

PAYNESVILLE MUTUAL INSURANCE COMPANY

212 Washburne Avenue • PO Box 262 • Paynesville MN 56362
Phone (320) 243-7149 • Fax (320) 243-7824 •

MUTUAL PRIVACY POLICY FOR DISTRIBUTION TO CONSUMERS

PAYNESVILLE MUTUAL INSURANCE COMPANY will collect only the personal information necessary to conduct our business. That means what is needed to provide competitive financial products (which includes insurance policies) and services to our members.

This township mutual will protect personal information obtained from our consumers and maintain strong security controls to ensure that information in our files and computer systems is protected against unauthorized access. We will ensure accuracy and integrity of communications and transactions and protect our consumer's confidentiality.

Consumers will always have access to personal account information. You will always have the opportunity to review your personal information and make necessary changes to ensure that our records are complete and accurate.

This township mutual will only share information when absolutely necessary. We will only share information with companies with which we partner to offer additional products or services through a joint marketing effort or when required to do so by the government. For example, information may be disclosed to others, including our independent agents and brokers, to enable them to provide business services or functions for us. Such services may include helping us to evaluate requests for insurance or benefits, performing general administrative activities such as maintaining existing accounts, or to otherwise assist us in servicing or processing an insurance product or service requested or authorized by the consumer.

We will not disclose information about our customers to others without written consent unless the disclosure is necessary to conduct our business. By law, we are permitted to share information about our customers without written permission under certain circumstances and to certain persons or organizations, such as:

- Our affiliated insurance companies.
- Your agent or broker.
- Parties who perform a business, professional or insurance function for our company, including our reinsurance companies.
- Independent claims adjusters, appraisers, investigators and attorneys who need the information to investigate, defend or settle a claim involving you.
- Businesses that help us with data processing or marketing.
- Other insurance companies, agents or consumer reporting agencies as reasonably necessary in connection with any application, policy or claim involving you.
- Insurance support organizations, which are established to collect information for the purpose of detecting and preventing insurance crimes or fraudulent claims.
- Medical care institutions or medical professionals to verify coverage.
- Insurance regulatory agencies in conjunction with the regulation of our business.
- Law enforcement or other governmental authorities to protect our legal interests or in cases of suspected fraud or illegal activities.
- Authorized persons as ordered by a subpoena, warrant or other court order or as required by law.
- Lienholders, mortgagees, lessors or other persons shown on our records as having a legal or beneficial interest in your policy.

We will not share information without written permission except for items listed above. We will not, under any circumstances, sell member information to telemarketing firms.

PAYNESVILLE MUTUAL INSURANCE COMPANY

Dear Policyholder:

Just a reminder that Paynesville Mutual Insurance Company has moved. Our office is located at 212 Washburne Ave, downtown, across the street from City Hall.

◀ Water Losses

We have experienced an increase in water losses over the past few years. It is important for everyone to do periodic inspections of the hoses and connections on any appliance that is connected to a water source. *We also recommend turning off your water supply when you plan on being away from your home for an extended period of time.*

◀ Fire Losses

The use of space heaters seems to be on the rise due to the increase of fuel costs. There has been a number of fires this season due to the improper use of space heaters. Space heaters were never intended to replace your furnace. Extra caution is required when using a space heater. You need to be sure electric and especially kerosene heaters are not located next to any walls or other combustible material. They must be plugged into an outlet; DO NOT use extension cords – this has been the cause of many of the recent fires. Also, always shut off your space heater when you leave the house.

◀ Wood Burning and
Corn Burning:

If you are using any type of wood burning or corn burning appliance to heat your dwelling or outbuilding; be sure to check your policy declaration pages to be sure the appropriate wording has been applied. The wording must be on your policy or there would be no coverage in the event a loss occurs that is determined to be caused by a fire from a wood burning or corn-burning appliance. All wood burning and corn burning appliances must be inspected and approved by our Fire Safety Representative.

◀ Reminder:

Due to fires caused by L.B. White and other propane heaters, we are again reminding you that you are required to have these heaters serviced once a year. This is to protect you from a potential loss.

Thank you for your continued patronage through the years.

Sincerely,

Paynesville Mutual Board of Directors

ANNUAL MEETING NOTICE

Of the

PAYNESVILLE MUTUAL INSURANCE COMPANY

APRIL 5, 2011

Location: St Louis Catholic Church Dining Hall
505 Burr St Paynesville MN

Lunch: Chicken & Ham Dinner will be served from 11:30 a.m. to
12:30 p.m.

Meeting: The meeting starts at 12:45 p.m.

Door prizes will be awarded following the meeting (You must be present to win).

Agenda: (subject to change on the meeting date)

1. Election of directors for 2 positions. The following individuals are up for election: Jerome Hoeft and Dale Rausch.
2. Any policyholder, who has a current policy and lives within the writing territory of the Paynesville Mutual Insurance Company, may run for election to the Board of Directors. Any member seeking nomination to the Board of Directors shall submit their name in writing to the secretary at least five business days prior to the Annual Meeting.
3. Presentation of the 2010 Financial Statement and related reports.
4. Our guest speaker will be speaking on the different types of fire extinguishers and how to properly use them.
5. Any other business that is properly brought before this meeting.

Paynesville Mutual Insurance Company

PO Box 262

Paynesville, MN 56362

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Address Service Requested

Annual Meeting Notice

We are all individuals. Let's keep it that way.



Identity theft is a growing problem, but we are here to help. Your local farm mutual and Grinnell Mutual® provide customers access to identity theft resolution experts, at no additional cost!

For information about this important service or tips for protecting your identity, visit grinnellmutual.com.

**Paynesville Mutual
Insurance Company**

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