

Minnesota Association of Farm Mutual Insurance Companies

Mutual LINK

Chairman's Message

Greg Gangelhoff, MAFMIC Chairman

By the time you read this message, I hope you have registered for MAFMIC's 116th State Convention held February 6-8 at the Sheraton in Bloomington. If you haven't registered, let me try to persuade you to attend!

My wife, Mary and I have chosen a "**State Fair**" theme for the Chairman's Reception held on Sunday. We are excited about having several menu items that will be served on a stick just like at the State Fair! In keeping with the theme, we are asking that attendees wear a shirt or sweatshirt that has the name of their town or city on it. Just dress comfortably and we look forward to seeing the many different communities that are represented at the convention.

Monday morning the convention swings into full gear. We start the day with the optional Prayer Breakfast. We'll have Christian music, an inspirational speaker and remember those in our MAFMIC family who have gone before us. Following the Prayer Breakfast, we move into the Opening General Sessions. We will be entertained by the keynote speaker, Buzz Sutherland and visited by our NAMIC President, Chuck Chamness and Chairman, Sandra Parrillo. In the afternoon, we have the opportunity to meet and educate the many new legislative members at the Capitol. The challenge will be informing the new members about our MAFMIC organization and its function. Later in the afternoon, the Exhibit Show and Reception will provide some fun and relaxation.



All those in attendance have the chance to win numerous door prizes, taste delicious hors d'oeuvres, and socialize with new and familiar faces. A new feature this year will be a live auction. Perry Larson (Southwest Mutual) will be our live auctioneer. There will be a number of large items that will be auctioned off. Included will be a 90 x 108 queen size quilt, Sky Caddy SG5 GPS, a print entitled *Autumn Gold*, and a night at the Arrowwood Resort in Alexandria, MN which includes two 18 holes of golf. Look for a complete list in your packet with all of the other auction items! The proceeds from the auction will help support the MAFMIC Scholarship Fund. The day concludes with the Mutual Celebration Reception held at pool side with entertainment provided by the live band, "*Trouble Shooters*". Dennis Overland, our District 7 MAFMIC director is a member of this band. You name it and they will play it!

Tuesday starts with our Annual Business Meeting. At the conclusion of the meeting, we will have our Question Box Panel. The afternoon features three excellent speakers. During Tuesdays session you will receive 2.5 continuing education credits. It looks to be an interesting and informative afternoon. We will conclude the convention with the banquet. "*The Classics*", who perform music from the Sinatra era, will be entertaining us that evening.

This is a brief outline of the 116th MAFMIC convention. The convention is a time of relaxation, renewing friendships, making new friends, and keep updated on what is happening within MAFMIC. I hope to see you at the convention!

Thank You To Our Sponsors



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Board Member Profile

Dennis Overland, Owner of Dennis Overland Insurance Agency Inc. & Director of Southeast Mutual

Personal Questions:

1. Where did you grow up? I am still living in the same house that I grew up in Rushford Village, MN. I purchased the house and my Father's Agency in 1996.

2. Where did you attend high school? I graduated from Rushford High School.

3. Did you attend college – If so, where & what for? I went to Winona State University for one year. I left school to go on the road with the band I helped start while in High School. I did end up going to The Recording Workshop in Chillicothe, Ohio and getting a degree as a Music Recording Engineer.

4. Are you married? Do you have children? Sheri and I have been married for 13 years. We have no children but several nieces and nephews that keep us busy.

5. What are some of your favorite hobbies? Bowling, golf (even though there does not seem like there is as much time for it as there use to be), playing with new technology-whether it be phones, computers or software. I am also a Firefighter for the Rushford Fire Department, EMT on the Rushford Ambulance and I am also the Commander for our local Sons of the American Legion.

Professional Questions:

1. What was your first job? We started our band when we were in high school, so I guess that would be first.

2. What about the insurance industry appealed to you as you were starting out? The flexible hours. I could help my Dad when I was not on the road with the band.

3. What do you enjoy about your job? I enjoy trying to figure out puzzles. In a way that is what you do in insurance. Each situation is unique, so you have to match up coverage's to fit.

4. What do you strive for professionally? Just to be the best I can be. To hopefully be someone that others think they can go to and can count on.

5. Who has been most influential to you professionally? I have been lucky to have good mentors. My father, Jardiene to start with and for the last 14 years I have worked with Henry Colbenson.

6. What do you like about being a board member? Being on the MAFMIC Board has given me a perspective of MAFMIC you really can't see from the outside. A real appreciation of what happens or better yet, what must be done to make things like the convention or short course happen.

Editorial Advisory Committee

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WS

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St. Joseph Mutual

Jenny Eiyneck, Manager

St. Joseph Mutual was formed in June of 1885 when our forefathers recognized the need for financial protection against fire losses.

St Joseph Mutual writes lines for property/casualty insurance. The company packages our policies with Grinnell Mutual Reinsurance Company and North Star Mutual Insurance Company.

Our company currently employs one Manager, two part-time secretaries, an independent inspector and we contract with Grinnell Mutual for our adjusting service. We currently have ten agencies.

Our policy is to provide top of the line protection from losses for our policy holders. We also strive to provide the best customer service available.

St. Joseph Mutual's goal for the future is to reach a larger group of people and let them know the services we can provide for them. We are also in the transition of joining the rest of the world technologically speaking!

The biggest challenge for St. Joseph Mutual is continuing to stay competitive with all of the larger insurance companies in the products we can provide.

St. Joseph Mutual likes to provide "Peace of Mind Insurance" for our policyholders.



MAFMIC COMMITTEE APPOINTMENTS

The various MAFMIC Committees may have openings for a February appointment to specific Committees. If MAFMIC Members are interested in a possible appointment please e-mail the committee you would be interested in serving on to Lori Olmscheid, Member Services Manager at lori@mafmic.org.

A list of prospective candidates is kept in the MAFMIC Office for reference as opening on committees become available.

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WHEN AND HOW TO CANCEL A TP, TP1 OR HOMEOWNER'S POLICY OF INSURANCE

Kirby Dahl, Attorney at Willenbring, Dahl, Wocken & Zimmerman

Mailing requirements for insurance policy cancellation notices were addressed in the article that appeared in the November/December 2010 Mutual Link. This article will address when and how an insurer may cancel certain policies. For township mutual insurance companies cancelling TP or TP1 form policies, the answer and procedure is simple. The company may cancel any TP or TP1 form policy by giving the insured and any mortgagee not less than ten (10) days written notice of cancellation by registered or certified mail sent to their last known mailing address. The law does not require that township mutual insurance companies give a reason for cancellation on the notice of cancellation when cancelling TP or TP1 form policies. Therefore, you may choose to give no reason for the cancellation in the notice of cancellation or, in the alternate, you may use any reason for cancellation in the notice of cancellation. Either method is valid and proper. It is also recommended that you add three (3) days to the ten-day cancellation period in order to allow for mail delivery. Since statewide companies vary as to the cancellation procedures for their portion of the TP1 package policy, their method of cancellation will not be addressed in this article.

For the cancellation of homeowner's policies (regardless of the Minnesota Statutes Chapter under which your company has been organized), the cancellation procedures for all companies are the same. In all instances, the cancellation or non-renewal must be given in writing to the insured and any mortgagee at the address shown on the policy. If the address shown on the policy differs from the last known address, notice should be mailed to both addresses. Unlike TP form policies, proof of mailing will be sufficient proof that the notice of cancellation has been given. As to the permissible reasons for cancellation, the following requirements apply:

1. During the first fifty-nine (59) days the policy is in effect, the company may cancel for any reason not prohibited by statute or regulation provided the cancellation is given in writing and twenty (20) days' advance notice is given before the cancellation is effective.

2. After a homeowner's policy has been in effect for sixty (60) days or more, or if it is a renewal policy, except for a few exceptions you may cancel or non-renew only at the anniversary date. One such exception is if you are cancelling the policy for non-payment of premium which notice of cancellation may issue at any time and only requires twenty (20) days' written notice of cancellation. The following are other exceptions that allow for cancellation at any time after a policy has been in effect for sixty (60) days or more or is a renewal policy, but only requires a thirty (30) day written notice of cancellation:

(a) A false statement or misrepresentation has been made by an insured in applying for the policy or in presenting a claim.

(b) There is an increase in risk from what was originally accepted for coverage; the increase can be due to something the insured has done or has omitted to reveal in the application.

(c) There is a physical change that has occurred that increases risk to the property after the policy is in effect, and the change has not been corrected within a reasonable time.

3. All other cancellations or non-renewals may occur only at the anniversary date provided you have given the insured sixty (60) days' written notice of cancellation or non-renewal before the cancellation or non-renewal is effective. The notice must contain the specific underwriting or other reasons for cancellation or non-renewal which reasons are limited to the following:

(continued on pg. 6)



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2011 MAFMIC Short Course

March 16 & 17, 2011

Arrowwood Resort & Conference Center

This educational seminar is for township mutual officers, directors, managers, office staff, agents, adjusters and inspectors. Registration fee includes attendance at eight sessions, a continental breakfast and hot breakfast buffet, two lunches, breaks, all classroom material and a social hour. Application has been made for 7.5 hours of non-company continuing education credits. We do not give partial credit for any portion of this seminar. **(APPROVAL IS PENDING)**

Cost and Registration

Early Bird Registration fee (before Friday, March 4): \$198 per member & \$255 per non-member. Late Registration fee (after Friday, March 4): \$230 per member & \$290 per non-member. One Day Registration Fee: Please call MAFMIC office for details. Spouses wishing to attend sessions must be registered and paid as a delegate. Those spouses wishing to attend only the breakfasts, lunches or adjustment hours must purchase tickets by prices listed below.

Cancellation Policy

Cancellation notices received on or before March 10, 2011 are 75 percent refundable. • Cancellation notices received March 11-15, 2011 are 50 percent refundable. • No refunds are available after March 15. • A company may substitute a participant at no additional charge. All registration cancellations and substitutions must be made in writing and sent to info@mafmic.org or faxed to (320) 271-0912.

Hotel Reservations

A block of rooms is being held until February 15th at Arrowwood Resort with the rate of \$89 plus tax. Reservations can be made online at <http://www.arrowwoodresort.com/reservations.php> using the Group Code **MAFMIC** or by calling (320) 762-1124 or (866) 386-5263. Alternative reservations may also be made at the following hotels:

Holiday Inn, Alexandria
5637 Hwy. 29 South
Alexandria, MN 56308
Reservations: 1-800-315-2621

Country Inn & Suites
5304 Hwy 29 South
Alexandria, MN 56308
Reservations: 1-800-596-2375

****NEW - An additional \$5 will be charged per person for those who will be attending the FMDC Director Certification Session "Role of the Board." Please check the FMDC Box if you plan to attend.**

2011 SHORT COURSE REGISTRATION

Company Name: _____ Phone: _____

FMDC	NAME (Delegate, Spouse)	Address	License #
<input type="checkbox"/>	_____	_____	_____
<input type="checkbox"/>	_____	_____	_____
<input type="checkbox"/>	_____	_____	_____
<input type="checkbox"/>	_____	_____	_____
<input type="checkbox"/>	_____	_____	_____

Opt'l Meal Tickets
Bkfst Lunch Adj Hr
\$40 \$50 \$45

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Attending FMDC Director Session: (Number Attending) ☐ x \$5.00

Total: \$ _____



Mail
PO Box 880
St. Joseph, MN 56374



Fax
(320) 271-0912



Phone
(320) 271-0909

WHEN AND HOW TO CANCEL A TP, TP1 OR HOMEOWNER'S POLICY OF INSURANCE ... continued from page 4

- (a) Using the property for an illegal activity.
- (b) Cancellation by the insurance company of its contract with an agent, unless the company assigns another agent to the policy. (The company must also transfer the policy to another agent if the insured requests it in writing before the non-renewal date.)
- (c) Violation of laws that increase the possibility of loss.
- (d) Refusal of the insured to eliminate conditions which increase risk after being notified by the insurance company that the conditions must be removed.
- (e) A change in the quality or availability of fire protection services.
- (f) Two or more losses by the insured within the past three years, unless the losses were caused by lightening or other storm-related phenomenon, or they did not result in any payment by the insurance company, or 80 percent of the costs were recovered through another party.
- (g) The company stops writing homeowners' insurance in Minnesota.
- (h) The insured homeowner fails to provide information relating to the insurability of the property when requested by the company.
- (i) Failure to pay property taxes on the insured property for two or more years.
- (j) The homeowner no longer owns that particular property or no longer lives there.

If the cancellation or non-renewal is based on the reasons set forth in 2(c), 3(d) or 3(h) above and the reason for cancellation or non-renewal can be corrected, the company must send two (2) notices. The first notice is to advise the homeowner that the policy will not be renewed unless the objectionable condition(s) are corrected or removed by the insured or you have requested that the insured provide information relating to the insurability of the property. The first notice must provide the insured a reasonable period of time to correct the objectionable condition(s) or provide the requested information. The second notice must inform the homeowner that the policy is being cancelled or is not being renewed because the objectionable condition(s) contained in the first notice have not been corrected or the information requested has not been provided. If the second notice is for a 2(c) reason, the notice must be sent out thirty (30) days in advance of cancellation. If the second notice is for a 3(d) or 3(h) reason, the notice must be sent out sixty (60) days in advance of cancellation or non-renewal.

In all cases involving cancellation or non-renewal of homeowner's policies, the reason for the cancellation or non-renewal must be stated in the notice and the homeowner must be advised of their right to file a written objection or appeal with the Commissioner of Commerce. The Commissioner then, within thirty (30) days, rules whether or not the insurer's action was proper which ruling is binding on both parties pending judicial review. The homeowner must also be notified of the right to apply to the Minnesota Fair Plan for Coverage. Refund of unearned premium on a pro rata basis shall be made at the time of cancellation. As is the case with cancellation of TP policies, it is recommended that you add three (3) days to the statutory cancellation period in order to allow for mail delivery.

Employment Opening

North Star Mutual Insurance Company has an opening for a Commercial Underwriter. North Star is located in Cottonwood, MN and writes approximately \$210M (2010 est.) premium in six states. The Commercial Department premium for 2010 will be approximately \$27M. With a staff of eleven, the Commercial Department writes primarily small BOP and Commercial Package Policy Business including apartments, churches, offices, retail and contractors. This position requires a minimum of five years commercial underwriting experience. Contact Human Resources at (507) 423-6262 or click on the Careers tab on our website, www.nstarco.com, for an application.

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2010 ELECTIONS

Marcus Marsh, MAFMIC Government Affairs Manager

The 2010 Election is historic in Minnesota.

In 1972 Minnesota went to partisan labeling – Democrat or Republican. Prior to that you ran as a Liberal or Conservative and the Conservatives held sizeable majorities in both the House and Senate. You could win elections most any where in Minnesota with a Conservative label.

Since the election in 1972 the Democrats have held the majority in the Senate until now, that is 38 years of one party control.

THE STATE SENATE: Went from 46 Democrats and 21 Republicans to 30 Democrats and 37 Republicans.

Notable incumbents who were defeated were Trial Lawyer Mary Olson (D-Bemidji) and Trial Lawyer Don Betzold (D-Fridley).

The new Senate Commerce Committee Chairman is Senator Chris Gerlach (R-Apple Valley) who we have worked a lot with and he will do a good job. We want to thank Senator Linda Scheid (D-Brooklyn Park) for her many years of strong leadership and support as Commerce Committee Chair.

THE STATE HOUSE: Went from 87 Democrats and 47 Republicans to 62 Democrats and 72 Republicans.

Notable incumbents who were defeated include Bernie Leider (D-Crookston), Al Juhnke (D-Willmar) and Loren Solberg (D-Grand Rapids).

The new House Commerce Committee Chairman is Joe Hoppe (R-Chaska) who has been someone we have worked with for several years.

GOVERNOR: In an extremely close election former U.S. Senator Mark Dayton defeated State Representative Tom Emmer by 8,770 votes. The unknown in the election was independent Tom Horner who in the opinion of several legislators was the spoiler in the election. The final results were Mark Dayton, 919,232 votes (43.68%), Tom Emmer 910,462 votes (43.21%) and Tom Horner 251,487 votes (11.94%). We will work to build positive relationships with Governor-Elect Mark Dayton and the members of his administration.

With 60 new Representatives and Senators we have a big job ahead of us to educate these Legislators about the Mutual Insurance Industry.

Please join us at the Legislative Visit, Monday, February 7th as part of the 2011 MAFMIC Convention.

MAFMIC Dues/Financial Statements

This is just a reminder that in order to attend that 2011 MAFMIC Convention, dues **MUST** be paid.

It is also time again to collect company financial statements.

You can send them to:

PO Box 880, St. Joseph, MN 56374

Or fax to: (320) 271-0909



"Designed for Mutual People by Mutual People!"

**Please join us in our Hospitality Room
Monday Feb. 7th—7pm. to 11pm.
at the MAFMIC 2011 Convention**

1-800-RCC ONLY(722-6659) www.rccbi.com sales@rccbi.com
211 S 10th St Bird Island, MN 55310

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Mutual Link

2011 MAFMIC Calendar of Events

February 6-8	MAFMIC Convention Sheraton, Bloomington
February 22-24	Central MN Farm Show Civic Center, St. Cloud
March 16-17	Short Course Arrowwood Resort, Alexandria
March 17-19	Owatonna Farm Show Steele County Fairgrounds, Owatonna
April 19	Spring Agents' Meeting Verizon Wireless Center, Mankato
April 20	Spring Agents' Meeting Shooting Star, Mahanomen
May 18-19	Congressional Contact Visit Washington D.C.

In Sympathy



Paul Martin Czeck, 89 year old resident of Bowlus, MN passed away Thursday, September 30, 2010 at his home. Paul worked for Elmdale Mutual Insurance Company and North Star Insurance Company for 27 years.



Lee Bondhus age 71 of Westbrook passed away Sunday, December 12 at Sanford Medical Center in Sioux Falls, SD with Harriette by his side. Lee served as the MAFMIC Chairman in 1985 and NAMIC Chairman in 1994. Lee retired in 2003 as President/CEO of RAM Mutual Insurance Company after 16 years.

MAFMIC wishes to express its sympathy to the friends and family of Paul and Lee.



To submit an article to be published in the Mutual Link please send them to Mutual Link, PO Box 880, St. Joseph, MN 56374, or email them to info@mafmic.org.

HAVE EMAIL? If you are currently receiving the hard copy Mutual Link and have an email address, MAFMIC would like to send you the electronic version! It's easy, convenient and environmentally friendly! Just get in touch with MAFMIC and we'll take care of the rest!