

INSURANCE Roundup

Spring 2009



408 - 20th Ave. SW • Suite 101
Minot, North Dakota 58701

Winter Water and Weight Discussed

This winter has hands down been the roughest in many years. Although estimates vary it looks like we have in the neighborhood of 5 feet of snow on the level. Wow! This has brought up several issues here at Western Agency, Inc.

ICE DAMS: these are caused when your rain gutters become clogged with ice and are unable to drain. As the snow on your roof melts and cannot run off the roof many times it will back up under the shingles. In talking to a roofer the other day he advised me to put salt along the roof next to the rain gutters. He said this should help melt the ice and let the water runoff. I have also heard of people installing a heat tape along the

gutters, and even using anti-freeze.

I suppose both the antifreeze and the salt are going to hurt lawns, but at least they may help you prevent a water loss to your home. What did I do myself?

I went and bought 150 pounds of salt and put it on my roof. I guess time will tell if it was a good move for the yard, but so far it has opened my gutters and the water is running off the roof.

FLOOD: I would think with all this snow, and of course depending on how fast it melts, there is going to be some flooding somewhere this spring. The important thing to remember here is there is no coverage for flood in any of the normal insurance policies you

purchase. However, you can protect yourself for flood with a government backed flood insurance policy. We can sell you this coverage but keep in mind there is a waiting period of 30 days before coverage will go into effect. If you want a quote on flood insurance we would be happy to get you one and if you want we can write you a policy. Just don't wait much longer to do it. Many times we see flooding in March, now is the perfect time to let us look into it for you so you don't

end up uninsured because of the **30 day waiting period**. If you have questions or want a quote on flood insurance give us a call we would be happy to look your situation over for you. Just remember...**this policy has a 30 day waiting period**.

SEWER BACKUP: Although sewer backup and sump pump failure coverage does not cover for a surface water flood, they do protect you in the event we have subsurface water and your sump pump fails or your sewer backs up. Again, this is a limited coverage. If you have any questions where your individual policy stands let us know so we can go over it with you.

ROOF COLLAPSE: we have had three machine shed roofs collapse from the weight of ice and snow this past winter. I had the girls do a run of all the farm buildings we have insured and it turns out we have over 7000 farm buildings insured. We went over the entire list and have called many of you to raise or upgrade coverage on underinsured buildings. However, there are probably still some of you who do not have adequate coverage for this very real collapse peril. If you have any questions on where your policy stands on this give us a call and we will stop out and go over your policy with you. Glenburn area farmer Jim Haskins had over four feet of snow on his machine shed. He fired up a commercial space heater and a couple smaller space heaters and soon had the temperature in the rafters of the machine shed over 57 degrees. After about 4 hours of heating the entire snow load slid off the building helping to avert a major loss. Hey, thanks, Jim! Must be time for a \$50 gift certificate to Home-steaders for you.



Editorial

As you all know I constantly am talking about the fact that in the insurance business you have only one real advocate and that is your local independent insurance agent. He represents many companies, can make sure you have a competitive insurance program, and has something to say about you getting a solid settlement at loss time. Of course this is not the way it is portrayed by the direct marketers of insurance that you see on TV, radio, and virtually all other forms of advertising. I suppose over the hundreds of years many cases such as this have come up where a good or service is fairly expensive and someone offers to provide the service far more cheaply. Offering deals that are simply...well, too good to be true...probably that is why we have so many sayings and warnings given to us since childhood.

- If it sounds too good to be true it probably is
- There is no such thing as a free lunch
- Beware of simple solutions for complex problems.
- You get what you pay for
- You can't make a silk purse out of a sow's ear
- You can put lipstick on a pig but...hey...it's still a pig.

All these say the same thing...and yet there are even more connections to this advice from antiquity. How about the fable of Aladdin and the Wonderful Lamp. In this tale Aladdin is the son of the poor tailor Mustapha. He and his family barely make a living until Aladdin was recruited by the evil Magician to help the magician gain possession of the coveted Magic Lamp. To make a long story short, the evil magician sealed Aladdin in a cave with the lamp but Aladdin escaped. By using the lamp he amassed a fortune and gained the hand of the beautiful princess Badroulboudour. Aladdin and the princess were in the process of living happily ever after until the evil magician heard about Aladdin's escape and subsequent good fortune. He hatched a scheme to regain possession of the coveted lamp by masquerading as a lamp salesman offering a new oil lamp in return for an old one. Herein the saying "Old lamps for new". As Aladdin was away on a hunting trip princess Badroulboudour not knowing the value of the old lamp thought why not take advantage of such a generous offer and she traded in the old beat up "magic lamp" for a shiny new one. Of course the magician soon had her imprisoned in a far away place and it took quite a bit of doing for Aladdin to get her back. This tale kind of reminded me about how trapped and lonely and financially scarred a person can be after trading in their old "expensive" insurance policy and buying a nice, new, shiny, "cheap" one only to find at loss time it has very little or limited coverage...Old Lamps for New.

Every time I hear the insurance sales pitch on TV about how... "It's so simple a Caveman could do it" I think of all the difficult and complex claims we have helped settle. I think of how many times a parent has called in the middle of the night to say his child, or his employee, or a relative, has been in a terrible crash or some other sort of accident. I can tell you these situations are not simple, they are not cheap, and if the correct coverage is not in place: They are not paid.

Every time I see some little green lizard on TV who is everyone's friend and knows all about insurance, I think about how complex the insurance product really is. How many times we have explained the need for a particular coverage and then maybe years later the exact claim happens that would have been an uncovered loss had we not written the correct contract.

Every time I see the cute little TV insurance checkout girl blithely comparing buying a solid, adequate, and correctly written insurance contract to checking out a box of goods at the department store, I worry about the literally thousands of underinsured, and poorly insured people thinking they are adequately protected and finding out at loss time they most assuredly are not.

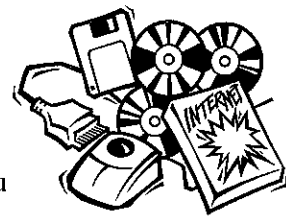
Every time I see some add where a body shop is offering to 'pay your deductible' I wonder how the person is going to recoup the decrease in value of their poorly repaired vehicle at trade in time...Old Lamps for New.

Of course you can call up dozens of quoting services and "get an insurance quote"...but how good is it? It was prepared by a computer, or a telemarketer with literally no knowledge of who you are and what you really do for a living. When you were talking to the person giving you the quote did you happen to mention that you do part time carpenter work? How about that boyfriend of your daughters you know "occasionally" drives her/your car? It might interest you to know that both of these situations are EXCLUDED from the cute little TV insurance check out girl's policy...Old Lamps for New.

We are here, in your town, we are more than happy to sit down with you at your home or place of business, at a time that is convenient for you to go over your insurance needs and questions. We do not offer old lamps for new. We offer you 28 employees, in 11 different towns who have one mission in mind...Protecting Your Assets.

From all of us at Western Agency...thanks for your business!

Client Discovers Software Flaw



Over the years in this newsletter you have heard

me many times complaining about the billing systems of the various companies we represent here at Western Agency. I complain about these billing systems because they generate bills that are hard to understand and are confusing to our clients. I am never pointing fingers at any individual company because, let's face it...none of them does much of a job getting out a bill that is easy to understand. Once again, if you get a bill that you don't understand, call us here at Western Agency and we will figure it out for you. However, the point of this article is the other day a bill was accidentally sent to one of our insureds that caused many things to happen in a hurry. First of all the bill was for \$30 and had a \$3.50 billing charge attached. Oh, by the way, the bill should never have gone out in the first place. Luckily, the irate customer called us up for an explanation. I called the company who had sent the bill and first of all, I was just concerned why a \$3.50 billing charge on a \$30 bill. Isn't that a bit excessive? Anyway, since we are one of the largest agents in the US for this company I was talking directly to a department manager. He said he would get back to me and when he did we ended up talking about a computer glitch this particular bill had exposed. The end result being not only was the billing charge of \$3.50 removed but the bill for \$30 was removed also. Yes! I sure think it's worth a \$50 gift certificate to Perkins for our client who pointed out the problem, isn't it? Thanks, to both Sue Anderson for pointing out the problem and to North Star Insurance Company for identifying the problem, and fixing it immediately. Hey, the system works, great!

Westy Hat Contest

Again, the unseen but always present Westy Hat Contest judge was active in the Oakes area. While there he spotted Doug Harris, in a classic black Westy hat, Jim Quandt in Westy camo and Dennis Roney in Westy NDSU colors. While traveling north west of Minot late last fall he noticed premier fence builder Justin Payne in a classic Westy white golf cap, setting fence posts, six miles west of Ruthville. Also, it seems the Westy Hat contest has taken on a new twist, in that now people are sending notes to Western Agency and calling to tell us about people they think the unknown judge should recognize for wearing their Westy hat, in a process similar to sending a letter to the North Pole to contact Santa Claus. Of course we have no direct way to contact the unknown judge but none the less, after we "forwarded" some of these letters to his "secret" address he contacted us and recommended giving a prize to two additional people. It seems that Levi Wald of Surrey has permanently "borrowed" his dad's Westy hat because it matches his snowmobile suit and also Mark Schnabel is known to constantly wear his Westy hat. Prizes are \$50 gift certs to Harris and Quandt to The Angry Beaver Restaurant in Oakes and a \$50 gift cert to Roney to Cline's Restaurant in Oakes. A \$50 certificate to Homesteaders for Schnable, \$50 to Sammy's Pizza for Wald and \$50 to Justin Payne at Perkins. Once again, from all of us at Western Agency...thanks for your business, and thanks for wearing your Westy Hats!

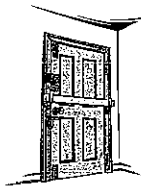


Westy Shorts



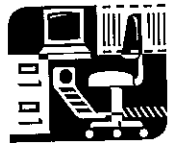
Good Student Discounts: Don't forget to let us know if your son or daughter has some good college, or high school grades we need to know about. Many companies offer significant discounts on auto insurance for students with a high grade point average. Keep in mind that we have no way to automatically know. Give us a call and if you are eligible for discounts we will be sure you get them.

www.westernagencyinc.com: For years Western Agency, Inc has maintained a website. We originally put one up because we felt it was the thing to do at the time. Over the years many of you have commented on it and told us you thought it was ok, but I really don't know if the site is being used much. One good thing about it is we have archived all the old Newsletters on the website so if there was an article read years ago and you wanted to check back on it you can find prior issues there. Also, if you would rather get your newsletter by email, just let the girls on the front desk (1 800 735 4955) know your e mail address and we can send you the newsletter electronically. In addition, we have hired Coiya Kirchoff of Kirchoff Communications to modernize and streamline the website. We should have the new model up and running in a few weeks. Coiya is also tuning up our website for www.theinsurancewars.com.



Privacy Policy: Hey, this is a great time to discuss our privacy policy. If you give us your email we won't sell it, let someone else use it, or put it out in any way. We will simply use it to what? Send you your newsletter electronically and use it to deal with your individual insurance program. Your information is kept here for use on your policies only. Even when we get banks calling us to "add them as a loss payee" on some ones policy, we first call you our client, and make sure we have YOUR permission to do so.

Office Equipment: In the course of remodeling the Minot office and since we are now imaging so much of our paper, we have a bunch of four drawer files, some desks, cabinets, some chairs, and other miscellaneous office equipment for giveaway. If you need any just stop by and we will show you what we have. If you can use it you can have it.



Scholarship and Job News:

Scholarships: Western Agency has been giving out scholarships in small towns across North Dakota for over 25 years. This has always been one of our best programs and I am proud to have started it so many years ago. Schools around the state where we have programs are Surrey, Sawyer, Towner, Bottineau, Westhope, Oakes, Hebron, Glenburn, Garrison, and Kenmare. If you are a student in one of these towns and want to submit an application we have sent the applications to each of these towns and your guidance counselor should have them available. If not be sure and let us know and we can send you one.



Jobs: In addition, if you are a parent who has a son or daughter in a state or town far away, who is tired of the crime, pollution, endless traffic and high prices, that may want to move back to North Dakota, be sure and have them call us to check on job openings. Due to the growth of Western Agency we currently have sales openings in Dickinson, Wahpeton, Minot, Garrison and Kenmare. These are great jobs and offer an excellent career, with good income and benefit plans. In these times where we hear of people not being able to get good jobs we are happy to be able to offer these career opportunities and to date we have hired 11 people who have returned to North Dakota to work for us.



**BE SURE TO CHECK
WITH US FOR ALL
YOUR INSURANCE
NEEDS!**

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Western Agency, Inc in Arizona

Western Agency, Inc has gotten licensed with 5 of our companies in the state of Arizona in the past couple of years. Why would we do this? Because so many of our clients are purchasing property in Arizona. How many? In just the past few weeks we have insured six homes of clients who have invested in Arizona real estate and we had many more properties insured before that. Linda and I purchased property in the Phoenix area a few years ago since two

of the kids lived there and it was hard spoiling the grandkids when we were so far away. When we decided to look at Arizona real estate, I called up Dan Schatz and asked him if he knew a good realtor to talk to. He reminded me that former Minot realtor Robby Fink and her husband Craig had moved to Scottsdale. Robby and Craig did a great job of helping Linda and I get a place located. Robby's phone number is 480-794-0256 if you

want to talk to someone down there about real estate. If you get a property purchased give us a call and we can get it insured for you.



Crop Insurance News:

SURE and ACRE: as the years go by farmers have been bombarded with ever more complex disaster programs from the FSA. The new SURE and ACRE programs are a couple more. Both of these are programs run by and written by the FSA. After going to several schools, Jim and Ryon put together a fairly easy to understand basic explanation of each program. If you want one just give us a call and we will send one out to you or sit down with you to go over it. Remember, however, these are FSA programs and the FSA has the final word on them. I encourage each producer to stop by the local FSA office to have the merits of each program explained to them.

Entity Changes: I see now the FSA has changed the comment period to 4/6/09 for implementing rules regarding changes in entity on farms. Only one problem. Sales closing of Crop Insurance is 3/15/09. All I can tell you is that if you are considering changing some entities on your farm, talk to us before you do it. We can take your individual situation and see if it will be a problem. The time to do this is not after it is too late. Just give us a call and we will check it for you ahead of time. So many times this just takes a few minutes and can save you a huge amount of trouble later on.

Proven Yields Done: Western Agency had all of our proven yields done by the 1st of the year and now are in the process of picking up any we missed. This year's 1st proven yield was brought in by Kent Neshem. Since he was the first one to get his data in so we could process it I was thinking he should get a gift certificate to Sammy's Pizza to celebrate the event. He can cash in his \$50 gift certificate at either the original Sammy's location on Broadway, or their new location in the Sleep Inn at Dakota Square.