

NEMEON, INC.

A cooperative is one way for independent business owners — the backbone of Main Street — to prosper and effectively meet the challenge of chain store and big box competition.

September 1999 saw the birth of NEMEON. The company is a purchasing cooperative in the roofing and siding distribution industry. NEMEON is the largest organization of roofing and siding distributors in the USA. It is recognized as one of the leaders and most innovative coops in the construction industry.

NEMEON is comprised of over 160 independently owned distributors with over 460 locations across USA and Canada and has over 120 Preferred Vendors partners.

NEMEON'S vision is to deliver "Pride and Prosperity through Unity, Value, Partnership and Size".

David O'Donnell
President & CEO

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PENNSYLVANIA LUMBERMENS MUTUAL
I N S U R A N C E C O M P A N Y

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PLM is the premier property and casualty insurance provider to the lumber, woodworking and building material industries. We offer competitive rates, loss control programs and prompt claims response and handling. We are financially strong and carry an A.M. Best rating of A- (Excellent).

PLM is the endorsed property & casualty insurance carrier to NEMEON.

OTHER BENEFITS OF WORKING WITH PLM:

- We are a mutual company – policyholders are our only concern. We have no stockholders to please.
- Risk Management and Loss Control experts to help reduce your chance of loss.
- Enhanced products that provide unique, comprehensive coverage.
- Open Brokerage – we can work with the broker of your choice.
- Payment plans that meet your individual needs.



NEMEON, INC.

SAFETY GROUP DIVIDEND PLAN

BUILDING RELATIONSHIPS.
TOGETHER WE'RE BETTER.



PENNSYLVANIA LUMBERMENS MUTUAL
I N S U R A N C E C O M P A N Y

WHAT IS A SAFETY GROUP DIVIDEND PLAN?

A Safety Group Dividend Plan is a program offered by PLM in partnership with several trade associations and buying groups.

The purpose of the plan is to reduce overall insurance costs of the group, by way of a dividend, through a conscientious program of loss prevention and risk management. By combining premiums, along with a collective good loss history, the group can potentially receive dividends of up to 10% of eligible policy premiums earned during the plan year.

WHO IS ELIGIBLE TO ENROLL IN THE SAFETY GROUP DIVIDEND PLAN?

To be eligible for the NEMEON Safety Group Dividend Plan, you must be a Distributor member of NEMEON in good standing and a policyholder of PLM, ILM, or any of the affiliated companies. You must elect to join the Safety Group Dividend Plan by signing a dividend election form and cannot participate in any other Safety Group Dividend Plan underwritten by PLM.

HOW DOES THE DIVIDEND PORTION OF THE PLAN WORK?

All lines of insurance coverage (except umbrella) are eligible for the dividend plan. If the group collectively has a good loss history, there is a possibility of a dividend payment of up to 10% of your eligible policy premiums earned during the plan year which runs from July 1st to June 30th. If the group has a poor loss history, there is NO penalty or surcharge. It is a win-win situation.

Any dividends earned will be announced four months after the end of the plan year and checks will be mailed directly to the participant.

DIVIDENDS, IF EARNED, WILL BE PAID BASED ON THE FOLLOWING SCHEDULE* :

GROUP LOSS RATIO	DIVIDEND PAYABLE
0.00% to 10.00%	10%
10.01% to 20.00%	7.5%
20.01% to 30.00%	5%
30.01% to 40.00%	3.5%
40.01% to 50.00%	2%
50.01% and Over	0%

*Note: By law, dividends are discretionary and are not guaranteed. They are subject to the prior approval of the PLM Board of Directors.

DO I NEED TO BE A NEMEON MEMBER TO HAVE MY INSURANCE QUOTED?

You do NOT need to be a member of NEMEON in order for PLM to quote or write your business insurance. PLM can work with your current agent or broker to present you with a no-obligation quote.

DETAILS OF THE NEMEON SAFETY GROUP DIVIDEND PLAN

- You must be a Distributor member of NEMEON.
- You must purchase your property & casualty insurance from PLM.
- Included in the dividend calculation are Property, Liability and Commercial Automobile coverages written through PLM.
- You must elect to join the NEMEON Safety Group Dividend Plan by signing a dividend election form. You can only participate in one of the Safety Group Dividend Plans through PLM.
- The NEMEON Safety Group Dividend Plan runs from July 1st through June 30th, but you may join at anytime. Any earned premium for that period is eligible for the dividend calculation.