

**IN RE:**

**REQUEST FOR APPROVAL OF AGREEMENT  
AND PLAN OF MERGER BETWEEN DANVILLE  
MUTUAL FIRE INSURANCE COMPANY AND  
NORTH-YARMOUTH CUMBERLAND MUTUAL  
FIRE INSURANCE COMPANY**

**RESPONSE TO THE  
THIRD INFORMATION  
REQUEST OF THE  
DEPUTY SUPERINTENDENT**

**Docket No. INS-13-402**

**INFORMATION REQUESTED OF DANVILLE AND NORTH YARMOUTH-  
CUMBERLAND**

1. On March 14, 2014 the Applicants moved for a delay of the scheduled March 21 public hearing which the Deputy Superintendent granted. In support of their motion, the Applicants justified the need for delay in order to be able to more fully examine the available options for the Companies, especially Danville, and their members, to the merger. It was further explained that the requested two month delay would give appropriate time to schedule the discussion for the Board of Danville and its members. Please provide:
  - a. a detailed update on the Applicants' examination of available options to the merger and the related Board and member meetings; and
  - b. all supporting written communications, meeting minutes, and any other related documentation of any kind.

**Answer:**

a. A meeting of the Danville members was called for and held on May 22, 2014 at 3:15 p.m. at the D'Youville Pavilion, Lewiston, Maine. See Ex. 1. Ex. 1 was published in Lewiston Sun-Journal and ran on May 14, 2014. Of the 11 current policyholders, 6 were present: Lionel Ferland, Sr., Lionel Ferland, Jr., Thelma Redmun (along with her daughter, Aileen Veilleux with POA if needed), Margaret Anderson, William Stiles and Hester Gilpatric, Secretary of the West Minot Grange.

Leo Ferland, Jr. attempted to personally call each policyholder. Center Minot Church and Grange stated to him it would not attend., Ronald Copp informed Mr. Stiles he did not need to attend (they serve together on the Cumberland Town Council together and Mr. Copp is fully aware of the issues through discussions with Mr. Stiles). Mr. Ferland spoke to William Humphrey to set up the first meeting scheduled for 5/21. At that time he told he could not make the Wednesday meeting. When Mr. Ferland called to tell him about the

reschedule to 5/22 he got the answering machine but he left a detailed message. When Mr. Ferland called Inez Buck the first time he left a message on her answering machine but when he called to reschedule he spoke to her directly and explained the purpose of the meeting. She indicated she was leaving on a trip on 5/23 but would try to make the meeting on 5/22. Mr. Ferland called the Bouchers twice and left messages twice about the purposes of the meeting. This past weekend Mr. Ferland and his wife went to a yard sale on Riverside Drive in Auburn not far from Donna Clarke's last known address: Soper's Mills Road. Not being bashful he asked a Mr. Gauthier if he knew her. He said that he did but was pretty sure she had died. (The Company has not been informed of her death and is investigating.) The reason for the newspaper ad was to give an extra notice to those Mr. Ferland had spoken to directly and to notify those who he hadn't spoken to directly.

The policyholder meeting was called to order, 6 members constituting a quorum. Counsel introduced himself, the reason for the meeting at the Bureau questions and used a document entitled "Danville Dissolution Work-Sheet" to explain how the calculations would work. Counsel used the work-sheet to explain roughly the potential policyholder recovery were dissolution to occur. (We say "roughly" because the in-force face value is \$5,000 less than believed and the estimates for expenses of wind-up were low for what they would now be if dissolution were to occur.) See Ex. 2. Counsel explained that there was approximately \$100,000 available for distribution and went through the 4 examples of how it might be broken up for distribution. All agreed that the last example, highlighted on the work sheet, would make the most sense if accepted. Counsel then told each of them what their proximate recovery might be if dissolution occurred.

Discussion among the policyholders occurred and questions were asked and answered about dissolution as well as about the proposed merger. Numerous comments were made about why the Bureau would want to dissolve the Company, that it was important to continue the tradition of this type of service and that these companies provide coverage in a manner unavailable in the larger commercial market. After much discussion, a vote was called to decide whether to dissolve or merge with North Yarmouth-Cumberland. The vote was unanimous in favor of merger. Counsel is confident in representing that the members were of a strong opinion on this choice and cognizant that they could reap monetary gain but that continuation was much more important and that some were planning to increase coverage under the new company.

Minutes of the policyholders meeting are being mailed to the policy holders unable to attend. See Exhibit 3. Counsel is also continuing to attempt to reach the others so that the Bureau can be confident of the full desires of the policyholders.

- b.** See Exhibits 1-2; See Exhibit 3, the minutes of the meeting.

2. Please provide a list of witnesses who will be in attendance and available for examination the scheduled June 3, 2014 public hearing.

**Answer:**

The following individuals are expected to be available for the June 3, 2014 hearing:

1. Mr. William Stiles, President of both Companies and future Bd. Member of the combined Company;
2. Mr. Lionel Ferland, Jr., Vice-President, Danville and future Bd. Member of combined Company;
3. George W. "Jerry" Goodall, Jr., Vice-President of NY-C and future Bd. Member of combined Company;
4. Mary Goodall, Former Secretary & Treasurer of NY-C
5. Debra Barter, Secretary & Treasurer of NY-C and future Bd. Member of the combined Company.

Mr. Lincoln J. Merrill, Jr., Bd. Member of NY-C and future Bd. Member of the combined Company is unavailable until the afternoon of June 3<sup>rd</sup>.

### **INFORMATION REQUESTED OF DANVILLE**

3. Regarding the response to question 4 of the Second Information Request, Danville provided Board minutes stating that Danville is not registered as a corporation with the State of Maine. Please explain whether Danville is now a corporation in good standing with the State of Maine. If not, please explain.

**Answer:** Counsel is working with the Maine Secretary of State's office to determine whether or not the Company needs to undertake any filings prior to merging with North Yarmouth – Cumberland. This response will be updated as soon as more information is available.

4. In follow-up to the response to question 6 of the Second Information Request, and in furtherance of the subsequent telephonic conference with the Deputy Superintendent and Bureau staff held per Danville's request, please provide a detailed financial analysis of pursuing a voluntary dissolution of Danville pursuant to 24-A M.R.S. §§ 3484,3485. The Deputy Superintendent is not at this time requiring Danville to retain an outside expert to perform this analysis. Include in the response:

**a:** an estimate of the value of the remaining assets that could be distributed to Danville's members upon liquidation and after the discharge of indebtedness, policy obligations, and payment of expenses of administration and of the dissolution and liquidation procedure. See 24-A M.R.S. § 3485(1) (*i.e.*, a schedule describing the distribution of net assets to each policyholder in accordance with the dissolution and liquidation procedure); and

**Answer:** See Exhibit 2 that was used for discussion with policyholders.

**b:** a detailed, line-item breakdown for the financial analysis.

**Answer:** See Exhibit 4 which is an updated Exhibit 2 and reflects the members' agreement that the analysis using a "per/\$1,000 of face value" was the most fair and reflects that Mr. Humphrey's face value is \$10,000 and not \$15,000. The only other expenses that remain would be for administrative expenses that have been estimated for the Directors and Counsel, as detailed in Exhibit 4. We are happy to discuss further during the call on May 28, 2014 at 1:00 p.m.

5. In follow-up to the response to question 7 of the Second Information Request, please provide details and supporting documentation, if any, regarding the alleged Bureau of Insurance advice "that a merger would be the most efficient way to go and that dissolution would be too costly and expensive." In responding, please consider the attached September 26, 2007 and May 18, 2011 communications from Bureau of Insurance staff to Lionel C. Ferland, Sr. providing the step-by-step process necessary for Danville to dissolve.

**Answer:** The Company's response was originally based upon the recollection of the current President. At the May 22, 2014 policyholder meeting, counsel asked Mr. Lionel Ferland, Sr. about the letters included with these questions. Mr. Ferland recalled meeting with the Bureau every couple of years and stated that it seemed complicated so he just sat on it and didn't do anything with it. Mr. Stiles never saw the letters until they were included with the questions. They were not shared with the Board. Mr. Stiles does recall a vague discussion and remembers that the merger was always deemed the preferred route.

6. In the event that Danville chooses to provide, or the Deputy Superintendent requires Danville to provide, member notice of their option to either (a) vote in favor of the proposed merger or (b) vote in favor of a voluntary dissolution, please propose language that Danville might use to provide such member notice for the Deputy Superintendent's review and consideration.

**Answer:** Although the majority of the policyholders have voted on this very issue, and upon information and belief that at least one or two additional votes are in favor, 8 voters being over 2/3 of the policyholders, we include in draft

member notice that is a slight modification to the one provided to you in Response No. 4 from the First Information Request and the other documents would be amended as necessary. See Exhibit 5.

#### **INFORMATION REQUESTED OF NORTH YARMOUTH-CUMBERLAND**

7. Have the bylaws been amended to be in compliance with 13-C M.R.S. § 852?  
Please provide evidence

**Answer:** No. The Company was advised that it was not necessary and communicated that to the Bureau. See Exhibit 6.

8. Policy No. 5081: What are the cession amounts to Guy Carpenter and to Gorham Farmers Club?

**Answer:** Guy Carpenter \$10,000 Gorham Farmers Club \$20,000

9. Policy No. 5080: Please provide the names and signatures on the policy.

**Answer:** George Maschino, IV. See Exhibit 7.

10. Policy No. 5080: Please provide the estimated value of the property insured and the insured amount.

**Answer:** The property's estimated value is \$195,000 and it is insured for \$175,000.

11. Policy List: Please provide the 2013 policy list with the aggregate premium included.

**Answer:** See Exhibit 8.

12. Please provide the names of the Directors for the past three years.

**Answer:** See Exhibit 9.

13. What is the amount of the fidelity bond currently in-force?

**Answer:** \$50,000 – see exhibit 10.

14. How are investments in mutual funds recorded, cost or fair market value?

**Answer:** Fair market value.

15. What is the premium concentration of commercial sawmill coverage?

**Answer:** Compare Exhibit 8 with Exhibit 11. Total premium is \$26,277, of which \$11,493 is for commercial sawmill coverage.

16. What is the insured risk of commercial sawmill coverage?

**Answer:** See Exhibit 11. All policies were rewritten to reduce the Company's exposure to \$20,000 per policy the rest being reinsured with Guy Carpenter. Also all policies over \$100,000 are now written on a term of one (1) year so as not to be without reinsurance as their contract runs from year to year.

**Danville Mutual  
Fire Insurance Company  
Directors &  
Policyholders Meeting**

Discussion of Merger/  
Dissolution

5/22/14 3:15 p.m.

D'Youville Pavilion

Floor 4 West

102 Campus Ave.

Lewiston, Maine

Call Lionel Ferland Jr.

for more info

212-3420

**Danville Dissolution Work-Sheet**  
**(24-A MRSA §3485)**

Upon any liquidation of a domestic mutual insurer, its assets (\$106,270) remaining:

- |  |                      |
|--|----------------------|
| 1. after discharge of its indebtedness,                  | 0                    |
| 2. policy obligations,                                   | 0                    |
| 3. repayment of contributed or borrowed surplus, if any, | 0                    |
| 4. retirement of guaranty fund capital shares and        | 0                    |
| 5. payment of expenses of administration and             | ___(est. \$1,000.00) |
| 6. of the dissolution and liquidation procedure,         | ___(est.\$5,000.00)  |

shall be distributed to = \_\_\_\_\_ \$100,270.00

- a. currently existing persons who had been members of the insurer for at least a year<sup>1</sup> and
- b. who were its members at any time within 36 months next preceding the date such liquidation was authorized or ordered<sup>2</sup>, or date of last termination of the insurer's certificate of authority, whichever date is the earlier;

**(Estimated distribution if \$100,270.00 ÷ 14 shares = \$7,162.14/share/policy count)**

**(Estimated distribution if \$100,270.00 ÷ 18.4 shares = \$5,449.46/\$5,000 policy coverage)**

**(Estimated distribution of \$100,270.00 ÷ 88 shares = \$1,139.43/\$1,000 policy coverage)**

**(Estimated distribution of \$100,270.00 ÷ 95 shares<sup>3</sup> = \$1,055.47/\$1,000 policy coverage)**

<sup>1</sup> 11 policyholders: Lionel Ferland Sr. (2 Policies); Lionel Ferland, Jr.; Thelma Redmond; Wm. Humphrey; Margaret Anderson; Donna Clark; Inos Buck; Ronald Copp; William Stiles; West Minot Grange; Center Minot Church and Grange (2 policies).

<sup>2</sup> Gary & Judy Boucher (Bush)

<sup>3</sup> Includes the Boucher's policy since it was owned within 3 years of merger/dissolution date.

except, that if the superintendent has reason to believe that those in charge of the insurer's management have caused or encouraged the reduction of the number of members of the insurer, or changed the identity thereof, in anticipation of liquidation and for the purpose of reducing or controlling thereby the number or identity of persons who may be entitled to share in distribution of the insurer's assets, he may enlarge the qualification period in such manner as he deems to be reasonable.

**Danville Mutual Fire Insurance Company****Policy Holders / Directors Meeting****May 22, 2014**

The meeting was called to order at 3:15 PM at St Mary's D'Youville Pavilion, 102 Campus Ave, Lewiston, Maine, 4<sup>th</sup> floor, West Dining Room by President William Stiles. Policy holders present, included William Stiles, Margaret Anderson, Thelma Redmun, and her daughter Aileen Veilleux, Hester Gilpatrick, representing the West Minot Grange, Secretary / Treasurer, Lionel Ferland Sr and Lionel Ferland Jr. Attorney Charles Soltan was present to explain that the state of Maine Bureau of Insurance wanted policy holders to understand the two possible directions the company could take. One option is to dissolve the company and distribute the assets left over among the policy holders after all expenses are paid. Attorney Soltan passed out and reviewed the Danville Dissolution Work Sheet with policy holders. The work sheet follows the guide lines of State Statute 24-MRSA 3485 (see attached). The other option discussed was to merge with the North-Yarmouth Cumberland Mutual Fire Insurance Company, as had been discussed over the years and voted at the 8/20/2011 Danville Annual Meeting. President Stiles explained that the merged company would continue to insure the existing policies and would show the "Danville Incorporated 1860" on the insurance policies. It was also explained that the new stronger company would be able to increase the insured amounts as requested by some policy holders. After discussion ended, a motion to merge Danville Mutual Fire Insurance Company with North-Yarmouth Cumberland Fire Insurance Company was made by Margaret Anderson, seconded by Hester Gilpatrick and it passed unanimously.

**Other Business**

A motion was made to authorize payment to Attorney Charles Soltan, not to exceed \$10,000 was made by Hester Gilpatrick, seconded by Aileen Veilleux, representing her mother and it passed. A motion was made to pay Lionel Ferland Jr \$750 for assisting his father in maintaining the company books was made by Margaret Anderson, seconded by Thelma Redmun and it passed. A motion to pay William Stiles \$500.00 for his administrative work and expenses was made by Hester Gilpatrick, seconded by Margaret Anderson and it passed. Having no other business, the meeting adjourned at 4:15 PM, following a motion by Lionel Ferland Sr seconded by Thelma Redman and it passed.

Recorded by Lionel Ferland Jr for Lionel Ferland Sr., Secretary / Treasurer



number of members of the insurer, or changed the identity thereof, in anticipation of liquidation and for the purpose of reducing or controlling thereby the number or identity of persons who may be entitled to share in distribution of the insurer's assets, he may enlarge the qualification period in such manner as he deems to be reasonable.

DANVILLE MUTUAL INSURANCE COMPANY  
166 HARDSCRABBLE ROAD  
POLAND, ME 04274

NOTICE OF SPECIAL MEETING OF MEMBERS

To the Members of Danville Mutual Insurance Company;

NOTICE IS HEREBY GIVEN that a special meeting of members (the "Special Meeting") of Danville Mutual Insurance Company, a Maine Mutual insurance company ("Danville Mutual"), will be held on \_\_\_\_\_, at Cumberland Town Hall at 290 Tuttle Road, Cumberland, ME 04021 beginning at 0:00 a.m., Eastern Time, for the following purposes:

1. To consider and vote upon a proposal to adopt the Agreement and Plan of Merger, dated as of December 19, 2013 (the "Merger Agreement"), by and among North Yarmouth-Cumberland Mutual Insurance Company, a Maine mutual insurance company ("North Yarmouth-Cumberland Mutual") and Danville Mutual Insurance Company;
2. In the Alternative, to consider and vote upon a proposal to dissolve Danville Mutual Insurance Company; and
3. To transact such other business, if any, as may properly come before the Special Meeting or any adjournments, postponements, rescheduling or continuations thereof.

A copy of the Merger Agreement is attached as Annex A to the proxy statement accompanying this notice, and a copy of North Yarmouth-Cumberland Mutual's Bylaws that will be in effect immediately following the mergers contemplated by the Merger Agreement will be furnished to members, upon request and without charge.

A copy of a worksheet entitled Danville Dissolution Work-Sheet is attached as Annex B to the Proxy Statement accompanying this notice.

**Danville's Board of Directors has approved and adopted the Merger Agreement and recommends that you vote "FOR" the proposal to approve and adopt the Merger Agreement and that you vote "AGAINST" the proposed dissolution.**

All members of Danville Mutual are cordially invited to attend the Special Meeting. To ensure your representation at the Special Meeting, however, you are urged to sign, date and complete the enclosed proxy card and mail it in the accompanying envelope, whether or not you expect to attend the Special Meeting. No postage is required if mailed in the United States. A Danville Mutual member may vote in person, even if such member has returned a proxy card, by revoking his, her or its proxy at or before the meeting. A positive vote of 2/3 of the members is required to approve the merger so your proxy and/or attendance are extremely important.

We have engaged the services of Charles C. Soltan, an attorney. If you need any assistance in voting or have any questions about the Special Meeting, please contact Attorney Soltan by telephone at

207-621-6300 or by email at [Charles.Soltan@soltanlaw.com](mailto:Charles.Soltan@soltanlaw.com). You can vote (1) by attending the Special Meeting and voting in person, or (2) by completing and returning the enclosed proxy card in the enclosed postage-paid envelope. Please see the enclosed voting instruction sheet for more information.

By Order of the Board of Directors,

William Stiles  
President

Portland, Maine  
June , 2014

**YOUR VOTE IS IMPORTANT.  
TO VOTE, PLEASE SIGN, DATE AND COMPLETED THE ENCLOSED PROXY CARD  
AND MAIL IT PROMPTLY IN THE ENCLOSED ENVELOPE.**

**Jerry & Mary Goodall**

**From:** "Karen JM Mitchell, Esq." <tsnowlaw@maine.rr.com>  
**To:** "Jerry & Mary Goodall" <jmgoodall@myfairpoint.net>  
**Sent:** Monday, May 16, 2011 3:38 PM  
**Subject:** Re: NY-Cumberland Mutual By-laws

Law Office of Terry N. Snow, P.A.

P.O. Box 275

Cumberland Center, Maine 04021-0275

*re Cumberland  
City in By-laws*

Terry N. Snow, Esq. Telephone: (207) 829-6363

Alan E. Wolf, Esq. Facsimile: (207) 829-4481

Karen JM Mitchell, Esq.

E-Mail: [tsnowlaw@maine.rr.com](mailto:tsnowlaw@maine.rr.com)

S & W Associates

294 Main Street, Cumberland Center

May 12, 2011

Kendra Coates

Director of Financial Analysis

State Bureau of Insurance

Via email

Re: North Yarmouth-Cumberland Mutual Fire Insurance Company

Dear Ms. Coates:

I am in receipt of your email to Mary Goodall of April 26, 2011 asking for an explanation of compliance with Title 13-C §852.

5/16/2011

The North Yarmouth-Cumberland Mutual Fire Insurance Company (the "Company") was formed in 1853. As such, it is our position that §852 does not apply to this Company, as it was enacted quite some time after the Company's formation.

Regardless, this Company would qualify as a Non-profit organization under Title 13-B §3201 as a fraternal beneficiary association, as that term is defined under §4101 of Title 24-A. As such §852 would not limit their ability to provide indemnification as they see fit.

Even if it could be argued that §852 does limit the Company's ability to provide indemnification to its officers, it would not be necessary for those limitations to be spelled out in the Company's By-laws, as those By-laws could not supercede any statutorily imposed limitations.

Please feel free to give me a call if you wish to discuss the above. If you still feel strongly about your position, the Company would be willing to amend the By-laws in a manner which satisfies your concerns, rather than engage in any prolonged dispute about the matter. Please let me know your position on this.

Very truly yours,

/s/ Terry N. Snow, Esq.

C: Mary Goodall

Karen Mitchell, Esq.  
Law Office of Terry N. Snow, P.A.  
POB 275  
Cumberland Center, ME 04021  
207-829-6363  
[tsnowlaw@maine.net](mailto:tsnowlaw@maine.net)

 Please consider the environment before printing this e-mail

This message is intended for the use of the individual(s) to which it is addressed, and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone, and return the original message to us at the above address.

5/16/2011

fax to Larry 601 4960

Maine Standard Policy

No. - 5080

MUTUAL COMPANY  
ASSESSABLE POLICY

**NORTH YARMOUTH-CUMBERLAND MUTUAL FIRE INSURANCE CO.**  
INCORPORATED 1965

Successor to:  
**NORTH YARMOUTH MUTUAL FIRE INSURANCE CO. INCORPORATED 1853**  
**CUMBERLAND MUTUAL FIRE INSURANCE CO. INCORPORATED 1848**

**EXHIBIT**  
7

Insured's Name and Mailing Address

George Maschino IV  
340 Snow Rd.  
Durham, ME 04222

11/3/10      11/3/15      5  
Inception (Mo. Day Yr.)    Expiration (Mo. Day Yr.)    Years

Total Liability to Assessment \$35,000.00

It is important that the written portions of all policies covering the same property read exactly alike. If they do not, they should be made uniform at once.  
INSURANCE IS PROVIDED AGAINST ONLY THOSE PERILS AND FOR ONLY THOSE COVERAGES INDICATED BELOW BY A PREMIUM CHARGE AND AGAINST OTHER PERILS AND FOR OTHER COVERAGES ONLY WHEN ENDORSED HEREON OR ADDED HERETO.

AMOUNT	RATE	NOTE	PREMIUM	PERIL(S) Insured Against and Cover- age(s) Provided (Insert Name of Each)	POLICY FEE
\$ 175,000.00 xxxxxxx	20%	\$ 35,000.00	\$ 575.00	FIRE AND LIGHTNING EXTENDED COVERAGE	
		\$	\$		
		\$	\$		
\$ 35,000.00 Total Liability to Assessment		TOTAL(S) \$	\$		

Item No.	Amount Fire or Fire and Extended Cover- age, or Other Peril	Per Cent of Co-Insurance Applicable	DESCRIPTION AND LOCATION OF PROPERTY COVERED Show construction, type of roof and occupancy of building(s) covered or containing the property covered. If occupied as a dwelling state number of families.
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1. - \$ 175,000 - On 3 Station Shavings Bagger & Building,  
Blowers and Electrical located at 79 Morse Rd.,  
New Gloucester, ME 04260

Subject to Form No(s). attached hereto.  
INSERT FORM NUMBER(S) AND EDITION DATE(S)

Mortgage Clause: Subject to the provisions of the mortgage clause attached hereto, loss, if any, on building items, shall be payable to:

none 12 Liberty Road  
Falmouth, Maine 04105  
(207-797-2956)  
Agency at

Countersignature Date November 3, 2010 Mary Bondal Secretary

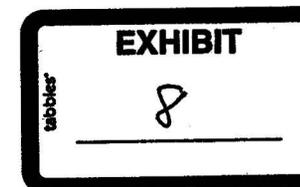
**IN CONSIDERATION OF THE PROVISIONS AND STIPULATIONS HEREIN OR ADDED HERETO AND OF the premium above specified, this Company, for the term of years specified above from inception date shown above At Noon (Standard Time) to expiration date shown above At Noon (Standard Time) at location of property involved, to an amount not exceeding the amount(s) above specified, does insure the insured named above and legal representatives, to the extent of the actual cash value of the property at the time of loss, but not exceeding the amount which it would cost to repair or replace the property with material of like kind and quality within a reasonable time after such loss, without allowance for any increased cost of repair or reconstruction by reason of any ordinance or law regulating construction or repair, and without compensation for loss resulting from interruption of business or manufacture, nor in any event for more than the interest of the insured, against all DIRECT LOSS BY FIRE, LIGHTNING AND BY REMOVAL FROM PREMISES ENDANGERED BY THE PERILS INSURED AGAINST IN THIS POLICY. EXCEPT AS HEREINAFTER PROVIDED, to the property described herein while located or contained as described in this policy, or pro rata for five days at each proper place to which any of the property shall necessarily be removed for preservation from the perils insured against in this policy, but not elsewhere.**

Assignment of this policy shall not be valid except with the written consent of this Company.  
This policy is made and accepted subject to the foregoing provisions and stipulations and those hereinafter stated, which are hereby made a part of this policy, together with such other provisions, stipulations and agreements as may be added hereto, as provided in this policy.

OTP 33U12-C

Mary Bondal Secretary William C. D. President

North Yarmouth Cumberland Mutual Fire Insurance Co.  
2013 Policy List



Policy	Name of Insured	Effective Date	Expiration Date	Amount Insured In-force	Face Value of Note	Amount of Reinsurance In-Force	Premium
1. 5044	East Madison Grange	03/20/13	03/20/18	60,000	12,000	40,000	540
2. 5046	Allen, Josephine	04/01/13	04/01/18	47,000	5,640	27,000	254
3. 5049	Maschino & Sons Lumber	08/03/13	08/03/18	560,000	112,000	540,000	5,040
4. 5050	Knight, Carl & Jean	08/18/13	08/18/18	30,000	4,500	10,000	203
5. 5052	North Pownal Comm. Club	09/22/13	09/22/18	8,000	960	0	50
6. 5053	Jones, James & Linda	11/05/13	11/05/18	65,000	13,000	45,000	585
7. 5055	Maloney, Robert	12/05/13	12/05/18	12,000	1,200	0	54
8. 5056	Burgess, Ronald	12/12/13	12/12/18	50,000	10,000	30,000	450
9. 5057	Somerset Grange	12/04/13	12/04/18	50,000	10,000	30,000	450
10. 5058	Merrill, Lincoln	01/19/09	01/19/14	5,000	1,000	0	45
11. 5059	Waterman, Alice	01/06/09	01/06/14	3,000	600	0	27
12. 5060	Tucci, Peter	02/23/09	02/23/14	127,000	25,400	107,000	1,143
13. 5062	Rumford Grange #115	07/20/09	07/20/14	50,000	10,000	30,000	450
14. 5066	Busy Bee Club	10/25/09	10/25/14	9,000	1,800	0	81
15. 5067	Anderson Heirs	02/07/10	02/07/15	60,000	12,000	40,000	540
16. 5069	Gagne, Richmond	02/20/10	02/20/15	15,000	3,000	0	135
17. 5070	Vermett, Bruno	02/20/10	02/20/15	15,000	3,000	0	135
18. 5071	Vermett, Pierre, Normand	02/20/10	02/20/15	10,000	2,000	0	90
19. 5073	Golding, Eugene	05/19/10	05/19/15	80,000	9,600	60,000	432
20. 5075	McCann, Nancy & Jeffrey	05/17/10	05/17/15	36,000	7,200	16,000	324
21. 5076	Anson Grange #88	07/01/10	07/01/15	100,000	9,000	80,000	405
22. 5077	Guyette, Clement & Susan	09/09/10	09/09/15	35,000	7,000	15,000	315
23. 5080	Maschino, George IV	11/03/10	11/03/15	175,000	35,000	155,000	1,575
24. 5081	Gerrish, Thomas	11/29/10	11/29/15	50,000	10,000	30,000	450
25. 5082	Wood, Stephen	01/28/11	01/28/16	15,000	3,000	0	135
26. 5083	Johnson, Alan	06/15/11	06/15/16	90,000	18,000	70,000	810
27. 5084	Detour, Wesley	07/08/11	07/08/16	55,000	11,000	35,000	495
28. 5085	Goody, Phillip et al	07/21/11	07/21/16	75,000	15,000	55,000	675
29. 5086	Sirois, Gary & Pattie	09/26/12	09/26/17	60,000	12,000	40,000	540
30. 5087	Burnell, Carlton F.	10/24/12	10/24/17	75,000	15,000	55,000	675

Policy	Name of Insured	Effective Date	Expiration Date	Amount Insured In-force	Face Value of Note	Amount of Reinsurance In-Force	Premium
31. 4095A	Steinman, Jeffrey	01/10/11	01/10/16	14,000	1,400	0	63
32. 4096A	Maschino & Sons Lumber	01/04/11	01/04/16	120,000	24,000	100,000	1,080
33. 4097A	Birthisel, Wm. & Karen	01/21/11	01/21/16	12,000	1,200	0	54
34. 4099A	Maschino & Sons Lumber	03/06/11	03/06/16	40,000	8,000	20,000	360
35. 5002B	Gillman, Jackson	03/21/13	03/21/14	221,000	22,100	201,000	996
36. 5013A	Vosmus, Thomas	10/03/11	10/03/16	15,000	1,800	0	81
37. 5014A	Menchen, Edna	10/06/11	10/06/15	5,000	600	0	27
38. 5015B	Maschino, George IV	10/25/13	10/25/18	382,000	76,400	362,000	3,438
39. 5017A	Snow, Duane	01/14/12	01/14/17	5,500	550	0	25
40. 5020A	Wescustogo Red Men	04/19/12	04/19/17	2,000	400	0	25
41. 5021A	Lincoln County Fish & Game	05/09/12	05/09/17	10,000	2,000	0	90
42. 5022A	Bauguss-Norton, Cheryl	05/16/12	05/16/17	110,000	22,000	90,000	990
43. 5023A	Harrington, Jane	05/16/12	05/16/17	60,000	6,000	40,000	270
44. 5026A	Calder, Frances	07/08/12	07/08/17	20,000	2,000	0	90
45. 5028A	Craig, Roxanne & Gerry	07/21/12	07/21/17	2,000	400	0	25
46. 5029A	Birthisel, Wm. & Karen	07/20/12	07/20/17	200,000	16,000	180,000	720
47. 5031A	Stiles, William	10/01/12	10/01/17	5,000	1,000	0	45
48. 5032A	Goodall, Jerry & Mary	10/07/12	10/07/17	5,000	500	0	25
49. 5033A	Tice, Cortland	11/28/12	11/28/17	75,000	15,000	55,000	675
50. 5034A	Cumberland Rifle & Pistol	11/30/12	11/30/17	14,000	2,100	0	95
Totals				3,339,500	583,350	2,558,000	26,277

Directors for North Yarmouth-Cumberland Mutual Fire Insurance Company

2011

William Stiles  
Robert Maloney  
Jerry Goodall  
Duane Snow  
Lincoln Merrill Jr.  
Jeffrey Steinman

2012

William Stiles  
Robert Maloney  
Jerry Goodall  
Duane Snow  
Lincoln Merrill Jr.  
Jeffrey Steinman

2013

William Stiles  
Robert Maloney  
Jerry Goodall  
Duane Snow  
Lincoln Merrill Jr.  
Jeffrey Steinman

2014

William Stiles  
Jerry Goodall  
Duane Snow  
Lincoln Merrill Jr.  
Jeffrey Steinman

RIDER

To be attached to and form part of Financial Institution Bond, Standard Form No. 24 , No.BDF 161 01 67

In favor of North Yarmouth-Cumberland Mutual Fire Insurance Company

It is agreed that:

1. The attached bond is amended by replacing that Item(s) on the Declarations Page corresponding to the item(s) indicated below with an "X":

**Item 2.** Bond Period: from 12:01 a.m. on \_\_\_\_\_ to 12:01 a.m. on \_\_\_\_\_  
 (MONTH, DAY, YEAR) (MONTH, DAY, YEAR)

**Item 3.** The Aggregate Liability of the Underwriter during the Bond Period shall be \$50,000.00

**Item 4.** Subject to Sections 4 and 11 hereof, the Single Loss Limit of Liability is \$ \_\_\_\_\_ and the Single Loss Deductible is \$ \_\_\_\_\_

Provided, however, that if any amounts are inserted below opposite specified Insuring Agreements or Coverage, those amounts shall be controlling. Any amount set forth below shall be a part of and not in addition to amounts set forth above.

Amount applicable to:

	<u>Single Loss Limit of Liability</u>	<u>Single Loss Deductible</u>
Insuring Agreement (D)-FORGERY OR ALTERATION	\$	\$
Insuring Agreement (E)-SECURITIES	\$	\$
Coverage on Partners (Form No. 14 only)	\$	\$
Optional Insuring Agreements and Coverages:	\$	\$

2. This rider applies to loss sustained at any time but discovered after 12:01 a.m. on 4/18/12

THE HANOVER INSURANCE COMPANY

BY: Donna Hixon  
 Donna Hixon, Attorney-in-Fact

AMEND DECLARATIONS PAGE-DISCOVERY FORM

FOR USE WITH FINANCIAL INSTITUTION BONDS, STANDARD FORMS NOS. 14, 15, 24 AND 25. ITEM 3 NOT TO BE CHANGED MID-TERM WITH THIS RIDER.

REVISED TO JUNE, 1990.

SR 6150c Printed in U.S.A.

North Yarmouth-Cumberland Mutual Fire Insurance Company  
 Premium Concentration and Insured Risk of Commercial Sawmill Coverage

tabbler  
 11

Policy	Name of Insured	Amount Insured In-force	Prem. Note Face Value	Insurance Retained NY - C	Reins. In-Force G. Carp.	Premium	NY-C	GC	Premium Total
4096A	Maschino & Sons Lumber	120,000	24,000	20,000	100,000	1,080	180	900	1,080
4099A	Maschino & Sons Lumber	40,000	8,000	20,000	20,000	360	180	180	360
5015B	Maschino, George IV	382,000	76,400	20,000	362,000	3,438	180	3258	3,438
5049	Maschino & Sons Lumber *	560,000	112,000	20,000	540,000	5,040	180	4860	5,040
5080	Maschino, George IV	175,000	35,000	20,000	155,000	1,575	180	1395	1,575
Total Amounts		1,277,000	255,400	100,000	1,177,000	11,493	900	10,593	11,493