

TheCloud

www.fmh.com



Farmers Mutual Hail
Insurance Company of Iowa



PRECISION REDUCES CLAIM TIME FROM DAYS TO HOURS

A claim that would have traditionally taken over a week to adjust was completed in just three hours thanks to FMH Precision Solutions. Read the full story on page 2.

NEWSLETTER HIGHLIGHTS :

“From my point of view, policyholders are finally insuring the right acres for what they planted with Precision Solutions.”

-Brian Fick
FMH Adjuster

**PRECISION CLAIMS
SUCCESS STORY**

02

**NEW FMH PRODUCTS &
AGENCY SUPPORT TOOLS**

06

**CLAIMS SERVICE
SURVEY RESULTS**

04

ANNUAL NAMIC MEETING

08

**FMH NATIONAL AGENT
SUMMIT RECAP**

05

**AAC MEETING
HIGHLIGHTS**

10



NEW PRODUCTS AND SOLUTIONS FOR 2019

FMH is committed to helping our business partners grow with innovative new products in Crop and P&C, as well as with new agency support tools focused on succession planning and access to agricultural data and analytics. Read more about our new products and tools on page 6.



PRECISION REDUCES CLAIM TIME FROM DAYS TO HOURS

A claim that would have traditionally taken adjuster Brian Fick over a week to adjust was completed in just three hours thanks to FMH Precision Solutions.

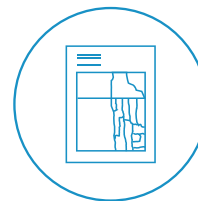
Just after harvest 2017, Fick worked on a RAMP claim for an insured who farms across four counties in three states: Minnesota, Iowa, and South Dakota. The farming operation is also tied to three other insureds.

“All the information for the claim was reported using precision, so I knew going in what I needed to ask the farmer to provide,” said Fick. “I just needed planting reports, proof of combine calibration data, and pixelated yield records with wet yield data available.”

3 PIECES OF DOCUMENTATION REQUIRED TO PROCESS A PRECISION CLAIM



Calibration Report



Acceptable Seeding Map



Acceptable Wet-weight Production Map

Fick had worked claims for this farm in the past and knew just how much work goes into processing a claim with traditional methods.

“In the previous year’s claim, I had to ask the insured to stop movement of grain from their storage facilities so I could measure around 33 bins in different locations, ask for grain assembly sheets and make sure all were correctly split, bring all this grain data back to office and sort through it like solving a puzzle, and prorate this grain inventory to his existing yield maps from the combine,” he said.

“All of this could take over a week to accomplish. I required about a day or two to measure and then sometimes a week to get all of the assembly sheets together,” he added. “Then another two to three days to sort through data. Sometimes I would find out that some assembly sheets were not sent, and that would cause more delays in processing the claim.”

But this year was different. This year, Fick was able to process the loss as a Precision Claim.

“On the new Precision Claim, I had the planting maps, combine calibration data, and yield maps... it took me about three hours to process all of it!

Brian Fick, Adjuster



Fick did run into some hesitation from the insured but was able to answer his questions and seek assistance from FMH’s Precision and Mapping team to ensure a smooth claim process.

“The farmer was a little skeptical at first. He was concerned that sometimes not all his planting data gets recorded right or might not be exactly how we would like it,” he said. “FMH was able to help fix those fields. I think that the insured liked not having to gather assembly sheet data from multiple elevators.”

Fick is one of over 200 FMH adjusters trained in processing Precision Claims. He noted that the benefits of Precision Claims go beyond the insured and improve the adjuster’s processes, too.

“From my point of view, the insureds are finally insuring the right acres for what they planted. They are paying premium only on what is planted, and not what the FSA says is out there,” he said. “From a safety perspective, I like the idea of not having to climb up bins and worry about falling. This technology matches what our insureds are already used to working with in their planters and combines, so it is not hard for new insureds to transition to it.”





“My experience with FMH is always the same – fast, dependable, and excellent adjusters.”
North Dakota Policyholder

85.9
PROMOTER

9.3
NEUTRAL

4.8
DETRACTOR

TO QUALIFY AS WORLD CLASS, A COMPANY MUST ACHIEVE A SCORE OF 75 OR HIGHER.

77.6
FMH
NET SCORE
RY 2015

80.1
FMH
NET SCORE
RY 2016

81.1
FMH
NET SCORE
RY 2017

“I’m very satisfied. They put my mind at ease in this tough ag environment.”
Colorado Policyholder

NEW SURVEY RESULTS: FMH WORLD CLASS CUSTOMER SERVICE CONTINUES

Farmers Mutual Hail has been known for its outstanding claim service for generations. FMH adjusters receive training above and beyond the RMA requirements and are dedicated to the company’s core value of service.

Throughout the entire 2017 Reinsurance Year for crop and the aligning 2018 calendar year for P&C, FMH surveyed policyholders about their claim experiences and received responses from 4,571 customers. The results reflected the company’s emphasis on creating a positive claim experience for the customer.

Using the Net Promoter Score™ methodology*, FMH’s overall claims experience score for RY 2017 (and the aligning 2018 year) for both crop and P&C is 81.1, which places the company in the “World Class” category of customer service. To qualify as World Class a company must achieve a score of 75 or higher.

This is the third consecutive year that FMH has used the Net Promoter Score™ methodology to measure the customer experience during claims. The company is happy to report this score continues to improve: in RY 2015, the score was 77.6, and in RY 2016, the score was 80.1.

The Net Promoter Score™ methodology bases the customer’s overall experience on the likelihood they would promote the company. Customers were asked to measure on a scale of 0-10 the likelihood that they would recommend FMH to another producer.

- **85.9 percent selected 9-10**
- **9.3 percent selected 7-8**
- **4.8 percent selected 0-6**

The Net Promoter Score™ methodology categorizes the scores into three descriptive groups: scores from 0-6 are considered detractors; scores from 7-8 are considered neutral; and scores from 9-10 are considered promoters. The net score is the promoter score minus the detractor score.

Applying this methodology to the survey results, FMH’s net score – or overall claims experience – is 81.1.

TO OUR AGENTS:

How were these surveys delivered?

After a policyholder met with their adjuster and their claim was closed, they received an FMH claim survey in the mail. They could either complete the nine-question survey online at the website provided on the survey, or they could fill out the survey and mail it to the FMH office.

Will FMH continue this survey?

Yes, this survey has been incorporated into the FMH claim procedures and the results are gathered regularly and shared with management.

What will FMH do with these results?

FMH will use the results from this survey to improve specific areas of adjuster training and the claims process. Using this measurable data, goals and customer satisfaction can be tracked consistently and improved upon after every claim.

*Net Promoter Score is a customer loyalty metric developed by (and a registered trademark of) Fred Reichheld, Bain & Company, and Satmetrix.



FMH NATIONAL AGENT SUMMIT A SUCCESS

This October, Farmers Mutual Hail held their first National Agent Summit. The event took place in downtown Des Moines, Iowa and brought together nearly 200 agents and FMH employees to discuss ways to innovate and elevate their businesses to success.

“We were really excited to host this summit for our agents. We had some really great speakers and breakout sessions. We hope everyone was able to take away an innovative idea or new inspiration for their business.



Kevin Johnson, Vice President and National Sales Manager

This three-day conference opened with TED Talk Presenter and Hall of Fame Speaker, Mike Rayburn. Mike's high-energy performance and inspirational message set the tone for the event. The summit included seven additional keynote speakers who presented on a range of topics – everything from sales improvement to ag industry news.

Professional corporate speakers Theresa Rose and Bill Cates, along with Purdue University's David Downey, discussed modern techniques to improve sales and target the right customer. Ag industry lobbyist Mary Kay Thatcher delivered updates on the latest farm bill and midterm election news while Iowa State University's Steve Johnson provided insight into upcoming agriculture trends.

Keynote speakers Roland Chan and George Hartman, both with FindBob, discussed their company's unique take on succession planning and their solution for ensuring a successful transition of business ownership. They ended by unveiling a new agency

networking platform in collaboration with Farmers Mutual Hail: FMH Bridge. FMH Bridge is a web-based agency support tool designed exclusively for FMH agents to help identify growth opportunities between agencies. Learn more about this new tool on page 7.

“We chose speakers who could talk about the issues that are important to our agents and to our industry,” added Johnson. “Multiple attendees commented that these topics were relevant to their business today, and they really found value in what they learned at this summit.”

The event also included several new product launches, including RAMP Forward Plus and the P&C Cyber Risk Protection suite. Learn more about these new products on page 6.

Breakout sessions between speakers allowed attendees to customize their learning experience at the summit, and included topics such as grain marketing, women in business, property and casualty updates, and digital marketing. Summit attendees also had opportunities to network with one another and FMH employees throughout the event.

Sales recognition awards were presented to agents at the event. A listing of recipients will be included in the December Cloud.

“The National Agent Summit is an opportunity for Farmers Mutual Hail to showcase our commitment to the crop insurance industry and our commitment to the partnership we have with our agencies. It's a great forum to introduce new tools and services that can elevate agencies and FMH alike,” said Johnson.

The FMH National Agent Summit will be held every three years. The next summit will be held in 2021.



NEW FMH PRODUCTS FOR 2019

CROP: RAMP FORWARD PLUS

RAMP Forward Plus is an endorsement to a RAMP (Revenue Accelerator Max Protection) policy to help eliminate the worries of forward marketing grain before the crop is in the bin. Two things need to occur to trigger a RAMP Forward Plus payment: the insured's production to count must fall below their RAMP guarantee and the harvest price must set higher than the MPCl projected price. RAMP Forward Plus will cover the bushels short of the insured's RAMP Forward Plus guarantee based on the new higher fall price.

States Available: CO, IA, IL, IN, KY, KS, MI, MN, MO, ND, NE, OH, SD, TN, WI

Crops Available: Corn/Soybeans



Visit **store.fmh.com** to order marketing materials for the new RAMP and Cyber Risk Protection products.

P&C: CYBER RISK PROTECTION

The new FMH Cyber Risk Protection suite offers two new products: one for home and personal cyberattacks, and one for farm and small business cyberattacks. These products can be added to an existing P&C policy and are now available.

Cyber Risk Protection Home Coverage

Cyber Risk Protection Home is bundled coverage that protects families from losses such as compromised data on personal computers, mobile devices and other connected home technology, as well as damage to software and operating systems. The plan pays to recover data and restore systems, covers online fraud that results in financial losses, provides payments and professional assistance in cases of cyber extortion, and more.

States Available: IA, IL, IN, MN, NE, SD, WI

Cyber Risk Protection Farm Coverage

Cyber Risk Protection Farm is comprehensive coverage with multiple layers of insurance defense against the complex cyber risks that small to mid-sized businesses face every day. It protects farm operations from losses such as compromised data on business computers, mobile devices and other connected farm technology, as well as damage to software and operating systems including precision ag technology. FMH is among the first farm insurance companies in the U.S. to offer protection specifically designed for precision ag equipment and software.

States Available: IA, IL, IN, MN, NE, SD, WI

Farmers Mutual Hail P&C products will be offered in Kansas beginning in early 2019 on a limited basis. If you are interested in learning more about P&C in Kansas, please talk to your sales manager.

NEW AGENCY SUPPORT TOOLS

FMH is committed to helping our business partners grow and stay at the forefront of cutting-edge solutions to ensure their agencies are successful and prepared for the future. At the FMH National Agent Summit, two new agency support tools were announced.



FMH Bridge

FMH Bridge is a new web-based agency support tool designed to help identify growth opportunities between FMH agents. Structured as a networking platform, FMH Bridge

asks each participating agency to create an anonymous profile identifying where and how they would like to grow their business, or if they are considering selling their business. Agencies can search for other profiles and connect with each other to buy and sell books of business. FMH Bridge will be launching to a select group of agents as a pilot program this January, with plans to expand it to all FMH agents in the future.

FMH Bridge is powered by FindBob, a startup tech company supported through the Global Insurance Accelerator (GIA). FMH is an original investor in the GIA.



Farm Market iD | www.farmmarketid.com

Gain access to the most accurate and current agriculture intelligence in the industry. Let Farm Market iD help you gain a competitive edge with the power of data.

Farm Market iD is the leading provider of farmer, rancher, and grower data to inform and improve agribusiness strategy, marketing, and sales efforts. The data covers over 2.5 million operations – totalling \$311 billion spent on crop insurance, technology, equipment, finance, chemicals, seed, and more – and is the only source of land data connected to owners and operators. As experts in data analytics, data management, and applied data science, Farm Market iD leverages its proprietary database to reveal insights and opportunities for agribusinesses to increase competitiveness, grow revenues and, ultimately, better equip farmers in their important work.

FMH is offering subscription discounts to agencies that attended the FMH National Agent Summit.





ANNUAL NAMIC MEETING

Board members, company leadership, and reinsurance representatives from FMH attended the National Association of Mutual Insurance Companies (NAMIC) 123rd Annual Convention held in San Antonio, Texas this past September.

The FMH team attended the two-and-a-half-day convention to meet with reinsurers and other FMH business partners, as well as attend educational sessions about the industry. Education topics included everything from new technology solutions in the insurance industry to enhancing the customer experience using data and analytics. In addition to the training opportunities, the event featured keynote speakers discussing leadership and strategy, a trade show with industry-related exhibitors, and fundraising activities for the St. Baldrick's Foundation. FMH also hosted a private dinner for FMH reinsurance mutuals and their guests.

The NAMIC Annual Convention provides an opportunity for mutual companies to network with peers, receive updates on industry-breaking news and trends, and meet with reinsurers and rating bureaus – all in one location.

“

NAMIC is the nation's largest industry association for mutual insurance companies. Each year, it is the premier educational event for mutual insurance companies. Many reinsurance clients of FMH attend this convention. It provides a great, efficient, and cost-effective opportunity for FMH to meet with those clients, as well as several of our reinsurers and reinsurance brokers who also attend this event.



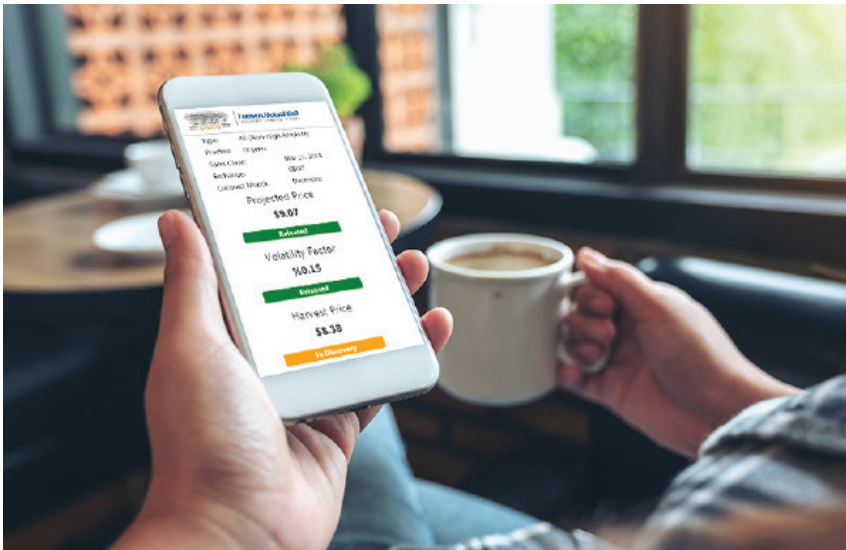
- Ron Kuethe, Executive Vice President - Reinsurance

About NAMIC

FMH Founder W.A. Rutledge was one of the founding members of NAMIC and FMH has been a member company since its inception. NAMIC was founded in 1896 and has been serving the interests of mutual insurance companies in the U.S. and Canada since that time.

It is the largest property/casualty insurance trade association with more than 1,400 member companies serving more than 170 million auto, home, and business policyholders. NAMIC member companies write nearly \$230 billion in annual premiums.





FOLLOW CROP PRICES WITH THE FMH PRICE DISCOVERY TOOL

October is when harvest prices are established for corn, soybeans, and cotton in many areas. Track daily prices throughout the discovery period with the FMH Price Discovery Tool as this year's final harvest prices are being calculated.

FMH PRICE DISCOVERY TOOL BENEFITS

Use on Desktop or Mobile Devices

This tool adapts to your browser screen size so you can use it at the office or while you're on the go and still easily view all the necessary information.

Data is Direct from RMA

The tool links directly to RMA data, so the information updates as soon as RMA makes changes.

Simple and Easy to Use

Designed with speed in mind, this tool has simple filter options and easy-to-read charts to quickly access the information you need.

Share this tool with your customers and use for yourself during the price discovery period.

WWW.FMH.COM/PRICEDISCOVERY

3 THINGS NEEDED TO WORK AN MPC CLAIM

Policyholders should be aware that the following will be needed by the adjuster to finalize their claims:

PRECISION CLAIM

- 1 A seeding measured rate map or seeding field summary.
- 2 A harvest wet-weight map or harvest field summary.
- 3 A calibration report where calibration is recorded manually (an FMH Calibration Report makes this easy) or a software-generated report for each crop.

To learn more about FMH Precision Claims and qualifications, go to www.fmh.com/precision-solutions/precision-claims.

TRADITIONAL CLAIM

- 1 Acreage and share verification by FSA certification, precision farming technology, or other acceptable methods for the county (typically gathered by the FMH adjuster).
- 2 Complete records of disposition of grain, including copies of summary and/or settlement sheets.
- 3 Estimated yields of all non-loss units of the crop.

REPORT ALL CLAIMS TIMELY

Claims submitted after the policy defined deadlines must be rejected. Exceptions to this rule are extremely limited. We encourage all agents and policyholders to promptly examine their coverage and report any potential claim in a timely manner.

FARM PROGRESS SHOW

FMH joined over 600 exhibitors at the 63rd Annual Farm Progress Show held in Boone, Iowa this past August. The Farm Progress Show (FPS) is the nation's largest outdoor farm and equipment show.

The rain and mud the first few days didn't deter the FPS event goers. FMH set up a booth in the Varied Industries Tent, where we showcased FMH Precision Solutions information, including a new Precision Solutions promotional video. The booth was staffed by Precision Specialists, Field Sales Managers and other FMH employees.

“It's always good to have our experienced staff in front of the farming industry to represent our company well and show that we care.



– Joel Lemke, Field Claims Supervisor



AAC MEETING HIGHLIGHTS ACCOMPLISHMENTS



The 2018 Agent Advisory Council (AAC) meeting was held in late August in West Des Moines, Iowa. The AAC meeting is held annually, and provides an opportunity for FMH leaders to share ideas and business strategies with the agents who are part of the council.

Topics at this year's meeting included how current and future changes in agriculture are impacting customers' implementation of new technology and risk management solutions. FMH is meeting the need to keep up with current and future industry advancements through strategic business plans and technology goals.

FMH leaders discussed major technology enhancements from the past year, such as launching the Policyholder Center online bill pay feature, multiple enhancements to the FMHA system and mapping application, and updating forms and reports. They also discussed the implementation of strategic business plans, Precision Solutions strategy and development, new business development initiatives, agency and sales support plans, and property and casualty strategy.

AAC members commented that it was a valuable meeting and the company is continuing in the right direction. Their feedback reinforced the strategies FMH is implementing to remain a strong leader in the industry.

“The members of the AAC are our key business partners. We had a great exchange of thoughts and ideas and worked well together. We left with a lot of insights,” said FMH President and CEO Ron Rutledge. “It was perhaps one of the best AAC meetings we've ever had!”

FMH wants to give a special thanks to this year's council retirees for their time served and their dedication to FMH's long-term success:

- Rodney Allebach with Farmers Union Agency
- Don Haley with Haley Risk Protection & Agronomy Services, LLC
- Pat Swanson with Son Risk Management

PEOPLE IN THE NEWS

NEW HIRES, PROMOTIONS, AND TRANSFERS



Tracy Klever has been promoted to Assistant Vice President of Training & Development.



Philip Wipf has been promoted to Crop Adjuster II in South Dakota.



Bailey Conner has been hired as Crop Adjuster I in Missouri.



Todd Gilkinson has been hired as District Sales Manager II in the West District.

PATRICK FAGA PROMOTED TO CHIEF MARKETING OFFICER



Patrick Faga has been promoted to Chief Marketing Officer in addition to his current role of Executive Vice President of the Property & Casualty Division.

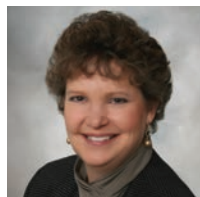
As CMO, Patrick oversees the sales, marketing, and training teams. He has over 25 years of experience in the

insurance industry and has served on many industry-related state and national boards.

Patrick held the position of Senior Vice President & Manager of the P&C Division at FMH from 2011 until 2016. Before joining FMH, Patrick was President & CEO at Central Iowa Mutual Insurance Association.

Patrick currently serves on the Board of Directors of NAMIC Insurance Company Inc. (NAMICO) and the Iowa Insurance Institute.

DEBBIE LADEHOFF EARNS FARM MUTUAL DIRECTOR CERTIFICATION



Debbie Ladehoff, FMH Vice President – Human Resources and Assistant Secretary on the FMH Board of Directors, received her Farm Mutual Director Certification (FMDC) at the NAMIC Annual Meeting this past September.

The FMDC program began in 2007 to offer training for the directors of farm and other small mutual insurance companies. The program provides courses in the areas of operations and insurance, finance and accounting, corporate governance, and management. The training ultimately provides directors the knowledge to be more confident and effective board members within their company.

“What I value about the NAMIC program is that it is specific to mutual insurance companies and the unique challenges and opportunities we face as a small-to-mid-sized mutual company – and within the insurance industry as a whole,” said Ladehoff. “FMH played an instrumental role in founding NAMIC and we’re proud to have maintained our affiliation with NAMIC throughout our history.”

FARM & RANCH: NEW ONLINE PAYMENT OPTIONS

Two new online payment options make paying premiums fast, easy, and secure for Farm & Ranch agents and policyholders.

- **Agents** can use the new eCheck feature under the “Make A Payment” tab in the P&C Agent Portal
- **Insureds** can use the new bill payment feature in the Farm & Ranch Policyholder Center



Please note: FMH does not accept premium payments by credit card.

TheCloud

The Cloud is published six times annually for the agents, adjusters, associates, employees, and retirees of Farmers Mutual Hail Insurance Company of Iowa.

800-247-5248 | www.fmh.com

Editor

Katie Hultgren (ext. 115)
katieh@fmh.com

Graphic / Layout Designer

Dawn Lauer (ext. 037)
dlauer@fmh.com

Copywriter

Libby Faga (ext. 033)
lfaga@fmh.com