



Date: May 12, 2008

To: All MPCl Customers

RE: Hail Insurance

As spring rapidly approaches and seeding continues, we once again need to turn our attention to how we are going to protect this very important asset. The most vulnerable crop right now is winter wheat. With the high price elections on your Multi Peril Crop Insurance (MPCl) this year we are off to a great start in covering our expenses, but who will cover our profit? A 40 bushel APH on wheat at the 70% level and an \$11.11 price election will get us \$311.00 an acre of coverage on the MPCl side; but a 40 bushel harvested crop sold for \$11.00 is \$440.00 an acre. What will cover the additional \$129.00? The answer is: Hail Insurance.

There are many types and ways to purchase Hail Insurance. We have the option of high deductibles or no deductibles. Everyone's situation is different, so let us help you decide which one is best for you and your farming operation. Just a reminder: with hail insurance you also have fire coverage should your combine/truck catch a fire in the field, coverage for vandalism, theft, collision, and overturn. Under your MPCl policy, your loss must be from natural causes.

We have two hail companies this year that we will be writing for. One of these companies has instant coverage once a completed application is filled out and faxed to the company, and the other company has coverage 3 hours after we fax a completed application to the company. Both companies also offer a 3% cash discount should you prefer to pay cash for your hail policy by June 30th 2008. These companies have 10 adjusters within an hour of Minot, so we have the ability to handle a catastrophic storm.

Keep in mind that with most companies you have to wait till 12:01am midnight for your coverage to take effect and some don't offer any discount for paying cash. Don't get caught in a hail storm while you are waiting for your coverage to take effect!

Thanks for your business,

Craig C Johnson
General Manager

"Your best insurance is your agent"

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