

The Maryland[®]

Insurance Group

Commercial Lines Tele: 1-800-378-9933
Personal Lines Tele: 1-800-378-7700
Fax No.: 1-800-404-9987

WORKER'S COMPENSATION
P.O. Box 4898
Timonium, MD 21094

AUTO MATERIAL DAMAGE
P.O. Box 6038
Timonium, MD 21094

GENERAL LIABILITY
P.O. Box 5438
Timonium, MD 21094

PA PERSONAL AUTO
P.O. Box 4068
Timonium, MD 21094

AUTO LIABILITY
P.O. Box 5498
Timonium, MD 21094
PROPERTY DEPT.
P.O. Box 5258
Timonium, MD 21094
LITIGATION DEPT.
P.O. Box 5378
Timonium, MD 21094

October 26, 1995

Mr. Ted Kimble
P.O. BOX 160
Pleasant Garden, NC 27313

RE: Claim No.: 214 F4507840
Policy Number: THO45004579
Effective Date: 10/31/94 - 10/31/95
Date of Loss: October 9, 1995
Type of Loss: FIRE

Dear Mr. Kimble:

We received notice of an occurrence which took place at 2104 Brandon Station Court, Pleasant Garden, NC 27313 on October 9, 1995. As a result of this occurrence, coverage has been requested under policy number THO45004579 which was issued to Patricia Kimble and Ted Kimble by the Valiant Insurance Company. There is a question whether coverage under the policy applies to this occurrence.

The nature of the coverage question is as follows: The origin of the fire is under investigation.

Before any benefits can be paid under this policy, you have an obligation to fully comply with all with all policy requirements in submitting the claim. We have an obligation to determine if the policy is valid, if the claim is valid, and the extent of coverage that may be applicable to the loss, if any.

Page 8 of 16 of your policy under Section I - Conditions, 2. e, f, and g state:

In case of a loss to covered property, you must see that the following are done:

e. Prepare an inventory of damaged personal property showing the quantity, description, actual cash value and amount of loss. Attach all bills, receipts, and related documents that justify the figures in the inventory.

f. As often as we reasonably require:

1. Show the damaged property.
2. Provide us with records and documents we request and permit us to make copies; and

3. Submit to questions under oath and sign and swear to them.
- g. Send to us, within 60 days after our request, your signed Sworn Proof of Loss which sets forth, to the best of your knowledge and belief;
 1. The time and cause of loss.
 2. The interest of the insured and all other in the property involved and all liens on the property.
 3. Other insurance which may cover the loss.
 4. Changes in title or occupancy of the property during the time of the policy.
 5. Specifications of damaged buildings and detailed repair estimates.
 6. The inventory of damaged personal property described in 2e above.
 7. Receipts for additional living expenses incurred and records that support the fair rental value loss.

In good faith and to prevent any undue hardship which this loss may cause you, we offer in advance \$5,000.00 on the loss under the following terms and conditions:

1. That this advance shall not be considered payment under any portion of the policy.
2. If the claim is deemed valid, the \$5,000.00 shall be credited to the contents coverage.
3. That if either the policy or the claim is not valid and payment is not required by us, you will repay the advance, and
4. We, in making this advance, reserve and do not waive any right of requirement under Policy Number TH045004579 whether procedural or substantive.

Included in the rights, we are reserving the right to receive from you, proper notice and proof of loss, and the right to ask you to take an examination under oath.

The Maryland Insurance Group will continue to handle this claim even though a coverage question exists. However, no act of any company representative while investigation, negotiating settlement of the claim or defending a lawsuit shall be construed as waiving any company rights. The Company reserves the right, under the policy to deny coverage to you or anyone claiming coverage under the policy.

There may be other reasons why coverage does apply. We do not waive our right to deny coverage for any valid reason which may arise.

Per our conversation of October 25, 1995, please keep all receipts and/or documentation for the \$5,000.00 advance issued towards your contents/expense.

Please do not hesitate to contact me directly should you have any questions or wish to discuss this matter further. I may be reached at 1-800-378-7700 ext. 3603.

Sincerely,

A handwritten signature in cursive script that reads "Marie Bartello".

Marie Bartello,
Sr. Claims Adjuster

cc: Acordia of North Carolina
114 North Elm Street
P.O. BOX 1450
Greensboro, NC 27402