

May 14, 2004

TO: ALL PERSONAL LINES AGENTS

Discontinuing Manually-Prepared Personal Inland Marine Policies

Effective September 1, 2004, Grain Dealers Mutual Insurance Company will begin non-renewal of all manually-prepared Personal Inland Marine policies. It is not practical to implement an automation system due to the very small number of policies affected, nor is it feasible to continue to offer the current service because of the high expense associated with manual processing. The Company will continue to write Personal Inland Marine as part of the Homeowners policy.

We regret any inconvenience. Your cooperation and understanding are appreciated.

Bruce Mitchell
Agency Supervisor