

August 6, 2001

To: All Agents representing Harleysville Insurance Company of Ohio, Harleysville Insurance Company of New Jersey, Harleysville Mutual Insurance Company, Harleysville Lake States Insurance Company, Harleysville Insurance Company, Harleysville Worcester Insurance Company:

Dear Harleysville Insurance Agent:

You were notified earlier this month about Harleysville's improved flood services. We would like to bring you up to date on a few questions that have been asked by agents:

Agent: Who is National Flood Services?

Answer: National Flood Services represents Harleysville Insurance. They will be taking care of the flood administration for Harleysville. This includes policy issuance, underwriting and claims administration.

Agent: Is Harleysville withdrawing from the flood program?

Answer: No. National Flood Services is our partner in delivering the best underwriting and flood processing service available in the marketplace.

Agent: What is the flood Internet site address for Harleysville?

Answer: www.nfsmt.com. You will need your assigned producer code and pin number to gain access to your flood polices, order flood zones or to transmit new business electronically through the Internet.

Agent: My producer number and pin number does not work.

Answer: These numbers are case sensitive. Do not have the caps lock or the number lock in place when you enter the numbers. Pin numbers go number, letter, number, letter, i.e., 5J0M would be the number 5, letter J, number 0, and letter M.

Agent: Is it mandatory that I transmit my business through the Internet if I want to do flood business with Harleysville?

Answer: No, you still have the option of completing a flood application the historical way. Upon completion, sign the application and attach a check for the gross amount due and forward it to our processing department. If you need assistance with the application, contact our processing department at (888) 453-0598.

Agent: Who do I make checks payable to:

Answer: Harleysville Insurance Company

Agent: Can I still use Fidelity National Flood Services to get a flood zone?

Answer: Effective August 1, 2001, Harleysville will no longer be using this service. If you want to receive flood zones free of charge, please contact our processing department at (888) 453-0598. Or use the Internet to order new flood zones at www.nfsmt.com.

Agent: Do I have to load the new rating software from National Flood Services?

Answer: You must use the new rating software if you prefer to transmit flood business through the Internet or to prepare your own flood applications utilizing flood-rating software. If you prefer, you can call our processing department for assistance.

Please do not hesitate to contact our processing department at (888) 453-0598 with any questions you have. We appreciate your support of the Harleysville's Flood Program!

Very truly yours,

Donna M. Jallick
Director of Flood Operations
Harleysville Insurance Company
(888) 707-4443