

November 4, 2005

TO: ALL NORTH CAROLINA AGENTS

HOLY SMOKE! THAT'S A LOT OF COVERAGE

Effective January 1, 2006, Grain Dealers Mutual Insurance Company will offer a newly enhanced Church FOCUS Endorsement. There have been several coverage extensions and additions that are designed to help you attract and retain church business. The attached coverage comparison sheet will highlight most of the enhancements, but as always, we encourage you and your insureds to carefully read the actual endorsements.

I believe you will be particularly pleased to observe that we will now offer limited coverage for Sexual Misconduct and/or Molestation. For a minimal additional premium, you may endorse a church policy to provide a sub limit of \$25,000, \$50,000, or \$100,000 for acts of Sexual Misconduct and/or Molestation. A copy of our required supplemental questionnaire has been enclosed.

Your input and recommendations have contributed greatly to the development of these new enhancements. We are hopeful these changes will allow you to compete in the church market and successfully grow this class of business with Grain Dealers Mutual Insurance Company.

Your continued input and contributions are encouraged and greatly appreciated.

Bruce Mitchell
Agency Supervisor