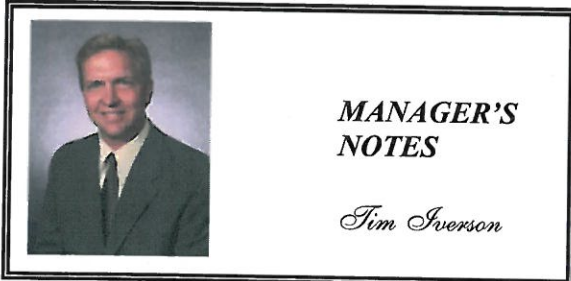


The Mutual Monitor



SUMMER 2014 EDITION

VOL. 31, NO. 2



MANAGER'S NOTES

Tim Sverson

Wow, what a winter we had with sub-zero temperatures for the entire months of January and February. If you were stuck here you won't soon forget the winter of 2013-2014. Spring had a real difficult time getting here and some would say we really didn't have Spring, we just had RAIN. I hope this edition of the Mutual Monitor finds you near the end of our short summer with some warmer weather.

It is with sorrow and regret that I must report the next piece of information:



Eugene Malone, vice president of the Prairie Pine Mutual Board of Directors, passed away on Sunday, April 13, 2014, at the St. Cloud Hospital. He was 74 years old. Eugene served on the board of directors of Bluffton Mutual and Prairie Pine Mutual for over 40 years. Gene was a valued member of the board and will be greatly missed. Gene started out of high school as a dairy farmer with his brother and retired from milking in 2002. He and Eileen have three sons Bryan, Jason and Steven. Rest in Peace Eugene.

L.P. Prices went through the ROOF

The excessive cold weather this last winter, along with a couple of other factors, brought extremely large increases in the cost of L.P. Gas. With that increase in gas costs many people were desperate for alternative heating options. Our location in the middle and northern part of Minnesota where we have a plentiful supply of wood to burn lead to many of our customers turning to wood furnaces and wood stoves to supplement their heating needs. Well this can be a very dangerous and costly move for some people. Wood heating is a major cause of many home fires in Minnesota each year. Even though we have lots of wood to burn, not everyone knows how to burn wood safely.

WOOD BURNING – WHAT HAS CHANGED FOR YOU AS A CUSTOMER?



Recently at a board meeting of Prairie Pine Mutual it was decided that we needed to take a stand on wood burning units that have not been inspected by our Loss Prevention/Fire Safety Inspector. The units that were being put in without consulting us has been worrisome. So earlier this year we implemented new language that will be showing up on the coverage page of your annual renewal policy. It will look like this:

RESTRICTIVE ENDORSEMENT: COVERAGE FOR ANY LOSS CAUSED BY SOLID FUEL/WOOD HEATING DEVICES IS PROVIDED ONLY FOR A COMPANY APPROVED UNIT AND LOCATION LISTED HEREAFTER:

IN CONSIDERATION OF THE PREMIUM CHARGED, IT IS HEREBY UNDERSTOOD & AGREED TO THAT NO OTHER SOLID FUEL/WOOD HEATING DEVICES HAVE BEEN APPROVED AND/OR USED ON INSURED PREMISES.

UNAUTHORIZED USE OF OTHER SOLID FUEL/WOOD HEATING DEVICES WILL VOID COVERAGE FOR ANY AND ALL RESULTING LOSSES.

The blank line in the middle of the statement above will show the type and location of the approved wood heating device according to our records. If this information is incorrect or if "NONE KNOWN OF" shows up on that line then we don't have any record of you burning any sort of wood heating device. If you see this and you are currently burning wood, you need to contact our office ASAP. We will want to come out and view, photo and see if your wood burning unit has been installed up to fire code. Spacing from combustible walls is crucial as well as chimney, pass through material and the type of stove itself.

If you do currently have an approved wood burning device on your premises we will describe it on the line in the above statement with a statement such as this: "OUTDOOR WOOD FURNACE" or "WOOD STOVE IN FAMILY ROOM". If you see this on that blank line then we have you on record using that approved wood burning unit.

If you have any questions please feel free to contact your agent or our office to discuss any concerns. Better safe than sorry. Thanks again for all your business and confidence in Prairie Pine Mutual.

Sincerely,

Tim Sverson, Manager

Want to pay your bill through the internet from your checking account?

Just go to www.prairiepinemutual.com and click on pay my bill! You will have to call our office for a password and once you have that you're ready to go. It's easy and it's fast.

STAYING SAFE DURING HARVEST



During harvest, you have a huge amount of work to do within a very short window of time. That urgency is likely what causes more accidents and damage during harvest than at any other time during the year. So how do you stay safe during this busy season?

First, get organized. Make sure all your harvest implements and equipment are in good working order and perform operational checks on fans, augers, conveyors and other mechanical equipment. Make certain all safety shields are in place. Check and repair slip, trip and fall hazards, such as loose ladders, platforms, handrails and steps. Get rid of protruding objects that could cause injury from a trip or fall. Clean up debris, weeds or other obstructions that can cause potential injury or impede your ability to do the work. Inspect and test the gas lines for your crop dryers. Make sure you have a first aid kit both on your harvesting equipment and at your drying and grain storage areas. Make sure your electrical boxes and connections are weatherproof, water-tight and properly grounded and there is no open conduit or exposed wiring.

Second, focus on efficiency. Remove dust and debris from your drying floor. Check your bin roof vents to determine their condition. Rusted or damaged vents should be replaced and bird nests removed. Also check areas around the vents for potential places where moisture could enter the bin. Make sure floor gates and sumps are clear of any debris, and open easily. Check the igniter on your dryer. Check and clean the burner, looking for plugged or rusted openings. Consider replacing the burner if you see any cracks or other damage.

Third, maintain and exercise care with your harvest equipment. Always refuel your combine after it has cooled. Fuel vapors can easily ignite on hot engines and refueling accidents are a major cause of combine fires. Keep and maintain a suitable fire extinguisher on each of your combines. Make sure they are accessible from the ground. Grease and complete routine maintenance in the morning when you're more focused on the task at hand. Drive your combine only when you're alert. Schedule breaks, change jobs with someone and move combines from field to field during daylight. Keep your distance from other vehicles and machines. Always stay aware of the location of other equipment. Blow dirt, chaff, leaves and other debris from the machine as often as possible. Check bearings, shafts, belts and other moving parts for wrapped plant material.



ASK MR. MUTUAL

(NOTE: Mr. Mutual's answers are based on the TPI (1-13) edition provided by the Minnesota Association of Farm Mutual Insurance Companies. Individual policies may vary slightly and you should check any loss with your company and with the policy contract you may have.)

Dear Mr. Mutual: Our kids were playing baseball with our neighbor's kids in their front yard when my son hit a ball that broke the big bay window in the front of their house. This was quite expensive to replace. Does our liability policy cover this damage or would the neighbor collect from his homeowner's company?

Mr. Mutual says: Typically the Homeowner's insurance policy will provide coverage for "glass breakage". This would include any breakage of glass or any glazing material which is part of the dwelling. There are certain limitations that might apply in this coverage so please refer to your own specific Homeowners Insurance Policy. The glass breakage coverage is subject to the policy deductible so the neighbor, although he has coverage under his own Homeowners policy, will have to pay some portion because of the deductible. Your Liability Policy will cover the neighbor's deductible under what is called the Damage to Property of Others coverage. Keep in mind the damage to property of others coverage is generally limited to \$500 - \$1000. Higher limits can sometime be purchased. There is no need, under the Damage to Property of Others coverage, to establish fault or liability.

Dear Mr. Mutual: A tree blew over this spring and landed on my house damaging the roof and breaking a couple of windows. My insurance company covered the cost of repairs and the cost of removing the tree but not the cost of hauling away the tree debris. Why wasn't this covered?

Mr. Mutual says: The policy pays for removing the tree only to be able to repair the damage. Not for the removal of the tree debris.

Dear Mr. Mutual: My neighbor's house caught fire last winter and was a total loss. Unfortunately, the fire was on a windy day and the sparks from the fire blew over onto my house causing several small fires which were extinguished but the house had some serious burns and smoke damage on the side that faces the neighbor's house and there was some water and smoke damage throughout my house. Whose insurance covers this loss? Mine or my neighbor's?

Mr. Mutual Says: If the neighbor was negligent in causing the fire, his liability insurance would pay. If he had nothing to do with the fire starting, then your insurance pays your loss.

Dear Mr. Mutual: This is sort of a weird loss. My son and daughter-in-law live in the house on my other farm. A few weeks ago, his wife came home from work late at night and discovered she didn't have her keys to the house and she was locked out. She pounded on the door but their bedroom is in the back of the house and my son is a very sound sleeper. So, finally, she went around the back of the house planning to pound on the window but as she went toward the window, she tripped on something in the dark and put her hand through the window cutting her hand and wrist quite badly. The kids are just starting out and they have not yet been able to afford health insurance. Unfortunately, the injury is quite serious and will require surgery and some extensive rehabilitation if she is to regain the use of all of her fingers. Since she was injured on my property, is there any coverage for her medical expenses under my homeowner's policy?

Mr. Mutual says: Possibly. Your Medical Payments to Others may be available. Turn the claim in to your company and discuss with the adjuster.

Dear Mr. Mutual: Our washer malfunctioned and flooded the wood floors in our downstairs. The contractor making the repairs has informed us that the downstairs area cannot be used during the period—he estimates it will take about a week—when the repairs are being done which means

we'll have to live somewhere else during the repair time. Is there any coverage for these additional expenses?

Mr. Mutual says: There is Additional Living Expense coverage on most policies. However, if the house is "liveable" and the basement is only one portion of the house, you may not be eligible for those expenses. Please discuss this with your adjuster. Mr Mutual does not have quite enough information to give a firm answer.

Dear Mr. Mutual: Our house burned down a month ago and we are currently living in a rental townhouse while our home is rebuilt. The insurance company is paying for our rental costs but I have to drive back and forth to our farm every day to take care of our cattle and our dogs. Can I be reimbursed for my mileage making these trips?

Mr. Mutual says: Yes. It is an additional expense that you would not have incurred if the fire had not happened.

Dear Mr. Mutual: I had a pole barn where I restored antique vehicles and tractors as a hobby. Last winter, the roof collapsed from the snow weight and severely damaged two old cars and a tractor I was working on at the time. The company paid for the cost of repairs to the roof and the sides of the pole barn but I'm wondering if there isn't some coverage for the damage to the two cars and the tractor. Is there?

Mr. Mutual says: Your policy provides no coverage for a automobiles. If you have the tractor listed as Farm Personal Property you should have coverage for the tractor.

Dear Mr. Mutual: We breed champion limousin cattle. Our problem is that an area close to our farm is being developed and a number of families with smaller children are moving into this development. Limousins are not the best tempered cattle and the breed is known to be aggressive. We've posted signs around the property warning people to not approach the cows as well as taking every other precaution we can think of and we keep the bulls confined close to the house in small paddocks with high fences but accidents can happen especially with young children around who may not be able to read. Do we need any

MR. MUTUAL TO PAGE 7

RAM

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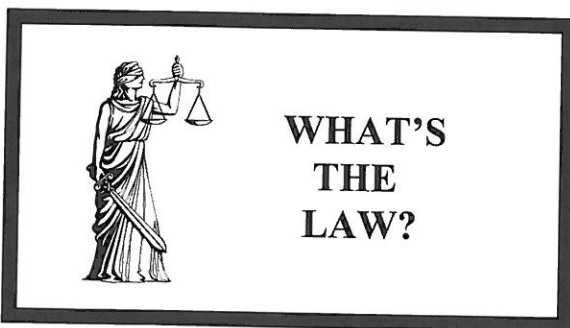
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Dakota-Stanton, Farrington	Madelia-Lake Crystal, Madelia	Southwest, St. Charles
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by Richard E. Vosepka

Samuel Shaw owned two farms, one of which he had recently purchased at a sheriff's sale. However, he and his wife had no intention of living on the new property so Shaw decided to see if they could find a renter for the house and toward that end, put an ad in the local small-town newspaper. Sure enough, a young man who said his name was Matt Harren, answered the ad. When he showed up to look at the property, Shaw was impressed both by the young man's appearance and his brand new pickup. Harren said he was a student at a nearby college and was just looking for a place to live outside the city while he finished school. He also told Shaw that he had a couple of horses stabled in the college town and he wanted to get them out where they could have a decent place to graze and move around. When Shaw asked about his ability to pay the rent, Harren assured him that would be no problem because he had a substantial trust fund. In fact, Harren said, because he wanted to bring his horses, he'd pay Shaw double what he asked initially for rent and what's more, he'd pay him in cash. With a smile, Harren said, "That way, it's up to you whether you want to report the money on your taxes."

After a couple of visits in the two months after Harren had rented the house and farm buildings to make sure he wasn't trashing the property, Shaw didn't bother to check on Harren or anything he was doing. On the first of every month, Harren would stop by Shaw's home and pay the rent in cash. This went on for several months until one day, Pete McCarthy, who owned a farm next door to Shaw's rental property, saw Shaw in town. "Sam," McCarthy said, "What do you know about the guy who rented the old Griggs place from you?" "Not much," Shaw replied. "He said he was a college student. Why do you ask?" "Well, there's something funny going on over there, Sam. There are people coming and going at all hours of the day and night. There's a bunch of garbage, mainly plastic bottles stacked out behind the barn, the shades are always pulled in the house and it really stinks around there. When the wind is right, we can smell it all the way over at our place. Did you know there was a woman and two kids living there with him?"

Shaw told McCarthy that he'd look into it but all he did was ask Harren about the woman and the kids living in the house with him the next time Harren arrived with the rent money. Harren apologized saying it was his sister and her two children who had moved in with him after their home had burned. He told Shaw that he should have mentioned it earlier but he'd give him additional rent money for the time his sister had been living with him and would continue with the higher rent until she was able to move into her new home which, Harren said, was being built in a suburb of a nearby city.

Satisfied with Harren's explanation and happy about the additional cash, which he'd long since decided was not going to appear on his tax forms, Shaw did not believe it necessary to investigate the goings-on at his new farm any further. Another few months slipped by before Shaw again ran into a farmer whose property was on the other side of the old Griggs place from McCarthy's. He told Shaw roughly the same story about debris, secrecy, traffic and the stink but added two other bits of information. One was that there were at least a dozen large clear glass containers stacked outside the back door. The other was that the two kids who lived on the farm were ragamuffins. They were also very thin, always dirty, improperly dressed against the cold during the fall and winter months and frequently seemed to have an inordinate number of bruises even for active kids that age.

The next time Harren came with the rent money, Shaw asked casually about the two children. Harren said they found farm life a lot of fun. They could play outside every day and they were so active with all the area around the farm to play in that they'd lost the "city fat" they'd accumulated in his sister's previous home.

While Shaw thought Harren's explanation plausible, especially after Harren offered to raise his rent payments, at the McCarthy home, it was a different story. The kids from Harren's house frequently sneaked through the woods to the McCarthy home where they would beg for food. Kindhearted Mrs. McCarthy was unable to refuse hungry kids but she did keep reminding her husband that something was seriously amiss with the two kids because not only were they always half-starved and dirty but they always pleaded with her to not tell their mother that they had been at the McCarthy home. Finally, when the younger of the two children was clearly sick and both kids were obviously seriously malnourished, Mrs. McCarthy had seen enough especially in view of

the new array of bruises decorating the arms and legs of the older child. She discreetly took photos of the kids and took them to the child protection people at the county seat. Child protection began an investigation which ultimately led to a home visit. However, when the child protection folks knocked on Harren's door, they were met by Linda Conroy, the children's mother, who not only refused them entry but also threatened to shoot either of the protection people if they ever showed up on the premises again.

A quick look around at the debris in the yard which included red stained coffee filters, antifreeze containers, lantern fuel containers and a lot of duct tape along with the stink emanating from the house actually told the child protection people everything they needed to know about why the woman had been so hostile and they immediately notified the sheriff who, in turn, started an investigation. The surveillance operation mounted by the sheriff's department revealed the amount of traffic going in and out of the farmstead and the investigators knew this was a major methamphetamine operation. The sheriff requested assistance from the Drug Enforcement Administration. When DEA agents and sheriff's deputies raided the place, they found one of the largest meth labs ever discovered in the state.

Harren and Conroy, who by the way was not his sister, were indicted in federal court on a number of drug-related charges. Both entered plea agreements and as both had prior drug convictions, they were sentenced to 20 years to life in prison. The two children, who were Harren's and Conroy's, were initially placed in foster care but custody was later awarded to Harren's brother and sister-in-law, both stable, law-abiding, responsible people.

While Shaw was surprised by Harren's and Conroy's arrests, he figured he had nothing to worry about since he hadn't been involved in the meth operations. As a result, he was stunned one morning when DEA agents appeared at his door and also placed him under arrest. During their investigation of Harren and his operation, they had discovered that Shaw not only had received considerable sums of rent money from Harren but had also ignored warnings from neighbors that criminal activity was occurring on his property. In other words, he knew or should have known what was occurring on his farmstead. Furthermore, Harren had told DEA agents that he was pretty sure Shaw had not declared or paid taxes on the nearly \$75 thousand in rent money he had collected from Harren during the two years he had occupied Shaw's farm. The DEA turned this additional information over to Internal Revenue Service agents for investigation.

As an offshoot of the methamphetamine investigation, the U. S. Attorney's office also monitored the IRS investigation of Shaw. It quickly became apparent that Shaw had never declared the substantial rental payments he received from Harren. The closer question for the Assistant U. S. Attorney handling the case was whether Shaw could be deemed criminally culpable as part of the drug operation.

On one hand, the AUSA was satisfied that Shaw had never been directly involved in having a "hands on" role in the meth lab or in meth distribution. On the other hand, it was obvious that Shaw had done everything except having his eyes sown shut to avoid knowing if there was criminal activity taking place on his property.

Ultimately, Shaw's tax evasion helped the prosecutor decide to proceed with conspiracy and RICO (Racketeer Influenced Corrupt Organizations) charges against Shaw as part of Harren's criminal enterprise. The tax evasion certainly showed that Shaw was willing to commit a crime. But more importantly to the prosecutor was the additional evidence the evasion provided that Shaw's "intentional" ignorance of the criminal activities was actual knowledge of the activity. Therefore, the prosecutor concluded that the evasion along with the other evidence of turning a blind eye meant that criminal intent could be imputed to Shaw even without direct evidence that he was a participant in the meth lab operation.

To be guilty of a conspiracy, an individual need not know every detail, every purpose or every person involved in the conspiracy and need not be in it from the beginning or at the end, so long as his knowing and willful actions or inactions furthered the conspiracy at some point during its existence.

Shaw was convicted on several charges including ones related to the drug operation as well as tax charges. He received two five year sentences, criminal fines independent of the tax penalties and forfeiture of the former Griggs farm under RICO.

Richard Vosepka is a retired Assistant United States Attorney.

NEW STRUCTURES THAT MEET ASCE STRUCTURAL INTEGRITY STANDARDS MAY GET REDUCED INSURANCE RATES

New buildings that meet or exceed the American Society of Civil Engineers 7-05/10 building code may be eligible for reduced insurance rates. ASCE 7-05/10 is Minnesota's current building code for residential and commercial buildings. Reduced rates may also be available for existing structures provided they meet the current ASCE 7-05-10 standard.

What determines a structural integrity standard? Five factors are used to make these determinations:

1. **Ground snow load.** This is the snow load that falls in a typical winter and the factor is based on a 50-year recurrence. Northern Minnesota typically has a higher recurrence than does southern MN.

2. **Thermal factor.** This takes into account if the structure is unheated or is heated and insulated.



3. **Wind exposure.** The type of wind exposure to the building such as totally exposed, partially exposed or sheltered.

4. **Roof slope.** This takes into account the slope of the roof and whether the roof is slippery or not.

5. **Importance.** This takes into account the type of structure

whether it is an agricultural facility, a minor storage facility or some other type of structure.

FARM SAFELY

Most farm accidents occur during everyday activities. The fact is that farming is dangerous and so are farms themselves. There are hazards almost everywhere you look on a farm.

However, thinking about safety and making it a part of everything you do on your farm is important. Make your farm a safer place and you'll be able to thrive on it.

FARM BUILDINGS AND GROUNDS

- Perform a safety check of buildings and grounds for obvious fire hazards and hazardous materials.
- Store farm chemicals securely where kids and animals can't access them. Then make a list of the chemicals for firefighters in the event of a fire on your property.



- Keep weeds and grasses trimmed so tractor and ATV drivers won't run into hidden obstacles and holes that can cause the vehicle to overturn.

- Maintain clean and neat work areas with tools stored out of the way.

- Establish a safety boundary around gas and diesel fuel tanks and other flammable substances.

PERSONAL SAFETY

- Don't wear loose clothing around equipment or work areas.
- Use safety equipment the way it was intended. That means appropriate gloves, hearing protection and safety eyewear not to mention face masks and respirators when working in dusty conditions.
- Always have a helper nearby when entering grain bins, breeding pens or other high-risk areas.
- Discuss safety concerns with children as you explain safe handling and operating procedures. Practice what you preach and they will practice it, too.

TRACTORS AND IMPLEMENTS



- Keep tractor roll-over protection structures in place. If you have a tractor without one, get it installed today ... and while you're at it, buckle your seat belt.

- Prohibit riders on tractor fenders, hitches, attachments or implements.

- Shield all PTO-powered equipment drive shafts, and keep kids at a distance from them.

- Never start or run gas or diesel engines in an enclosed area without being assured of good ventilation.

- Outfit tractors and farm trucks with fire extinguishers and first aid kits.
- Never exit a tractor or truck without placing it in park or engaging the emergency brakes.
- Never leave running power equipment unattended.

Making an **M**IMPACT

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- Check and maintain equipment, especially hydraulic hoses and electrical cables showing cracks or other signs of wear.

LIVESTOCK

- Keep animals in good health. An animal in pain and discomfort can react aggressively.



- Treat farm animals with respect. If you understand their behavior, you'll be ready for their actions.

- Take extra care with farm animals at breeding and birthing. Even the gentlest animals can get aggressive during breeding or when they perceive a threat to their babies.

PROTECT YOUR HOME AND BUILDINGS FROM GRASS FIRES

While this spring and early summer have been very wet, a few weeks of hot, windy weather could change fire conditions in a hurry. When dry conditions develop, grass fires become a risk to property. How can you best protect your home and outbuildings against loss due to a grass fire?



- The first and most important thing you can do is keep your lawn mowed and watered.
- Remove vegetation near windows and clear any leaves or pine needles from your property.
- Cut weeds and grass around your farm buildings.
- Make sure all water faucets and hydrants are in working order.



In case of a house fire, do you have an escape plan and have you practiced it?

LIGHTNING MYTHS



Everyone has heard the stories about lightning—it never strikes twice in the same place, rubber tires insulate you from lightning, lightning can be prevented and so on. How many, if any, of these stories have any basis in fact?

Well, sadly, the answer is none. Lightning has its own agenda. It is entirely capricious, random and totally unpredictable. Man's attempt to fit lightning into a box with codes and standards to describe its behavior are really just a best

guess.

So, let's take a look at some of the myths that surround lightning:

"Lightning never strikes the same place twice." Tell that to the folks at the Empire State Building in New York City. That structure gets hit about 25 times every year.

"Rubber tires will protect you from a lightning strike." Lightning has traveled miles through space. A few inches of rubber are no obstacle at all to it.

"Lightning can be prevented." This "fact" exists only in the minds of advertising copywriters looking to sell lightning prevention products or systems.



"Lightning always strikes the tallest object." In this photo, lightning is striking the ground only 50 feet from a metal light pole. Not only that but less than 200 feet from where this lightning strike hit the ground was a four-story office building. Cloud-to-ground lightning strikes initiate high in

thunderstorms miles above the surface where ground objects have no effect. Even after initiation of the discharge, the downward-moving stepped leader is 'blind' to objects on the ground until it is very close to the ground, within 50 to 100 feet. At that distance, lightning will strike within the very small area it is already descending in regardless of any devices nearby that would be thought to divert or prevent the strike.

"Wearing jewelry, wearing shoes with metal cleats or carrying metal objects such as tripods, golf clubs and umbrellas will attract lightning and makes you more susceptible to a strike." For all intents and purposes, **nothing** 'attracts' lightning. Lightning occurs on too large of a scale to be influenced by small objects on the ground, including metal objects. The location of the thunderstorm overhead *alone* determines where lightning will hit the ground. A lightning bolt that is several miles long, generated by a cloud that is more than 6 to 10 miles high is not going to be influenced by your jewelry or even your house.

"Lightning rods attract lightning." Lightning rods along with a full lightning protection system are designed to intercept a lightning strike that is already occurring to a structure and route it safely to ground, preventing a fire and reducing any damage to wiring, appliances and the building itself. Lightning rods do not attract nor are they designed to attract lightning. Since the descending stepped leader of a lightning bolt doesn't 'decide what to strike' until it is very close to the ground, lightning will only strike a lightning rod system if it already happens to be in (or very close to) the lightning's path.

"Surge protectors and UPS devices provide total lightning protection." Unfortunately no. A common surge protector will stop voltage spikes and surges, but not the violent, catastrophic burst of current from a close lightning strike. Direct lightning current is simply too big to protect with a little electronic device inside a power strip, or even a hefty UPS unit. If your UPS or surge protector is in the way of the lightning's path all or part of the lightning will just flash over or through the device - regardless of the amount of capacitors and battery banks involved. Even 'disconnects', devices that physically switch off power to a device by activating a set of contacts, will not guarantee protection. A small air gap will not stop a lightning bolt that has already jumped across miles of air. It won't think twice about jumping a few more inches, or even a few more feet especially if the 'path of least resistance' to ground is across the contacts of the disconnect switch. Not only that, but not even a full-fledged lightning protection system with rods, cables and grounds will guarantee against damage to electronics and computers. For any system to provide 100% protection, it must divert almost 100% of the lightning current from a direct strike, which is nearly physically impossible: Ohm's Law states that for a set of resistances connected in parallel, the current will be distributed across ALL resistances, at levels inversely proportional to the different values of resistance. A house or building is nothing more than a set of resistors 'connected' in parallel—the electrical wiring, plumbing, phone lines, steel framework, etc. (Even



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though plumbing and electrical wiring, for instance, may not be physically connected, lightning will use side flashes across air gaps to effectively connect them). In a direct lightning strike, the current will not follow only one path- it will distribute itself across all paths to ground depending on each path's resistance.



"Lightning doesn't strike water." Lightning can and does strike anywhere, including on water! When a thunderstorm's level of electrical charge grows large enough, a lightning discharge is going to occur, no matter what the storm is situated over. Every year, many people are struck by lightning while boating and swimming on rivers, lakes, and oceans. Fish are often killed in the immediate vicinity of a strike to water.

"Heat lightning" is simply distant, ordinary lightning, too far away for thunder to be audible to the observer. "Heat lightning" is not another type of lightning - it is an unofficial name given to visible flashes of light from ordinary lightning in thunderstorms a great distance away, usually well below the horizon. Heat lightning is so named because it is often seen on hot summer nights, a time of year when thunderstorms are common. These flashes are often an early warning sign that storms are approaching because the lightning



you see may be moving your way.

Reducing the risk of a lightning strike has everything to do with not being outside where lightning can hit you in the first place. In other words, proper shelter is the only way to protect yourself from lightning. There is absolutely no safety out in the open. If you are hit directly, doing little things like wearing/not wearing headphones, talking on a cell phone, crouching down, are not going to make much difference with regard to your chances of surviving. The main objective in lightning safety is not how to survive a strike but rather to avoid getting hit in the first place - which is done by getting yourself out of the way of all of the places lightning can strike. Any advice that suggests a person out in the open with no shelter can do anything to reduce the risk of a strike (other than bringing along a full-size Faraday cage) doesn't produce anything but a false sense of security. Simply put, with lightning, if you can hear it, clear it. If you can see it, flee it.



FARM LIABILITY CORNER

LOOKING AT DAMAGE TO PROPERTY OF OTHERS

For this edition of *The Mutual Monitor*, let's analyze a small section of policy language.

A common Liability Policy provision called Damage to Property of Others Coverage, although typically limited to \$1000, is very useful when trying to resolve smaller claims. The Damage to Property of Others Coverage policy language reads: "Regardless of an insured's legal liability, we pay for property of others damaged by an insured or by an animal owned by or in the care of an insured, or we repair or replace the property, to the extent practical, with property of like kind and quality."

It is very important to understand the distinction between the Damage to Property of Others Coverage and a true Liability Coverage. Note the paragraph says regardless of an insured's legal liability, we pay.... Legal Liability, or negligence as it is sometimes called, is based on the elements of negligence which are in short:

- A duty,
- A breach of a duty,
- Damages or an injury;
- A causal connection between the breach and damages.

In the case of the Damage to Property of Others Coverage, there is no requirement to meet those four elements. As long as the damage is caused by the insured, or an animal owned by the insured, coverage applies. For example, if you borrow a neighbor's lawn mower and you somehow damage it, subject to the limit of the Damage to Property of Others Coverage, there will be a payment.

On the other hand, if you borrow your brother-in-law's snowmobile and while it is on the trailer in the front yard it is stolen, the "damage" is not caused by the insured. The damage is caused by the person who steals the sled. While oftentimes the insured may feel responsible to the brother-in-law, the Damage to Property of Others Coverage would not apply in this instance.

In summary, the Damage to Property of Others Coverage is a good-will type of coverage that provides a limited amount of property damage coverage. The coverage is available regardless of liability or fault but a requirement of the coverage is that the damage be directly caused by the insured.

Gary Metz MBA, CPCU AIC ARE is the vice president of Property/Casualty Claims for North Star Mutual Insurance Co.

REDUCING TREE DAMAGE



Falling trees and tree limbs cause millions of dollars in property damage every year. Homeowners represent the first line of defense against trees falling on homes, autos or powerlines but you have to keep an eye on your trees. It's important to check the trees around your

homes and other buildings regularly for damage or other signs of trouble.

Some trees are more prone to storm damage than others. Shallow rooted trees such as any in the willow family, ash trees and some maple varieties can easily fall onto a house or other buildings in a strong wind. The roots will pull right out of the ground. This is especially true in wet years when the ground is soft and wet.

There are some signs that a tree may be more vulnerable to a windstorm than others and these signs are easy to spot.

- ★ Cracks in the trunk or major limbs
- ★ Hollow or decayed trees
- ★ Trees that look one-sided or lean significantly
- ★ Limbs getting very close to powerlines

- ★ Mushrooms growing on the bark. This indicates a decayed or weakened stem.
- ★ V-shaped forks rather than U-shaped ones. V-shaped forks are more likely to split and fall.
- ★ Crossing branches that rub or interfere with others.

It is important to take care of storm damaged trees as soon as possible. You should always plan ahead before you do anything with a storm-damaged or fallen tree. In general, it's best to only try resetting small trees. Large trees may be weakened and this makes them prone to falling again. If you reset and straighten a tree, keep in mind that it will require bracing for a long time, most likely several years. Be sure to water and fertilize the reset tree frequently because it will need all the help it can get to re-root and grow. If the tree is merely damaged, prune it just enough to balance the lost of roots.

If the best course is to remove the tree, you need to decide what you want to do with the stump. If you want to leave it, cut the tree off flush with the ground. If you want to remove it, it is best to leave four feet of stump standing. It is easier and cheaper to pull a stump out rather than having to dig it out.

WHAT SHOULD YOU DO AFTER A LIGHTNING STRIKE?



Each year, thousands of homes and other properties are damaged or destroyed by lightning. If your home is struck by lightning, here are some things you need to do:

1. Turn off your utilities if that can be done safely.
2. Take the necessary steps to prevent further damage from wind and rain.
3. Keep the receipts from any materials

purchased to protect your property from further loss. These expenses are frequently covered under your homeowners or farm policies.

4. Make an inventory of all damage including to electronics, appliances, pumps and other items subject to damage from the power surges that result from lightning strikes.

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MR. MUTUAL FROM PAGE 2

special liability coverage because of the breed's reputation?

Mr. Mutual says: No.

Dear Mr. Mutual: How much damage has to happen before a building is a total loss? We had a barn fire recently and the fire marshal said it was about a 70 percent lost. Our insurance company's adjuster has said he thinks it is going to be a total loss although we have not reached a final settlement on the loss as yet. However, there seem to be some parts of the building that we'll be able to salvage when we rebuild. If the loss is total and we salvage part of the building, do we have to give some of the settlement money back to our insurance company?

Mr. Mutual says: Mr Mutual says no. That should be taken into account when the final settlement number is arrived at.

SUMMER FIRE PREVENTION

Every year Americans look forward to summer vacations, camping, family reunions, picnics and the Fourth of July. Summertime, however, also brings fires and injuries due to fireworks, outdoor cooking and, as the weather warms up, possible wildfires. Knowing a few fire safety tips and the following instructions will help everyone have a safe summer.

Fireworks



The best way to protect your family is not to use fireworks at home - period. The U.S. Fire Administration recommends attending public fireworks displays and leaving the lighting to the professionals. A special study by the U.S. Consumer Product Safety Commission shows that fireworks were involved in an estimated 9,600 injuries treated in U.S. hospital emergency departments in

2013. Fireworks are dangerous!

Outdoor Cooking Safety



- ▶ Before using a grill, check the connection between the propane tank and the fuel line. Make sure the venturi tubes, where the air and gas mix, are not blocked.
- ▶ Do not overfill the propane tank.
- ▶ Do not wear loose clothing while cooking at a barbecue.

- ▶ Be careful when using lighter fluid. Do not add fluid to an already lit fire because the flame can flashback up into the container and explode.
- ▶ Keep all matches and lighters away from children. Teach your children to report any loose matches or lighters to an adult immediately. Supervise children around outdoor grills.
- ▶ Dispose of hot coals properly - douse them with plenty of water, and stir them to ensure that the fire is out. Never place them in plastic, paper or wooden containers.
- ▶ Never grill/barbecue in enclosed areas. Carbon monoxide could be produced.
- ▶ Make sure everyone knows to stop, drop and roll in case a piece of clothing does catch fire. Call 911 or your local emergency number if a burn warrants serious medical attention.

Campfire Safety



- ▶ Build campfires where they will not spread, away from dry grass and leaves.
- ▶ Keep campfires small, and don't let them get out of hand.
- ▶ Keep plenty of water and a shovel around to douse the fire when you're done. Stir it and douse it again with water.
- ▶ Never leave campfires unattended.

PROTECTING KIDS FROM DOG BITES

Roughly 4.5 million people are bitten by dogs in this country every year with the majority of those bite victims being children. So, how can

you best protect your kids from becoming one of these statistics? There are several things you need to teach children about dogs.

1. **Do not** hug a dog, put your face close to his face or lie on him. **Do sit** beside your dog, rub his chest or scratch him on the side of the neck.
2. **Do not** play chase-me games with a dog. **Do** play hide and seek - where the dog has to find you or an object that you hide.
3. **Do not** play tug-of-war games with a dog. **Do** play fetch with the dog - teach the dog to trade the object for a treat so he won't try to tug.
4. **Do not** lean over or step over a dog. **Do** respect a dog's resting place - go around him.
5. **Do not** bother a dog who is sleeping, eating, has a toy or bone, is hurt or has puppies. **Do** wait for the dog to come to you for attention.
6. **Do not** dress a dog up in play clothes. **Do** dress up your stuffed animals.
7. **Do not** hit a dog or poke him with a stick. **Do** be gentle with dogs.
8. **Do not** pull a dog's ears, tail or fur. **Do** scratch the dog's chest or the side of their necks. Most dogs enjoy this sort of attention.
9. **Do not** stick fingers or hands into the dog's crate. **Do** ask an adult to let the dog out of the crate if you want to pet the dog.
10. **Do not** play in the dog's crate. **Do** play "in and out of the crate" with the dog - toss a treat in - dog goes in to get it - dog comes back out - toss another treat in etc but only play this game when there is an adult around to supervise it.
11. If your dog does not welcome you with wagging and panting, leave him alone. **Do** wait for the dog to come to you for attention.
12. If your dog gets too rough or excited, stand still like a tree until he gets bored and goes away.
13. **Do not** run and shout around a dog that is not in a crate. **Do** be calm around dogs; involve the dog in an activity such as chewing on a bone or playing fetch so he doesn't feel that he needs to chase you to have fun.



A happy, friendly dog



A dog that should be left alone.

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We are PROFESSIONALS, but we solicit your insurance business. Most doctors and lawyers do not solicit patients and clients. They wait until called upon for assistance or advice. The insurance agent, on the other hand, must actively solicit business. The reason is simple. When a doctor or the lawyer can help a man after the emergency has developed, it is our duty to discover your needs and unselfishly recommend the best plan and policies to make your future secure.

PROTECTING YOUR INTEREST IS OUR POLICY!!!