy limits may be inadequate.

**The Residential Dwelling Coverage Limit:** The coverage limit on the dwelling structure should be high enough so you can rebuild your home if it is completely destroyed. Please note:

- The cost to rebuild your home is almost always different from the market value.
- Dwelling coverage limits do not cover the value of your land.
- The estimate to rebuild your home should be based on construction costs in your area and should be adjusted to account for the features of your home. These features include but are not limited to the square footage, type of foundation, number of stories, and the quality of the materials used for items such as flooring, countertops, windows, cabinetry, lighting and plumbing.
- The cost to rebuild your home should be adjusted each year to account for inflation.
- Coverage limits for contents, separate structures, additional living expenses and debris removal are usually based on a percentage of the limit for the dwelling. If your dwelling limit is too low, these coverage limits may also be too low.

You are encouraged to obtain a current estimate of the cost to rebuild your home from your insurance agent, broker, or insurance company or an independent appraisal from a local contractor, architect, or real estate appraiser. If you do obtain an estimate of replacement value, and wish to change your policy limits, contact your insurance company. While not a guarantee, a current estimate can help protect you against being underinsured.

**Demand Surge:** After a widespread disaster, the cost of construction can increase dramatically as a result of the unusually high demand for contractors, building supplies and construction labor. This effect is known as demand surge. Demand surge can increase the cost of rebuilding your home. Consider increasing your coverage limits or purchasing Extended Replacement Cost coverage to prepare for this possibility.

**Changes to Property:** Changes to your property may increase its replacement cost. These changes may include the building of additions, customizing your kitchen or bathrooms, or otherwise remodeling your home. Failure to advise your insurance company of any significant changes to your property may result in your home being underinsured.

**Exclusions:** Not all causes of damage are covered by common homeowners or residential fire policies. You need to read your policy to see what causes of loss or perils are not covered. Coverage for landslide is typically excluded. Some excluded perils such as earthquake or flood can be purchased as an endorsement to your policy or as a separate policy. Contact your agent, broker, or insurance company if you have a concern about any of the exclusions in your policy.

### **Contents (Personal Property) Coverage Disclosure:**

This disclosure form does not explain the types of contents coverage provided by your policy for items such as your furniture or clothing. Contents may be covered on either an actual cash value or replacement cost basis depending on the contract. Almost all policies include specific dollar limitations on certain property that is particularly valuable, such as jewelry, art, or silverware. Contact your agent, broker or insurance company if you have any questions about your contents coverage. You should create a list of all personal property in and around your home. Pictures and video recordings also help you document your property. The list, photos, and video should be stored away from your home.

## Policy Notices (continued)

---

### Consumer Assistance

If you have any concerns or questions, contact your agent, broker, or insurance company. You are also encouraged to contact the California Department of Insurance consumer information line at (800) 927-HELP (4357) or at [www.insurance.ca.gov](http://www.insurance.ca.gov) for free insurance assistance.

**Fire safety-related discounts offered: A Home Safety, Home Protection and Loss Prevention, Sprinkler System, or Central Fire Alarm discount may be available depending on product type. Please contact your agent for additional information.**

### California Insurance Department's Homeowners Coverage Comparison Tool

We do not offer at least 50 percent extended replacement cost coverage for this policy. Policies offering extended replacement cost coverage of at least 50 percent may be available for your property. The California Insurance Department developed a Homeowners Coverage Comparison Tool to assist homeowners in finding insurance coverage. This tool can be found on the department's internet website, [www.insurance.ca.gov](http://www.insurance.ca.gov).

---

Insured's Signature

25-2531 5-21

---

## California Residential Property Insurance Bill of Rights

A consumer is entitled to receive information regarding homeowner's insurance. The following is a limited overview of information that your insurance company can provide:

- The insurance company's customer service telephone number for underwriting, rating, and claims inquiries.
- A written explanation for any cancellation or nonrenewal of your policy.
- A copy of the insurance policy.
- An explanation of how your policy limits were established.
- In the event of a claim, an itemized, written scope of loss report prepared by the insurer or its adjuster within a reasonable time period.
- In the event of a claim, a copy of the Unfair Practices Act and, if requested, a copy of the Fair Claims Settlement Practices Regulations.
- In the event of a claim, notification of a consumer's rights with respect to the appraisal process for resolving claims disputes.
- An offer of coverage and premium quote for earthquake coverage, if eligible.

This insurer reports claim information to one or more claims information databases. The claim information is used to furnish loss history reports to insurers. If you are interested in obtaining a report from a claims information database, you may do so by contacting:

A-PLUS™ a division of ISO Services, Inc.

(800) 709-8842

<http://www.verisk.com/insurance/products/order-an-a-plus-loss-history-report.html>

CLUE

LexisNexis Consumer Center

## Policy Notices (continued)

---

(800) 456-6004

www.consumerdisclosure.com

A consumer is also entitled to select a licensed contractor or vendor to repair, replace, or rebuild damaged property covered by the insurance policy. The information provided herein is not all inclusive and does not negate or preempt existing California law. If you have any concerns or questions, contact your agent, broker, insurance company, or the California Department of Insurance consumer information line at (800) 927-HELP (4357) or at [www.insurance.ca.gov](http://www.insurance.ca.gov) for free insurance assistance.

25-2563 3-24

---

### Did You Know?

We provide this handout to let you know about discounts and surcharges that may affect your insurance premium, depending on the type of policy you have. A discount means you pay less. A surcharge means you pay more. This is for your information only and is not an offer of insurance or part of your policy.

**Discounts** - Here are some ways to get a discount on your premium:

- Go at least one year without a "qualified loss" and the discount increases every year. Receive the largest discount after five years without a "qualified loss".  
*To find out what "qualified" means, see the next section.*
- Have your auto and umbrella policies with us  
*This applies when a qualifying Auto or Umbrella policy is issued by a member company of the Farmers Insurance Group of Companies®.*
- Have your earthquake coverage with the California Earthquake Authority.  
*This applies when a qualifying earthquake policy is issued by the California Earthquake Authority.*
- Buy a new home.  
*This applies when your home was purchased within one year of policy inception. Discount remains for up to five terms.*
- Have certain types of protective devices installed in your house.  
*This applies, with certain restrictions, to any devices that protect from fire, theft, or water*

**Surcharges** - The following describes when you could pay a higher premium:

- You've had one or more qualified (we explain "qualified" below) losses in the past five years.  
*We remove the surcharge on the first renewal date after the five-year anniversary of each loss.*

Do you have questions? Would you like a detailed explanation of any of these discounts and surcharges? If yes, please call your Farmers® agent.

### Definition of Qualified Loss

In the context of discounts and surcharges, damages paid for certain types of losses are "qualified losses." The simplest way to explain what is a qualified loss is to list what it isn't: Any loss paid under any property policy for damages to covered property resulting from one of the causes of loss listed below is not a qualified loss. In other words, any of the following losses paid under any property policy resulting from any of the following causes of loss does not count against you and does not affect discounts or surcharges:

- Earthquake.



## Policy Notices (continued)

---

- Losses in which the net paid amount does not exceed \$500.
- Losses considered “forgiven” under the Farmers Personal Home Claim Forgiveness program.
- Losses which are overridden by the underwriter.

\*Subrogation is defined as "substituting one person for another". When an insurance company pays the insured for a loss for which another party is responsible, the company may "subrogate" and take over the insured's right to collect from that party

We understand this information about “qualified losses” is somewhat technical in nature. Please call your Farmers<sup>®</sup> Agent if you have questions.

25-4768 11-22

---

## Notice for FAIR Plan Companion Endorsement Policyholders

Thank you for choosing Farmers for your insurance needs. We appreciate your business and want to make sure you understand the coverages afforded by your California FAIR Plan Association Policy and your Farmers Smart Plan Home Policy, as endorsed with the FAIR Plan Companion Endorsement.

The FAIR Plan Companion Endorsement is intended to work with your California FAIR Plan Policy and your Farmers Smart Plan Home Policy to provide coverage for your home. Please note that although your Farmers Smart Plan Home Policy provides broad homeowners coverage with the FAIR Plan Companion endorsement, it does not provide coverage for the perils listed below that can be purchased through a California FAIR Plan Policy. It is critical to maintain both a Homeowners Policy and a California FAIR Plan Policy to be covered in the event of a claim. The California FAIR Plan Policy provides coverage for the following perils:

- Fire or Lighting
- Internal Explosion

For an additional premium the California FAIR Plan Policy provides coverage for the following perils:

- Windstorm or Hail
- Explosion
- Riot or Civil Commotion
- Aircraft including Self-Propelled Missiles and Spacecraft
- Vehicles
- Smoke
- Volcanic Eruption
- Vandalism or Malicious Mischief

## Policy Notices (continued)

---

We encourage you to maintain both your Farmers Smart Plan Home Policy and a California FAIR Plan Policy that provides coverage for all of the perils listed above. **Please note that whether or not you maintain coverage under a California FAIR Plan Policy, if your home is damaged by any of the perils listed above, there is no coverage provided under your Farmers Smart Plan Home Policy as endorsed with the FAIR Plan Companion Endorsement.**

If you have any questions regarding your Farmers Smart Plan Home Policy or your California FAIR Plan Policy, please contact your Farmers agent.

25-5907 4-16

---

## Important Information About Your Policy

Dear Pamela Jane Nye Family Trust,

When it comes to insurance, you want a company that offers a variety of coverage options. This is why we also offer a, fully customizable, Homeowners product in California – Farmers Next Generation<sup>®</sup> Homeowners. The chart below illustrates some of the important differences between your current coverage in our Farmers Smart Plan Home<sup>®</sup> product and the coverage options available exclusively through Next Generation Homeowners.

Coverage description	Minimum Coverage available in a Next Generation <sup>®</sup> Policy	Minimum coverage available in Farmers Smart Plan Home <sup>®</sup>
How Farmers would settle a covered claim where the cost to replace or repair the home exceeds the Dwelling Limit (Extended Replaced Cost)	Up to 25% above Coverage A Dwelling limit	Not Included
Coverage limit for separate structures	10% of your Coverage A Dwelling limit	As low as 5% of your Coverage A Dwelling limit
Coverage limit for your personal property	75% of your Coverage A Dwelling limit	As low as 40% of your Coverage A Dwelling limit
Coverage for Additional Living Expense	40% Coverage A Dwelling limit	10% Coverage A Dwelling limit
Coverage limit to access a water leak within your home's foundation (slab access)	Up to policy Limit	Limit capped at \$2,000

If you are interested in exploring any of the new coverage options available to you in Farmers Next Generation<sup>®</sup> Homeowners, please contact your Farmers<sup>®</sup> Agent for additional details. Thank you for being a Farmers customer!

This brief summary is not a policy document. Please read the actual policy documents for important details on coverages, exclusions, limits, conditions, and terms. If there is any conflict between this summary and the policy documents, the policy documents will control.

25-8348 12-22

---

### California Wildfire Mitigation Customer Notification

We use a variety of factors when determining your insurance rates. One key risk area we consider is your Wildfire Risk Score, also called FireLine®. We get your FireLine score from our vendor Verisk™, and it's a common tool used in the insurance industry to help determine a property's wildfire risk. The FireLine score at your property is 6, which has a premium impact to your policy of \$0.00. The FireLine score is calculated by looking at three risk factors of your property:

1. Fuel – this factor assesses the amount and type of vegetation at your property and within a quarter mile of the surrounding area (for example, grasses, trees and/or brush).
2. Slope – this factor is determined by reviewing the slope of the land on which your property is situated (Slopes can increase the speed and intensity of a wildfire).
3. Access – this factor is assessed based on ease/difficulty of road access to your property for emergency services.

In order to calculate your FireLine score, the Fuel and Slope scores are multiplied together and then the Access score is added. The score can range between 0 and 30, where 30 represents the highest risk.

You can learn more about how your property is scored below:

- Fuel (score of 0-5, with 5 representing the heaviest/highest combustibility fuel) - 2
  - Fuel score assesses vegetative fuels at the property and within the surrounding area (i.e., amount and type of fuels including grasses, trees or dense brush). Available scores:
    - 0 – No Fuel
    - 1 – Small, light fuels
    - 2 – Light to medium fuels
    - 3 – Medium fuels
    - 4 – Medium to heavy fuels
    - 5 – Heavy, large fuels
- Slope (score of 0-5, with 5 representing the steepest slope) - 3
  - Slope at the property (i.e., steep slopes can increase the speed and intensity of a wildfire). Available scores based on percent of steepness:
    - 1 – Mild (0-5%)
    - 2 – Moderate (6-20%)
    - 3 – Steep (21 – 40%)
    - 5 – Extreme (over 40%)
- Access (score of 0-5, with 5 representing most restricted access) - 0
  - Access to the property (i.e., fire truck ability to access properties located on a dead-end road or network of roads). Available scores include:
    - 0 – No Access Problems
    - 1 – Somewhat Limited Access
    - 3 – Limited Access
    - 5 – Very Limited Access
  - NOTE: If the property address is not found in the FireLine database, the Access component will be blank.

## Policy Notices (continued)

---

If you think there is an error with your score and would like to appeal, please contact your Agent. You can also send an email, with the information below, to [usw.pl.fireline@farmersinsurance.com](mailto:usw.pl.fireline@farmersinsurance.com) or call Farmers at 866-957-3264.

Insured's Name	Dwelling Address
Policy Number	Effective/Renewal Date
Current FireLine Score	Contact Information (email & phone number)
Reason for Appeal – Component(s) of FireLine Score being Appealed	Describe specific actions that have changed the Fuel, Slope or Access score for appeal

25-8356 12-23

---

## Notice of Information Practices California

### **Why did we send you this notice?**

The State of California requires all insurance companies to tell customers about their information practices. Information practices include things companies do to gather and share information about customers. Insurance companies need information to make decisions. They make all sorts of day-to-day decisions: who to insure, how much to charge, how to handle claims, and others.

### **What are your rights?**

Our information practices extend to applicants and policyholders (past and present). State and federal laws give you certain rights when you take part in transactions having to do with insurance for yourself, your family, or your household.

We send our customers a notice called the "Farmers Privacy Notice." The Farmers Privacy Notice does not limit any rights you may have - as a consumer, claimant, or beneficiary. Your state gives you additional protections. They are explained in this notice.

### **How do we collect the information?**

You give us most of the information we need when you apply for insurance. Much of it is made up of common, practical facts: your employment information, your driving record, your age, where you live, and other things like that. Many times, we need more information. Or we may need to verify information you've given us. When that happens, we normally ask for a report from an outside source. That source can be a consumer reporting agency or an insurance support organization. Both provide information in the form of consumer reports. Most insurance companies use these; it's a common industry practice.

Sometimes one of these outside sources needs to gather information before they can prepare an investigative consumer report. This could be done as part of a fraud investigation, for example. They might then contact you, another adult member of your household, or a neighbor by phone or in person. If this happens, you can, as the Named Insured, ask us to interview you or your spouse as well. We will make every effort to honor your request.

### **What types of information do we collect?**

**Auto** - While taking your application for insurance and to service policies covering your personal vehicles, we may obtain information about

## Policy Notices (continued)

---

- How you use your vehicle(s), including annual mileage
- Age, personal habits, and characteristics of drivers
- Credit information
- History of accidents, driving violations, arrests or convictions, and claims
- Previous insurance experience

**Property** - While taking your application for insurance and to service policies covering your real and personal property, we may obtain information about

- Type of construction and square footage of dwelling
- Heating system and other physical characteristics of the property
- Care and maintenance of the property
- Credit information
- Claims history
- Previous insurance experience
- Personal habits and characteristics of the property's occupants

### **What do we do with the information?**

We use the information we collect about you to perform insurance functions. This includes

- Underwriting and servicing your policy
- Processing claims (we may obtain information relating to health and employment)
- Investigating potential fraud
- Other activities permitted by state and federal law

Here's an example: If you ask us to set up a payment by electronic funds transfer, we may obtain financial information for a particular bank account.

We may also disclose information to other parties. The law permits us to do this without your prior authorization when the information goes, for example, to these parties:

1. Your Farmers® agent - to service your policy.
2. Persons who need this information to perform normal business functions for us.
3. Persons conducting actuarial or research studies on our behalf.
4. Another insurance company or an insurance support organization - to perform an insurance transaction, or to detect or prevent criminal activity or fraud in connection with an insurance transaction.
5. A medical professional or medical care institution - to verify insurance coverage or benefits or to inform an individual of a medical problem the individual may not know about.
6. An insurance regulatory authority.
7. Law enforcement or other governmental authority.
8. A group policyholder - to report claims experience or conduct an audit of our operations, but only as needed to conduct the review or audit.
9. Affiliates, as permitted by law. The law allows us to share your financial information with our affiliates to market products or services to you, and does not allow customers to restrict that disclosure.
10. Persons that perform marketing services on our behalf, as permitted by law.

## Policy Notices (continued)

---

11. Other non-affiliated third parties, as permitted by law.
12. A party to a proposed or consummated sale, transfer, merger, or consolidation of all or part of the company underwriting your policy.

An insurance support organization that prepares a report may keep information it gathers and disclose that information to other persons, but only to the extent permitted by federal and state law.

### **How can you see or make corrections to your personal information?**

You have these rights:

- To know what personal information about you we have in our records. That includes reports from outside sources.
- To get a copy of your personal information.
- To request that we correct, change, or remove any information you feel is incorrect.

To use these rights, you must send us a written request. Your Farmers<sup>®</sup> agent can give you the appropriate service center address.

If you request that we correct, change, or remove incorrect information, we'll check our records and make the changes if we can. We'll let you know in writing what we decide.

If we cannot make a change you asked for, you can file a statement. Write down the reasons you disagree with our decision. We'll include the statement in our records. That way, anyone who looks at the disputed personal information will also see your statement. From then on, if we disclose your information to another party, we'll include your statement. We will also send a copy to anyone who has gotten your personal information from us in the past two years. Just tell us who you would like us to send it to.

There are some types of information for which these rights do not apply:

- Information we collect to process an actual or anticipated claim
- Information we collect for an actual or anticipated civil or criminal proceeding
- Specific items of privileged information when an applicant or policyholder is suspected of fraud, material misrepresentation, or material nondisclosure

### **We'll keep you informed.**

As required by law, we will keep you up to date on our information practices. We reserve the right to modify our practices at any time, when permitted by law.

If you have questions about this notice, please call your Farmers<sup>®</sup> agent.

This notice is sent on behalf of the Farmers Insurance Group of Companies, whose members include, but are not limited to:

Farmers Insurance Exchange, Fire Insurance Exchange, Truck Insurance Exchange, Mid-Century Insurance Company, Farmers New Century Insurance Company, Farmers Insurance Company, Inc. (A Kansas Corp.), Farmers Insurance Company of Arizona, Farmers Insurance Company of Idaho, Farmers Insurance Company of Oregon, Farmers Insurance Company of Washington, Farmers Insurance of Columbus, Inc., Farmers Texas County Mutual Insurance Company, Illinois Farmers Insurance Company, Mid-Century Insurance Company of Texas, Texas Farmers Insurance Company, Civic Property and Casualty Company, Exact Property and Casualty Company,

## Policy Notices (continued)

---

and Neighborhood Spirit Property and Casualty Company.

25-8531 10-12

---

### Reconstruction Cost and Your Coverage A (Dwelling) Amount

**Policy Number:** 33667-75-00

**This document contains important information about your insurance coverage. Please review this information carefully.**

#### ***Do You Think You Have Enough Coverage?***

At renewal your policy will provide **\$412** per square foot to rebuild your home. (This does not include any additional amount added by extension or endorsement to your policy.)

When you first obtained your policy, Farmers<sup>®</sup> used an estimating program to calculate a reconstruction cost estimate for your home. This was an estimate, not a guarantee of reconstruction costs.

As part of the annual renewal process, we applied a reconstruction cost factor to your current Coverage A (Dwelling) amount and also recalculated your reconstruction cost estimate. Below is the Coverage A amount with reconstruction cost factor applied, the recalculated reconstruction cost estimate, and the amount we are offering to insure your home for at renewal. Since we do not unilaterally reduce the Coverage A amount at renewal, there will be no change in the offered Coverage A amount if application of the factor or recalculated reconstruction cost would result in a decrease in the Coverage A amount.

<b>Current Coverage A (Dwelling) Amount with Reconstruction Cost Factor:</b>	<b>\$690,000</b>
<b>Recalculated Reconstruction Cost Estimate:</b>	<b>\$666,000</b>
<b>Cost of labor, materials, and supplies</b>	<b>\$466,384</b>
<b>Architect's Fees and Permits</b>	<b>\$53,094</b>
<b>Contractor Overhead and Profit</b>	<b>\$110,988</b>
<b>Demolition and Debris Removal</b>	<b>\$12,496</b>
<b>Other Fees and Taxes</b>	<b>\$22,965</b>
<b>Coverage A (Dwelling) Amount offered for this renewal:</b>	<b>\$690,000</b>

You may have previously chosen to insure your home for more or less than the original reconstruction cost estimate. If you would like to insure your home for an amount different than our offer, please contact your Farmers agent. Your agent can also calculate a new estimate if you notify them of changes and/or upgrades to the features of your home.

Please review the next page to make sure the details about your home are correct, and let me know of any necessary changes. Changes to these details could result in a change to the reconstruction cost estimate. Feel free to contact me at any time if you want a new estimate calculated or if you want to make a change to the amount for which your home is insured.

## Policy Notices (continued)

**It's important to understand that reconstruction cost is NOT the same as the market value of your home.**

### Reconstruction Cost

Reconstruction cost is the amount it would cost to rebuild your home if it were destroyed. It includes costs like materials and labor and city/county fees. It is not what a buyer would pay for your home or the amount of your mortgage. It does not include the value or cost of the land.

vs.

### Market Value

Market value is the price a buyer would pay to purchase the home, including the land and property, in its current condition. It takes into account the location, the desirability of the property, changes in the housing market, and the economy. It does not take into account the cost to build a new home.

## Do You Need Help?

As your Farmers Agent I am happy to help you with any questions you have. I can provide guidance as to the coverage options available, but I cannot choose your coverage amounts for you. Ultimately it is your responsibility to make sure you have purchased sufficient insurance coverage to rebuild your home and replace your personal property.

If you have questions about your coverage or the Coverage A amount offered for your home with this renewal offer please contact my office at **(949) 487-9696**. As your Farmers Agent, I am committed to providing you with excellent service.

Sincerely,

Patrick Prendiville

## Questions to Consider When You are Determining Your Coverage:

- Is the square footage accurate?
- Have you remodeled your kitchen, bathrooms or any other part of your home?
- What is the overall quality of your home? (See the Quality Grade definitions later in this document.)

## Information We Have About Your Home.

Please review the information below about your home for accuracy. Additionally, keep in mind that the amount for which we have offered to insure your home is not a guarantee of reconstruction costs. Again, feel free to contact me if you want to make a change to your Coverage A amount.

*ZIP Code:* 90272-2153  
*Year Built:* 1973  
*Square Footage:* 1,676  
*Style or Number of Stories:* 1 Story  
*Dwelling Quality Grade:* Custom  
*Foundation Type:* Concrete Slab  
*Foundation Shape:* 6-7 Corners - L Shape  
*Property Slope:* None (0 - 15 Degrees)  
*Roof Material:* Composition Shingle  
*Roof Shape or Type:* Gable  
*Garage Type:* Attached / Built-In

*Exterior Wall Cover:* Synthetic Stucco, Siding - Alum. or Metal

*Interior Wall Cover:*  
*Floor Covering:*  
*Kitchen:*  
*No. of Full Baths:* 3 Standard  
*No. of Half Baths:* None  
*No. of Rooms with Cathedral Ceilings:* None  
*No. of Rooms with Coved Ceilings:* None  
*Cooling System:* None  
*Heating System:* Central Heating - With Thermostat  
*Number of Fireplaces:* None



## Policy Notices (continued)

<i>Type of Frame:</i>	Wood Framing	<i>Basement:</i>	No
<i>Average Wall Height:</i>		<i>Number of Units:</i>	1
<i>Interior Wall Construction Material:</i>	Drywall		

Please note that the above information is not an all-inclusive list of the individual home features that would be used to recalculate your estimate, but would be major contributors to the development of that estimate. Also, the features listed above may include only the predominant components but not every single component. If you desire a complete list of all home features, including all their components, or any other information, please contact your agent so they can provide that information. The definitions of selected reconstruction cost terms are below.

**There are other coverages and/or options that may be right for you, including those that follow. Some may not be available based on your policy form and/or some may have additional underwriting requirements.**

**Extended Replacement Cost Coverage:** With this coverage and subject to its provisions, we pay to repair or replace damage from a loss covered under Coverage A up to an additional 25% or 50% of the Coverage A amount, depending on which percentage options, if any, are available in your state for your policy form. If your policy does not have this coverage, or if a higher coverage limit is available, you may consider adding or increasing this coverage for an additional premium. This coverage may provide an additional layer of protection as your policy **does not** provide Guaranteed Replacement Cost coverage.

**Building Ordinance or Law Coverage:** Your policy has limited Building Ordinance or Law coverage to pay for costs that result from having to rebuild in compliance with updated building codes. You may be able to increase the amount of this coverage for additional premium.

**Personal Property:** You may also be able to purchase increased coverage for certain items of personal property. These items may include but are not limited to jewelry, watches, electronic data processing equipment, fine arts, firearms, silverware, and other collectibles.

**Please contact me to discuss any of the coverages or options listed above.**

### Selected Definitions

<i>Term</i>	<i>Definitions</i>
Square Footage	The total square footage figure includes all floors of your home. <b>IMPORTANT:</b> It does NOT include any of the following: attached garage or built-in garage, carport, basement (even if fully finished), attached greenhouse, porches or decks, or any detached structures.
Reconstruction Cost Factor	This Factor is applied as part of the annual renewal process. The Factor may be based on the approximate difference between a current and former reconstruction cost estimate program and/or may reflect the changes in the cost of materials and labor required to rebuild a home in your area.
Dwelling Quality Grade	The following "definitions" are general guidelines to help with your review. Your home can have elements of more than one specific Dwelling Quality Grade. Therefore, you should determine the Quality Grade by choosing the one that comes closest to describing your home.

**Premium:** Unique style and/or shape which vary from the other homes in the area. They are typically very large homes, generally at least 5,000 square feet. Vaulted ceilings (9' - 12') typically throughout. Highest grade materials used throughout (countertops, cabinets, flooring, wall coverings etc.). Contains unique features such as wall safes, built-in movie theaters, and other luxury constructions.

## Policy Notices (continued)

---

### Term

### Definitions

**Custom:** These homes can be recognized by the unique style and/or shape which vary from the other homes in the area. They are typically quite large homes. Custom homes are distinguished by style and shape as well as by the finishes, though they may contain both Above Average and/or Premium quality finishes. Includes features such as highly upgraded kitchen and bath countertops, floor and wall coverings, built-in bookshelves, and wet bars.

**Above Average:** Tract style home construction with upgraded features. Home design is produced throughout the area. Many rooms, including the kitchen, bathrooms, and bedrooms have been upgraded from the standard construction design and have features that are made of higher quality materials. Typical designs include raised ceilings. Many upgraded features include the wall and floor coverings, lighting fixtures and kitchen and master bath countertops.

**Standard:** Typical of common tract style home construction. Home design is produced throughout the area. Features come as part of the packaged construction design and are made of solid and quality conventional materials. Typical designs may include slightly higher ceilings with occasional vaulted ceilings. Some upgraded features but not prevalent.

**Economy:** Basic home features and design. Simple construction layout and floor plan. Inexpensive fixtures and features. Lower grade, but functional, construction materials (for example: roofing, flooring, cabinets, and countertops).

25-8861 3-24

---



# Subscription Agreement Notice

---

## Subscription Agreement Notice

(Please keep for your records)

By payment of the policy premium, you acknowledge that you have received and read the Farmers Insurance Exchange Subscription Agreement (the terms of which are provided below) and that you agree to be bound to all of the terms and conditions of the Subscription Agreement.

Under the Subscription Agreement, you appoint Farmers Underwriters Association (the "Association") to act as the attorney-in-fact. The Association has acted in this capacity since 1928. The Subscription Agreement provides for payment of compensation to the Association for its becoming and acting as attorney-in-fact. This compensation consists of a membership fee and a percentage of premiums on all policies of insurance or reinsurance issued or effected by the Exchange. These fees are included in your policy payment and are not an additional fee.

We reserve the right to request that you provide us with a signed Subscription Agreement and if you fail to do so, your coverage may be terminated.

---

## Subscription Agreement

For and in consideration of the benefits to be derived therefrom the subscriber covenants and agrees with Farmers Insurance Exchange and other subscribers thereto through their and each of their attorney-in-fact, the Farmers Underwriters Association, to exchange with all other subscribers' policies of insurance or reinsurance containing such terms and conditions therein as may be specified by said attorney-in-fact and approved by the Board of Governors or its Executive Committee for any loss insured against, and subscriber hereby designates, constitutes and appoints Farmers Underwriters Association to be attorney-in-fact for subscriber, granting to it power to substitute another in its place, and in subscriber's name, place and stead to do all things which the subscriber or subscribers might or could do severally or jointly with reference to all policies issued, including cancellation thereof, collection and receipt of all monies due the Exchange from whatever source and disbursement of all loss and expense payments, effect reinsurance and all other acts incidental to the management of the Exchange and the business of interinsurance; subscriber further agrees that there shall be paid to said Association, as compensation for its becoming and acting as attorney-in-fact, the membership fees and twenty per centum of the Premium Deposit for the insurance provided and twenty per centum of the premiums required for continuance thereof.

The remaining portion of the Premium Deposit and of additional term payments made by or on behalf of the subscriber shall be applied to the payment of losses and expenses and to the establishment of reserves and general surplus. Such reserves and surplus may be invested and reinvested by a Board of Governors duly elected by and from subscribers in accordance with provisions of policies issued, which Board or its Executive Committee or an agent or agency appointed by written authority of said Executive Committee shall have full powers to negotiate purchases, sales, trades, exchanges, and transfers of investments, properties, titles and securities, together with full powers to execute all necessary instruments. The expenses above referred to shall include all taxes, license fees, attorneys' fees and adjustment expenses and charges, expenses of members' and governors' meetings, agents' commissions, and such other specified fees, dues and expenses as may be authorized by the Board of Governors. All other expenses incurred in connection with the conduct of the Exchange and such of the above expenses as shall from time to time be agreed upon by and between the Association and the Board of Governors or its Executive Committee shall be borne by the Association.

The principal office of the Exchange and its attorney-in-fact shall be maintained in the City of Los Angeles, County of Los Angeles, State of California.

This agreement can be signed upon any number of counterparts with the same effect as if the signatures of all subscribers were upon one and the same instrument, and shall be binding upon the parties thereto, severally and ratably as provided in policies issued. Wherever the word "subscriber" is used the same shall mean members of the Exchange, the subscriber hereto, and all other subscribers to this or any other like agreement. Any policy issued hereon shall be non-assessable.

---



# Privacy Policy

This notice describes our privacy policies and procedures in safeguarding information about customers and former customers that obtain financial products or services for personal, family or household purposes. **Please note that if state law is more protective of an individual's privacy than federal privacy law, we will protect information in accordance with state law while also meeting federal requirements.**

## Information We Collect

We may collect the following categories of information for the purposes identified below. Please note that the examples are not an exhaustive list and may fall into multiple categories. Categories and specific pieces of information collected may vary depending on the nature of your relationship with us.

Category	Examples
<b>Personal Identifiers</b>	Name, alias, address, social security number, date of birth, passport number, unique personal identifier, online identifier, IP address, e-mail address, account name, government issued identification number, phone number, signature
<b>Personal Characteristics</b>	Gender, demographic, medical and health, convictions, marital status, offspring, driving record, family member/other status, and other descriptions of your physical characteristics.
<b>Commercial Information</b>	Personal property, insurance policy number, medical information, or health insurance information, purchased products or services, considered products or services, purchasing or consuming histories or tendencies.
<b>Biometric Information</b>	Voice print, photo.
<b>Internet or network activity</b>	Information regarding your interactions with websites, applications, and advertisements, browser type, electronic communications, IP address, cookies.
<b>Geolocation</b>	IP address, physical address, telephone number, state, municipality, location, devices, applications on mobile and computer devices.
<b>Audio, electronic, visual, thermal, olfactory</b>	Audio, electronic, photo, visual information, such as a call or video recording, voicemail messages.
<b>Professional information and Employment information/Education Information</b>	Job titles, work history, school attended, employment status, veteran, or military status.
<b>Education Information</b>	Job titles, work history, school attended, marital status, e-mail, telephone recordings.
<b>Inferences</b>	Preferences, behaviors, characteristics, trends, predispositions, attitudes, abilities, and aptitudes.
<b>Sensitive Personal Information</b>	Social security number, driver's license number, state ID card, account login, precise geo-location, bank account number, credit or debit card number, or any other financial information, trade union membership, your communications with us.

---

## **Purposes for Collection of Personal Information**

We collect and use your personal information to offer, provide and maintain insurance products and related services to you. We may use your personal information for one or more of the following purposes:

- To offer, provide, and maintain insurance products and related services to you;
- To authenticate and verify your identity; to maintain your preferences and to contact you;
- Security: authentication and verification of your identity, fraud identification and protection;
- Conduct analytics, research and development, improvement of our products and services;
- To conduct quality assurance;
- To provide a location-based product or service requested by you;
- To apply relevant discounts;
- To create profiles based on personal information collected and reflecting individual preferences to provide appropriate or relevant products and services and improve and analyze our products and services and provide relevant marketing;

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

- Information you provide 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.
- Information from your visits to the websites we operate, use of our mobile sites and applications, use of our social media sites, and interaction with our on-line advertisements.
- Information we receive from consumer reporting agencies or insurance support organizations, such as motor vehicle records, credit report information, and insurance claim history; and
- If you obtain a life, long-term care, or disability product, information we receive from you, medical professionals who have provided care to you and insurance support organizations, regarding your health.

## **How Long Do You Retain My Information**

We retain your personal data for as long as reasonably necessary to fulfill the purpose for which it was collected or to comply with legal, regulatory, or internal procedures or obligations.

## **How We Protect Your Information**

Our customers are our most valued assets. Protecting your privacy is important to us. We restrict access to personal information to those individuals, such as our employees and agents, who provide you with our products and services. We require individuals with access to your 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. We do not disclose any nonpublic personal information about you except as described in this notice or as otherwise required or permitted by applicable law.

## **Information We Disclose**

We may disclose the nonpublic personal information we collect about you, as described above, to our affiliates, to companies that perform marketing services on our behalf or to other financial institutions with which we have joint marketing agreements, and to other third parties, all as permitted by law and for our everyday business purposes, such as to process your transactions and maintain your accounts and insurance policies. 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 Farmers

---

or one of its affiliates as a result of products or services provided through an employer, benefit plan or plan sponsor, we will follow the privacy restrictions of 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.

When you are no longer our customer, we continue to share your information as described in this notice.

### **Sharing Information with Affiliates**

The Farmers Insurance Group<sup>®</sup> of Companies includes affiliates that offer a variety of financial products and services in addition to insurance. Sharing information enables our affiliates to offer you a more complete range of products and services.

We may disclose nonpublic personal information, as described above in Information We Collect, as permitted by law to our affiliates, which include:

- Financial service providers such as insurance companies and reciprocals, investment companies, underwriters, and brokers/dealers.
- Non-financial service providers, such as data processors, billing companies and vendors that provide marketing services for us.

We are permitted by law to share with our affiliates information about our transactions and experiences with you. In addition, we may share with our affiliates consumer report information, such as information from credit reports and certain application information, received from you and from third parties, such as consumer reporting agencies and insurance support organizations.

### **Important Privacy Choices**

You have choices about the sharing of some information with certain parties. These choices may differ based on the particular affiliate(s) with which you do business.

For 21<sup>st</sup> Century customers: We are offering you an Opt-Out opportunity which is included with your policy documents. If you prefer that we not share your consumer report information with Farmers you may opt-out of such disclosures that is, you may direct us not to make those disclosures --other than as otherwise permitted by law. You may do so by following the procedure explained in the Opt-Out Form. You may opt-out only by returning the Opt-Out Form. We will implement your request within a reasonable time. If it is your decision not to opt-out and to allow sharing of your information with the Farmers affiliates, you do not need respond in any way.

For Bristol West customers: If you prefer that we not share consumer report information with our affiliates, except as otherwise permitted by law, you may use the Opt-out form included with your policy documents. Please verify that your Bristol West policy number is listed. If not, please add the policy numbers on the form and mail to the return address printed on the form. We will implement your request within a reasonable time after we receive it. Any policyholder may opt-out on behalf of other joint policyholders. An opt-out by any joint policyholder will be deemed to be an opt-out by all policyholders of the policy. If it is your decision not to opt-out and to allow sharing of your information with our affiliates, you do not need to request an Opt-Out or respond to us in any way.

---

For Farmers customers: If you prefer that we not share consumer report information with our affiliates, except as otherwise permitted by law, you may request an Opt-Out Form by calling toll free, 1-800-327-6377, (please have all of your policy numbers available when requesting Opt-Out Forms). A form will be mailed to your attention. Please verify that all of your Farmers policy numbers are listed. If not, please add the policy numbers on the form and mail to the return address printed on the form. Any policyholder may opt out on behalf of other joint policyholders. An opt-out by any joint policyholder will be deemed to be an opt-out by all policyholders of the policy issued by the affiliates listed on the Farmers Privacy Notice. We will implement your request within a reasonable time after we receive the form.

**If you decide not to opt-out or if you have previously submitted a request to opt-out on each of your policies, no further action is required.**

**Additionally, under the California Consumer Privacy Act (“CCPA”), California residents have the right to opt out of the sale of personal information to certain third parties.** Although we do not currently share personal information in a manner that would be considered a sale under CCPA, you may still submit a request to opt out by calling us at 1-855-327-6548 or submitting a request through our CCPA Web Form at <https://www.farmers.com/california-consumer-privacy/> .

### **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 other nonaffiliated third parties. Before we make any changes, we will provide you with a revised privacy notice and give you the opportunity to opt-out of, or, if applicable, to opt-in to that type of information sharing.

### **Website and Mobile Privacy Policy**

Our Enterprise Privacy Statement includes our website and mobile privacy policies which provides additional information about website and mobile application use. Please review those notices if you transmit personal information to us over the Internet through our websites and/or mobile applications

### **Recipients of this Notice**

While any policyholder may request a copy of this notice, we are providing this notice to the named policyholder residing at the mailing address to which we send your policy information. If there is more than one policyholder on a policy, only the named policyholder will receive this notice. You may receive more than one copy of this notice if you have more than one policy with us. You also may receive notices from affiliates, other than those listed below.

### **More Information about these Laws?**

This notice is required by applicable federal and state law. For more information, please contact us.

### **Signed**

Farmers Insurance Exchange, Fire Insurance Exchange, Truck Insurance Exchange, Mid-Century Insurance Company, Farmers Insurance Company, Inc. (A Kansas Corp.), Farmers Insurance Company of Arizona, Farmers Insurance Company of Idaho, Farmers Insurance Company of Oregon, Farmers Insurance Company of Washington, Farmers Insurance of Columbus, Inc., Farmers Insurance Hawaii, Inc., Farmers New Century Insurance Company, Farmers Services Insurance Agency, Farmers Specialty Insurance Company, Farmers Texas County Mutual Insurance Company, Farmers Financial Solutions, LLC (a member of FINRA and SIPC)\*, FFS Holding, LLC, Illinois Farmers Insurance Company, Mid-Century Insurance Company of Texas, Texas Farmers Insurance Company, Civic Property and Casualty Company, Exact Property and Casualty Company, and Neighborhood Spirit Property and Casualty Company, American Federation Insurance Company, 21st Century Advantage Company, 21st Century Assurance Company, 21st Century Casualty Company, 21st Century Centennial Insurance Company, 21st Century Insurance & Financial Services, Inc., 21st Century Insurance Company, 21st Century North America Insurance Company, 21st Century Premier Insurance Company, Hawaii

---

Insurance Consultants Ltd., American Pacific Insurance Company, Inc., Bristol West Casualty Insurance Company, Bristol West Holdings, Inc., Bristol West Insurance Company, Bristol West Insurance Services of California, Inc., Bristol West Insurance Services, Inc. of Florida, Bristol West Preferred Insurance Company, BWIS of Nevada, Inc.; Coast National Holding Company, Coast National Insurance Company; Foremost County Mutual Insurance Company, Foremost Insurance Company Grand Rapids, Michigan, Foremost Lloyds of Texas, Foremost Property and Casualty Insurance Company, Foremost Signature Insurance Company, and Security National Insurance Company (Bristol West Specialty Insurance Company in TX), Farmers Property and Casualty Insurance Company, Farmers Casualty Insurance Company, Farmers Group Property and Casualty Insurance Company, Economy Fire & Casualty Company, Economy Preferred Insurance Company, Farmers Lloyds Insurance Company of Texas, Economy Premier Assurance Company, Farmers Direct Property & Casualty Insurance Company, Toggle Insurance Company.

The above is a list of the affiliates on whose behalf this privacy notice is being provided. It is not a comprehensive list of all affiliates of the companies comprising the Farmers Insurance Group of Companies.

\*For more background information on Farmers Financial Solutions, LLC (“FFS”) or its registered representatives/Agents, visit FINRA’s BrokerCheck at [www.finrabrokercheck.com](http://www.finrabrokercheck.com) or call the BrokerCheck toll free hotline at (800) 289-9999. You may obtain information about the Securities Investor Protection Program (SIPC) including the SIPC brochure by contacting SIPC at (202) 371-8300 or via the internet at [www.sipc.org](http://www.sipc.org). FFS is registered with the US Securities and Exchange Commission and the Municipal Securities Rulemaking Board (MSRB). The MSRB website is accessible at [www.msrb.org](http://www.msrb.org) and includes an Investor Brochure that describes the protections that may be provided by the MSRB and how to file a complaint with the appropriate regulatory authority.





# 2024 Exchange Update

Dear Fellow Farmers Insurance Exchange Member:

As we close the books on 2023, Farmers Insurance Group® continues to provide its customers with coverage options to help them manage risk and meet their insurance needs. We strive to deliver the best value and experience to every customer we're privileged to serve. Farmers appreciates your business and looks forward to continuing to earn your confidence for many years to come.

Farmers Insurance Exchange is one of the insurers comprising Farmers Insurance Group®. Farmers Insurance Exchange along with Fire Insurance Exchange and Truck Insurance Exchange, and their subsidiaries and affiliates, provide automobile, homeowners, personal umbrella, and business owners insurance. For more information, please visit [farmers.com](https://farmers.com).

## Recent Developments

- A cross-functional team from across the enterprise was established to develop a clear and compelling three-year strategy for Farmers. In June, our new strategy was announced, and implementation is now underway.
- We introduced a new opportunity for Farmers agency owners and their health-licensed agency staff to sell Medicare to eligible customers.
- The Exchanges sold three brokerage entities and the servicing arm of its flood program to a subsidiary of Farmers Group Inc. for \$760 million. The transaction significantly contributed to strengthening the surplus of the Exchanges, while also positioning Farmers agency owners for future growth and improved customer retention.
- We delivered when it mattered most in a year full of catastrophes. In fact, this year alone, we handled nearly 50 large CAT events, including severe storms, a hurricane, wildfires, and winter storms.

## Better Together

- Farmers contributed \$5,368,985.83 in charitable giving with 68% of those funds supporting disaster resilience efforts.
- Our employees continue to make a difference in communities across the country, completing 36,908 hours of service across 1,599 causes in 807 communities in 2023.
- Our employees also positively impacted 903 Junior Achievement students in October through exposure to financial literacy and career readiness training. Exceptional feedback has led to an exciting new partnership with Junior Achievement, launching in 2024.

## Your Voting Rights

As a member of Farmers Insurance Exchange, you have the important right to vote for representatives of the Exchange Board of Governors. To ensure that all our customers have an opportunity to exercise their voting rights, we now have three ways in which you can cast your votes. You may vote in person at the Annual Meeting of Members of Farmers Insurance Exchange, appoint a proxy to act on your behalf by requesting and returning a completed proxy form, or conveniently cast your votes online through your Farmers.com account. Additional information on Farmers Insurance Exchange and your voting options can be found in the FAQs on the other side of this page.

Thank you for your ongoing support and participation.

Sincerely,

The Board of Governors of Farmers Insurance Exchange

## 2024 Exchange Update (continued)

---

### FREQUENTLY ASKED QUESTIONS

As a member of Farmers Insurance Exchange, we want you to understand the basics of the operation of an Exchange because, as you will see below, you are an owner of the Exchange.

#### What is an Exchange?

An Exchange is an insurance organization, which operates in most ways like any other insurance company, but with a few key differences. Farmers Insurance Exchange was organized under a provision in the California Insurance Code, which allows insureds to "exchange" policies with other insureds. Because the insureds cannot practically be involved in actually issuing policies, collecting premium, paying commissions to agents, etc., they appoint a third party - called an "attorney-in-fact" (AIF) - to perform those duties on their behalf for a fee. That appointment is made through a document called a "Subscription Agreement." You were asked to sign a Subscription Agreement at the time you applied for insurance with Farmers Insurance Exchange and that is how you became a member (aka subscriber).

#### Who owns the Exchange?

You do. Subscribers of the Exchange are owners until such time as they no longer have insurance from the Exchange. Subscribers elect a Board of Governors which supervises the financial affairs of the Exchange and the performance of the AIF in conformity with the Subscription Agreement terms.

#### Why is an AIF fee paid to Farmers Underwriters Association (FUA)?

Under the Subscription Agreement mentioned above, members appoint FUA to perform certain of the tasks, such as policy issuance and collection of premium, which are involved in running an insurance operation. The Subscription Agreement specifies an AIF fee of 20 percent of premium, although FUA has taken less than that amount.

#### What is FUA?

FUA is the business name utilized by Farmers Group, Inc. (FGI) to describe its functions as the AIF for Farmers Insurance Exchange. FGI is part of the Zurich Insurance Group, Ltd (ZIG), a Swiss company. Neither FUA, FGI nor ZIG has any ownership interest in Farmers Insurance Exchange, which is owned by its subscribers (insureds).

#### How was your premium dollar spent by Farmers Insurance Exchange in 2023?

Your premium dollar covers Exchange costs including losses incurred, acquisition costs, taxes, license fees, the AIF fee, and any contributions to surplus. For 2023, the AIF fee was 13% of the premium dollar, which included the AIF profit of 7.00% of the premium dollar for that year.

#### Can the Exchange lose money?

If premiums collected exceed claims payments and other expenses (including the fee for the AIF), then the Exchange retains those net premium earnings (as contributions to surplus). If premiums are not sufficient to cover claims and expenses, the Exchange will lose money. That's one reason it is important to build surplus to pay future losses. The AIF does not participate in claims losses and does not enjoy any net premium earnings. Importantly, subscribers are not responsible for any losses the Exchange might suffer.

#### How can I exercise my right to vote?

You may exercise your voting rights in any of the following ways:

1. By attending the annual members' meeting in Woodland Hills, CA on March 17, 2025 at 2 PM,
2. Electronically through your Farmers.com account (voting will be available from January 1, 2025 to March 7, 2025 and you will be required to create a Farmers.com account if you do not already have one), or
3. Through mail by requesting a paper proxy from the Subscriber Relations Office (completed proxies must be received by March 7, 2025)

#### Where can I get more information about the Exchange, or obtain a paper proxy?

You can go to [www.farmers.com/about-us](http://www.farmers.com/about-us) for most questions. If you have additional questions or want to obtain a paper proxy along with a postage paid envelope to confidentially return your proxy, please contact:

Subscriber Relations Office  
Farmers Insurance Exchange  
Attn: Corporate Secretary  
P.O. Box 4461  
Woodland Hills, CA 91365  
[Subscriber.relations@farmersinsurance.com](mailto:Subscriber.relations@farmersinsurance.com)