



Notice of Adjustment to Your Yearly Insurance Premium

This year and next, Harleysville Insurance is transferring more than 135,000 homeowners and automobile policies to a new computer system. At the same time, we are conducting a thorough review of each policy to verify that the information we have on file for the properties and vehicles we insure is accurate. Examples of this information (known as “rating factors”) are the rating our company assigns to the area where you live (which applies for both auto and homeowners policies and is subject to change), as well as the make, model and vehicle identification number of a car.

In examining your personal insurance policy, we determined that one or more rating factors required updating and this change has resulted in an increase in your yearly premium of 20% or more. We realize that this is a significant increase, and to minimize the impact on you, we are adjusting your premium to the correct level over a three-year period, with the majority of the increase being applied in the first year.

For example, a premium increase of 26% would be applied as follows:

Year #1 22% increase (20% + 2% – or 1/3 the amount over 20%, in this case, 6%)

Year #2 2% increase (1/3 of 6%)

Year #3 2% increase (1/3 of 6%)

The renewal declaration page enclosed with this letter shows a premium of \$XXXX which is what your premium would be without the cap. However, based upon our capping criteria, we will only charge \$XXXX for your renewal term. If you pay your premium in full, please pay the capped premium noted above. If you use one of our payment plans, your remaining payments will be adjusted once your initial installment is received.

Keep in mind that this increase does not take into account any other changes in your policy that could cause your premium to be either higher or lower. Such changes include the installation of a home sprinkler system, fire alarm system or burglar alarm system, the purchase or sale of a vehicle, or a son or daughter earning a good student driver discount.

We encourage you to contact your independent Harleysville insurance agent and ask him or her to make sure you are taking advantage of all the money-saving discounts we make available to residents of your state. We recently sent a communication alerting your agent to your upcoming premium increase and reminding him or her to check your policy with the idea of looking for additional discounts.

We at Harleysville value the trust you place in us as your insurance company, and we stand ready to help should you suffer a loss. If you have any questions concerning this notice or your policy, in general, please contact your agent or call our Harleysville customer contact center at 1.800.338.8301 (option 1).

The Harleysville Personal Insurance Team

CC: Agent Name Agency Code

