

TO ALL AGENTS:

2026 AGENTS MEETING RECAP

LOUDOUN MUTUAL

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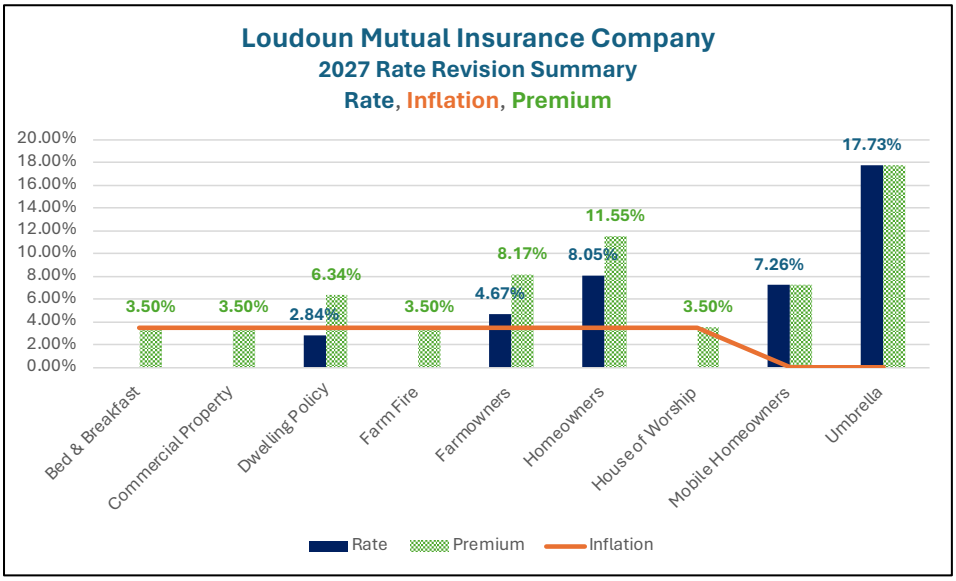
ON OCTOBER 14TH and 15TH, Loudoun Mutual held its Annual Agents Meeting at Wintergreen. The leaves were just beginning to turn, and it was a beautiful time to be on the mountain. We highly recommend supporting our Annual Sales Contest so you can join us next year in Williamsburg! We thought we would change it up a bit for 2027, so we look forward to seeing you in the 'burg. Our annual meeting provides a unique opportunity to fellowship with other agents and meet many members of Loudoun Mutual's staff.

2026 has been an unremarkable year thus far, with typical storms and weather-related losses. As of August, our combined loss and expense ratio was just under break even, sitting at 99.4%. We have increased surplus 10.5% and premiums are up 10%.



At the 2026 Annual Agents Meeting, the Marketing department shared important news on the upcoming rate revision. The revision targets Homeowners, Dwelling Fire, Farmowners, and Mobile Homeowners through key premium adjustments, territory refinements, and changes to All Perils deductible options. All other lines of business will see premium changes due to coverage increases that address inflation.

Homeowners is the primary focus, representing 56% of Virginia inforce premium. Changes include a 4.5% key premium adjustment, territory revisions, +2% deductible adjustments for options of $1,500 or less, and an increased maximum insurance-score credit from 5% to 10% for the most financially sound risks.

Dwelling Fire receives a 1% key premium adjustment, six (6) rating territories were targeted for increases and 2% increases for All Peril deductibles of $1,000 or less.

Farmowners remains profitable overall, but influences from Winter Storm Fern contributed to the decision to take a 2% key premium increase, twelve (12) territories required rating adjustments and 2% increases for All Perils deductible options of $1,500 or less.

Mobile Homeowners faces a 4% key premium adjustment and eleven (11) territory changes in response to deteriorating profitability. Mobile Homeowners with All Perils deductibles of $1,000 or less will also receive a 2% increase.

Umbrella minimum premiums will be increased by $75 per policy for Homeowners and Farmowners. This underlying coverage is being taxed by social inflation and legal system abuse. The Umbrella market is under pressure, and these changes are part of a multi-step process to stabilize our small portion of this segment of business.

Expect average rate impacts of 8% for Homeowners, 2.8% for Dwelling Fire, 4.7% for Farmowners, 7.3% for Mobile Homeowners, and 17.7% for Umbrella. The average rate increase across all lines of business will be 6%.

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Separately, applicable coverage limits will rise by 3.5% to reflect Virginia reconstruction-cost inflation. This important coverage component will be reviewed monthly, and we will respond to volatility accordingly to ensure our policyholders remain adequately insured.

The Underwriting Department reminded our agents how much the underwriters value their relationships with our agency partners. Specifically, the partnership between agency and underwriter is vital to our success and to providing our expected level of service to the policyholders. To facilitate and grow this partnership, the Underwriting Department focuses on listening to the story and finding unique solutions. Our diverse risk appetite includes rural churches, short-term rentals, mixed occupancy commercial buildings, dwellings with unique construction, multi-family dwellings, farms, and mobile homes, just to name a few.

For our agents, we also provide helpful resources, such as policy forms, underwriting guidelines, manuals, and training materials on our website. Looking forward to 2027, we are adding quoting system enhancements, renewal questionnaires for Farmowners and Umbrella, and new communication channels for property inspections. We hope these enhancements will strengthen and grow our partnerships.

The Claims Department emphasized that the relationship between LMIC claims and our agents/customers is especially important to us. We work hard to maintain a strong and caring working environment through communication. That includes calls, email, and the status folder in BriteCore.

Claims submitted through the agent portal is the preferred way of reporting a claim to us, but reporting via email or submitting an ACORD form is acceptable as well. The claims team works hard to make sure we meet and/or exceed our customers' expectations. Our current customer service satisfaction rating is 87.43%.

2026 has been interesting regarding weather. The January snow/ice storm created 439 claims for approximately $7.1 million. We had numerous storms the remainder of the year, primarily in July and August. Year to date through August we have handled 2,027 claims for an approximate total of $35.9 million. And as a reminder, the LMIC claims team is here to assist you in any way we can.

The IT department discussed the following important topics that will enhance the ease of doing business with Loudoun Mutual:

- ***Docusign Integration:*** Full e-signature capabilities are now live for all new business submissions, alongside new web forms for routine endorsement requests.
- ***Secure File Drops:*** Links are now live in BriteCore and on our website, giving everyone a safe, encrypted way to send and receive files.
- ***Coming in November:*** Endorsement quoting will roll out in November.
- ***Portal Adoption:*** Keep encouraging policyholders to register on the insured portal for instant document access and digital bill pay.

Thank you again to all attendees and those of you who remained in the office to service the policyholders.



See you in Williamsburg on October 13th and 14th at the Williamsburg Lodge!