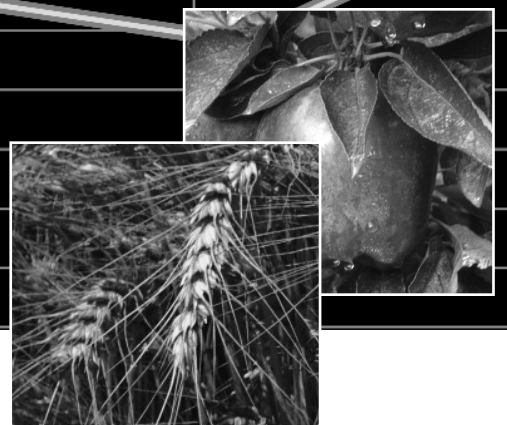


Risky Business

A publication of Spartan Insurance Agency

SEPTEMBER 2006



Wheat Insurance Deadline is September 30

If you do not make any changes, your fall wheat policy coverage and levels will remain the same as 2006. **Wheat renewal** forms were mailed out to all wheat policyholders. Please complete and return them by September 30 or call your agent to review your policy.

Poor wheat yields (less than 60% of county average), can be replaced with 60% of county average. This can help buffer those bad years and raise your APH, for a minimum additional cost. This requires your signature on the application. If you think you have some poor yields in your history, ask about this. CAT coverage is the minimum coverage available, but is not always at the minimum fee. The catastrophic risk protection

Wheat prices are extremely high. You need to make sure you have adequate coverage for the 2007 crop year. September 30 is the deadline to add, change or cancel your wheat insurance for 2007. Contact your agent right away to review your policy and make sure you are covered.

level of coverage is 50 % of your APH. The cost is \$100 per crop per county. If you have a low number of wheat acres, CAT coverage might be costing you more than a higher coverage would cost. Call us for a quote; maybe we can save you some money.

Your wheat crop insurance policy has a five-day **late planting period**. Wheat planted in the late plant period is insured and coverage is reduced by 1% for each day within the late planting period. Wheat that cannot be planted by the final plant date, *might* qualify for prevented planted acreage. Prevented planted (PP) wheat acres can now be planted to a spring crop with the PP payment reduced to 35%. Check with your agent to see what qualifies as prevented planted.

DEADLINES

SEPTEMBER 30, 2006

Wheat and Forage Policy deadline.

OCTOBER 1, 2006

All Spring premiums are due. You will receive a bill.

OCTOBER 25, 2006

Final plant date for wheat. Northern Michigan counties planting date is October 5. (*Wheat planted up to 5 days after these dates is insurable, but subject to late planted guidelines*).

NOVEMBER 14, 2006

Wheat yield reports due—Report yields for the 2005 wheat crop.

NOVEMBER 15, 2006

Wheat acreage report due—Final date to report planted wheat acreage. Please return your signed acreage reports ASAP!

NOVEMBER 15, 2006

Forage production and acreage reports due.

NOVEMBER 20, 2006

Deadline to apply for insurance on: fruit, barley, grapes, apples, peaches, sweet cherries and blueberries.

DECEMBER 10, 2006

End of insurance period for corn, soybeans, dry beans and sugar beets—All Claims must be turned in by December 10.

JANUARY 5, 2007

Fruit production and acreage reports due.

JANUARY 31, 2007

Deadline to apply for AGR insurance.

CRC/RA Winter Wheat Harvest Price Announced

- RA 2006 Winter Wheat harvest price—**\$3.84**
- CRC 2006 Winter Wheat harvest price—**\$3.92**
- GRIP Winter Wheat harvest price—**\$3.74**
- These prices are averages from the Chicago Board of Trade, according to the trading dates set for each policy and will be used to figure 2006 wheat losses for the revenue policies.
- The 2006 base price was \$3.50 for CRC and RA and \$3.59 for GRIP.

2006 Photo Contest Winners

We had some great photos entered into our photo contest again this year! Thank you to everyone who participated. We will use them in our office and possibly for our displays. These are the winners we have chosen for this year. We are always looking for nice agricultural photos. If you have taken a photo of a field, equipment, producers or anything ag related, please e-mail them to Spartan Insurance Agency at kstoneman@chartermi.net. Thank you!



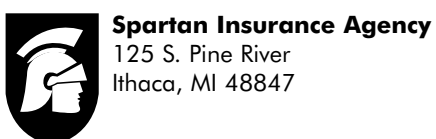
First place goes to Dennis and Chris Rodgers of Dunkirk. Isabel Rodgers is checking Pappaw's corn.



The second place photo was of wheat at sunset. It was taken and submitted by Matt Shaw of Decker, Michigan.



This is the honorable mention photo, submitted by Pam Larson, a crop adjuster from Hickory Corners, Michigan.



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CONGRATULATIONS!

The winner of the Spartan Insurance Open House drawing was: **MAYNARD GROSS**. Maynard won a gas card. Congratulations and thank you to everyone who entered our drawing.

The Dynamic Wheat Market

BY STEVE BEIER, THE ANDERSONS

To say that the wheat market has been very dynamic would be an understatement. Well next year promises more of the same. The 2007 crop production plan usually begins with the question: "How much wheat am I going to plant?" Let's see, the pluses for planting wheat are rotation benefits, spread out labor demands, and of course summer cash flow. All of these still seem to continue to support planting wheat. So what's the hitch? The problem lies in wheat's first cousin corn. See, ever

since the president talked about American dependency on energy, corn hasn't been the same. At \$60 plus a barrel for oil and the death of MTBE, ethanol has become the new poster child for solving the U.S. energy problem.

You may remember me talking in previous newsletters about how the times are changing. Corn is now caught between being an energy item as well as a food and feed commodity. Amazing what a little competition can do in a free enterprise system. In all of this excitement, wheat is

Do you have the coverage to market your grain?

By now you have probably started marketing grain for 2007 and beyond. Will your crop insurance policy protect you if a crop loss leaves you short on bushels at delivery? It may be time to evaluate your risk management strategies and see how a crop revenue policy can help you meet your marketing goals. There are policies that will give you adequate coverage to safely market your grain. Check with your agent. *Wheat deadline is September 30.*

caught on the outside looking in, with no change in site. As I look to the future, I would much rather hitch my horse to the energy cart (corn). This doesn't mean you shouldn't plant wheat, it just means you

should market any '07 wheat before you plant it. And because it was sold ahead, I would strongly consider insuring it with a good revenue insurance product.

FRUIT POLICY OPTIONS FOR 2007

At the time this newsletter was written RMA had not yet released the prices for fruit policies in 2007. Watch your mail for a special fruit article detailing prices and rates.

APPLES—This may be the year to consider purchasing a policy other than CAT, particularly if you have purchased the CAT policy with additional hail insurance in the past. The Fresh Fruit Endorsement insures for Fancy or better grade apples, covers for more than hail losses, and is competitively priced compared to hail insurance. We have a program that will show loss examples and how to best divide your farm by varietal groups.

GRAPES—There are no significant changes to the insurance policy for grapes. However, if you grow more than one variety, a policy level higher than the CAT will allow you to insure each variety separate from the other.

BLUEBERRIES insured at a level higher than CAT are eligible for optional units, meaning that the acres in each section can be insured separately.

DEADLINE IS NOVEMBER 20th TO MAKE CHANGES TO YOUR POLICY.

You have choices and our goal is to help you make the best one.

Congratulations to the 2006 Scholarship Winners

Chopping Silage?

Call your agent, so an adjuster can do an appraisal. If an adjuster cannot look at the fields before you finish chopping, you need to leave strips to appraise.

EACH YEAR Spartan Insurance awards \$3,000 for college scholarships. This year's recipients are: Jacob and Nate Gust, Ottawa Lake, MI; Daniel Main, Six Lakes, MI; Megan Ross, St Louis, MI; Nicole Schaendorf, Allegan, MI; Lynnae Slavik, Ashley, MI; Kayla Marie Stomack, Minden City, MI; Anna Elizabeth Timmerman, Nunica, MI; Justin Keil, Ney, Ohio and Amy Wensink, Rudolph, Ohio. There will be more details on each scholarship winner in the next newsletter. Congratulations again and best of luck to all the applicants.

Premium Billings

Spring policy premium is due October 1.

The bill will come directly from the parent company, not Spartan. The bills are being sent out later than in the past, so please be aware of the due date. If it is not paid and received by the company by **November 1**—a finance charge will be assessed then, and every month

thereafter, until paid. If it is NOT paid by March 15, 2007, you will not be eligible for 2007 crop insurance coverage. **Open (unpaid) claims** will not stop the finance charge. The premium is still due by the due date. If the premium is not paid at the time the claim is paid, the premium will be deducted from the claim check.

REPORT YOUR PRODUCTION TIMELY

- Please report your spring crop production as soon as you are done harvesting. Your yield reporting forms will be coming soon.
- **December 10 is the deadline to submit claims—So you need to report your production prior to December 10 to determine if you have a claim.**
- The sooner you report your production—the sooner your loss can be paid, if you have a loss.
- If you have revenue coverage—be sure to report your production right after harvest—there might be a claim due to price.

Harvesting and APH Tips

Keeping track of accurate yields per section is especially important, if your policy requires reporting by section. Before you start harvesting, be sure you know how to report your crop yields and record your production accurately.

If you have a policy that doesn't require production reporting, such as GRP or GRIP, you can still give your agent your production to keep in the file. If you change your policy in the future, your agent will already have your production history.

Help us communicate better with you.

If you have an e-mail address or cell phone number—please share it with your agent or processor. It helps tremendously in trying to contact you, especially during a loss. Our agents e-mail addresses are listed on our website, so send them a quick message with your address. Thank you for your help!