

March 1, 2006

TO: ALL NEW MEXICO AGENTS

HOMEOWNERS NO LONGER DRIVEN BY AUTO

Effective April 1, 2006, Grain Dealers Mutual Insurance Company will no longer require supporting personal automobile business for new homeowners that meet specific underwriting criteria.

You may submit for underwriting approval, stand alone homeowners business that meets the standard eligibility guidelines specified in the Company's Procedure Manual and satisfies the following coverage requirements:

- ◆ Minimum Coverage A limit of \$130,000
- ◆ Minimum deductible of \$1,000
- ◆ Home must be located in Protection Class 1 - 8
- ◆ Home must not be more than 50 years old

We are pleased to implement this underwriting change in response to your needs. We appreciate your cooperation and adherence to these stipulations to assure a stable and viable homeowners market in New Mexico.



Bruce Mitchell
Agency Supervisor