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THE HOME AGENCY

thehomeagency.com





President's Thoughts

FROM THE DESK OF JIM BALDONADO...

It seems like I say this every year about this time, but oh what a difference a year makes! A year ago our base price for corn averaged \$5.65 per bushel during the month of February. This year I am hoping we stay above \$4.20 per bushel, but some say it could be closer to \$4.00. If you take \$5.65 minus \$4.00, that's \$1.65 less per bushel this year than last. Let's say you have a 200 bushel APH at the 75% level, you get 150 bushel multiplied by \$1.65 difference which is \$247.50 less in coverage this year than last. \$247.50 less coverage from last year is a lot of money. Trying to find something good about this is the premium will go down as well. Of course we don't know the base price yet as it is set during the month of February, and we don't know the volatility factor and won't until the end of February as well, but using a \$4.00 base price and a volatility of .21 at the 75% level of coverage on 200 bushel corn in Gosper County, Nebraska could see a premium reduction of 7-11 dollars per acre. Likewise, on your production hail you will be insuring each bushel for \$4.00 not \$5.65 like last year, and your coverage will be around \$148.50 less than last year, so your savings on hail could be around 8-11 dollars per acre. Between the Multi-Peril (MP) coverage being around \$247.50 less than last year and the hail being \$148.50 less than last year that is a total of \$396 less in coverage than last year. But on the bright side, you are saving around 15-22 dollars per acre in premium. My guess is most of you would prefer to pay the extra premium for the additional coverage.

In working with producers on cost of production for 2013 and 2014, they are looking at around a minimum cost of production of \$800 on irrigated corn. If you take your guarantee of 150 bushel times \$4.00, that's only \$600.00 coverage per acre. This is two hundred dollars less than the cost of production. How in the world are we going to make this up?

Being in business for 28 years, one reason a number of you are with us is that we are always looking for products to supplement your underlying MP coverage. Remember MVP, VIP and the big one- CRC+, all brought to you back then by American Ag together with us at The Home Agency. Those types of products somewhat went away when Am Ag did. With the higher prices we've had for the last 3-4 years, the cost of production was not quite as important as it is now with the prices we have today. We again have a few new products to talk about that will supplement your underlying MP coverage.

APO

Added Price Option (APO) brought to you by RCIS is a product that allows you to buy up your base price of corn and soybeans to a fixed dollar amount. For example, using \$4.00 as a base and the 75% level of coverage, you can add an extra \$1.33 per bushel on your guaranteed bushels. It is important to note you must have a bushel loss, not a revenue loss. So for every bushel under 150 you will be paid \$5.33 per bushel, \$4.00 coming from your underlying MP policy and \$1.33 from your APO policy. The APO policy is always paid on optional units even though you may carry enterprise on your underlying. Over 20 years ago, many of you bought a product called VIP which was very similar to this. Now with APO added to your underlying, you now have right at \$800 coverage on 150 bushel which is right where your break even is. The cost of this product will be around 5-8 dollars per acre on irrigated corn. This is a must to look at, as you can purchase APO with your underlying and still pay less in premium than you did last year for just the MP coverage.

PRICE FLEX

Price Flex, a product brought to you by ProAg, has some merit for some people, but until the intervals you pick come in higher than the underlying base price you really have no guarantees from the beginning, other than your underlying MP policy. With this policy you are given the opportunity to pick the first half of March, second half of March or the whole month of March same with April, May and June and you can pick as many intervals as you want. Let's say that you want to pick \$1.25 per bushel extra coverage on corn and you pick the month of June. If the June price comes in above the base price up to \$1.25, that is the coverage you get. However, if it comes in less than the base, you get the base plus you still get to pay the premium. If you do pick the high month and the price falls like it did last year you could harvest a lot of bushels as this policy is a true revenue policy. One thing you have to be aware of is this policy coverage is on enterprise units only. Your underlying can stay optional, but the Price Flex is only sold on enterprise units. If you are comfortable with enterprise units on the Price Flex part, this product may be for you. Again, this product has some merit and somewhat resembles the old CRC+ policy which many of

you purchased years ago. The only difference is this is on enterprise units whereas CRC+ could be sold on optional units and you could also purchase a fixed dollar amount with Plus, whereas with Price Flex, you have to pick the interval. The cost of this product will be in the area of 8-20 dollars per acre.

HARVEST MAX

Harvest Max is the new kid on the block and is stirring up a lot of interest and conversation. The easiest way for me to explain this product is whether you farm in one county or five counties, you take the simple average of all irrigated corn or soybean acres in all counties. So let's say your simple average is 200 bushel on all your irrigated corn. You can choose a deductible of 10 bushels or more and cover up to 50 bushels if you want. With this product, the price is set during the month of December 2013 on December 2014 corn, which was set at \$4.58, and you can choose to purchase up to 120% of the \$4.58. So let's say we choose a ten bushel deductible and you want to cover 40 bushel for 120% of \$4.58 which is \$5.49. Let's say your simple average is 200, less 10 bushel deductible which is 190, less the 40 bushel you want to cover. Those 40 bushel are covered for \$5.49 per bushel. A couple things you need to know: this product is also based on enterprise units, but it starts paying at 190 bushel not the 150 on your underlying; also, you need to understand if you harvest more than 190 bushel average an acre on ALL your irrigated corn acres, you will not have a claim. You could still have an MP claim but you may not have a Harvest Max claim. On the other hand, if you have an overall average of 181, you have a 9 bushel loss at \$5.49 per bushel on all your acres which could add up to a lot of dollars. This product has many options and we can design one for almost every farmer. The cost of this product is anywhere from \$12-\$30 per acre. A drawback to this is there will be only \$5 million in premium sold of this product in the state of Nebraska. That may seem like a lot, but let's say at an average premium of \$25.00/acre, it would only take 200,000 acres to fill it. I'm guessing that by the time you read this, a number of you will have already bought this product and I expect this product will be sold out by the middle of February and for sure by the first of March. Although this product is sold in many states, it is only sold in two that The Home Agency writes in, which are Nebraska and Iowa. Sales on Harvest Max started on January 2nd, but I held off any radio advertising until the 20th so we could try to get to all our insureds first before we opened it up to everyone. I think this is a must for everyone to look at. This product is brought to you by Ag Armour, and many of you may have seen it advertised on the covers of many farm magazines over the last couple months.

With all these new products, it brings back memories of years past when I was able to bring great products to the market first. I really feel almost all of you can benefit from any one of these three products. Please give us a call if you have any questions on any of these products. You will also see some full page ads about these products further back in this issue.

FAMILY

As you can see our whole family was home for Christmas, and a great time was had by all. And while they were home Hudson, Grandpa and Kevin had some time to do some hunting. The first day we went out on some fresh snow and were able to bag one rabbit and one pheasant. The .22 rifle you see in the picture we used to shoot rabbits is the same .22 I shot 50 years ago when I went hunting with my dad. There's no doubt that Hudson and Axten will be shooting it in the near future. The next day we were up at 5 am to go goose hunting with Dr. Jason Seim. Hudson had a hard time sleeping the night before as he was so excited to go on his first goose hunt. Even though we did not pull the trigger all morning, we had a great breakfast in the pit and Hudson was given goose calling lessons by Dr. Seim. Hudson even used the same call his mom used 25 years ago when she used to go sit in the pit with me. Watching him blow on that goose call was priceless and I hope to go again in the near future. Thanks Jason for taking us; Hudson asks all the time when he can go goose hunting with his new friends again!

From about the 15th of January to the 15th of March I will be going like heck as it is our "harvest" time. With our association with Plains Equipment and First State Bank, we will be doing about three times more meetings than we have done in the past. As I tell you often, slow down and be safe as there is always another day. Guess I should take my own advice. If some of you see me going too fast slow me down, have me go check calves with you or something... as I may need a break as well. I "Thank You" in advance. As always, **Thank You** for your business! ■

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Crop Insurance Corner

CROP INSURANCE UPDATE
By Cindy Davis

As I write this article in mid-December I can't help but marvel at how fast 2013 flew by. It could be in part due to the fact that adjusters were still working 2012 crop losses well into the first quarter of that year. Thankfully, the 2013 crop year wasn't quite as harsh. There were still plenty of claims, especially on dry land acres, but not nearly the record breaking indemnities paid out for the 2012 crop year. Hopefully the winter and spring months bring plenty of moisture and the drought conditions seen in the past couple of years continue to improve.

SALES CLOSING DEADLINE – 2014 ROW CROPS
Once this issue reaches you, we will be well into 2014 and the first crop insurance deadline won't be far away. March 15th, 2014 is the Sales Closing Deadline for 2014 row crops. All changes to your crop insurance policy must be made by this date, and the coverage you will receive on all your spring planted acres will be based on the decisions you make at this time. Be sure to meet with your agent before Sales Closing to review your policy and ask any questions you may have. Listed below are some items to review when you meet with your agent:

- ◇ Verify all names and entities on the policy, as well as all Social Security Numbers and/or Employer Identification Numbers.
- ◇ Review your elected plans, levels of coverage and all options on your policy.
- ◇ Are all crops you intend to plant and insure on the policy?
- ◇ Is there an entity change to the policy? (Has a new trust or corporation been set up, a new marriage or divorce or a death of an insured or spouse?)
- ◇ Have you acquired ground in a new county? If so, a new application is required.
- ◇ If you will be insuring for a landlord, or for your

tenant, this option must be disclosed at the Sales Closing Deadline and listed on your policy.

◇ Contract Pricing is available in some counties for certain specialty crops such as Blue Corn and High Amylase Corn. This option has to be added to your policy at Sales Closing Deadline.

◇ Coverage is available in many counties for Organic crops. Let your agent know if you have these crops in your farming operation. Organic producers are required, on the date acreage is reported, to submit to their agent a current organic plan, organic certificate (written certificate), or

documentation from a certifying agent indicating an organic plan is in effect.

- ◇ Trend-Adjusted APH (TA) – is again available in certain counties for corn, grain sorghum and soybeans. This option adjusts yields in qualifying databases to reflect increases in yields through time in the county. The option must be elected by Sales Closing Deadline.
- ◇ If you will be breaking out any new ground, let your agent know as soon as possible. In order to insure newly broke ground, it may be necessary to submit a written agreement request. These requests must be submitted prior to March 15th.
- ◇ Some of our crop companies are offering a new product for 2014 which could add additional coverage for your crops. These products must be elected by the Sales Closing Deadline and in some cases even sooner than that. With the lower commodity prices this year, these products could be the added protection you need to help cover your inputs. Visit with your agent today about these new features. (See pages 8-9 and 12-13.)
- ◇ All new applications and cancellations must also be submitted by the Sales Closing Deadline.

March 15th is right around the corner, so take the time to visit with your agent soon to ensure your policy is in good shape and your coverage will be adequate. The chart below will show when the 2014 row crop prices will be set.

Revenue Protection/Yield Protection	Projected Price Tracking Dates
Corn	Feb 1-Feb 28 Dec Corn-CBOT
Grain Sorghum (Multiplied by price percentage relationship between corn and grain sorghum, as determined by RMA)	Feb 1-Feb 28 Dec Corn-CBOT
Soybeans	Feb 1-Feb 28 Nov Beans-CBOT

PRECISION FARMING

It seems more and more producers are beginning to take advantage of the precision farming technologies available today. Crop companies are continually updating their software and processing systems to be able to streamline these processes. We are taking many calls from producers with questions regarding these systems and the rules pertaining to Automated Crop Reporting and their crop insurance policy. Frequently producers ask to use their precision farming data to report production and to use this data for claims. For this to be a possibility, the precision farming technologies actually need to begin with planting and continue through harvest. Since some of you may be planting before the next issue of the magazine reaches you, some important rules and requirements for using Precision Farming Technology Systems are listed below:

1. Acceptable Precision Farming Technology Systems must include at least the following components:
 - a) GPS technology integrated with planter monitors, combine monitors, yield mapping software;
 - b) The capability of producing summary reports that reflect planted acres, harvested acres, and harvested production, and
 - c) Report of calibrations performed per manufacturer's requirements.
2. For planted acreage records from automated planter monitoring systems to be acceptable as determined acres, the insured must provide the following information:
 - a) Insured's name;
 - b) Unit number
 - c) FSA farm/tract/field ID number (optional);
 - d) Legal description of acreage; and
3. A print out from the precision farming technologies system with the following information:
 - a) Crop name;
 - b) Acres planted; and
 - c) Electronically produced maps of planted acreage and acreage summary records. These records must show required discernable breaks between units or practices except as stated in (4) below.
4. Precision farming technology system automated planter records, approved by the crop company, may be used to separate optional units or center pivot irrigation systems for irrigated circles and non-irrigated corners without discernable breaks in the planting pattern provided the insured can:
 - a) Provide records showing the variable rate planting populations;
 - b) Document the automated planter monitoring system used;
 - c) Provide the acres planted and practice for each optional unit;
 - d) Provide production records by optional unit and practice; and
 - e) Provide the required information in (1) above.

2013 ROW CROP PRODUCTION

Your agent is in need of your 2013 row crop production, if you have not already turned it in. They will update your databases and be able to provide more accurate quotes for the next crop year when this is complete. The chart below will show the Base (Projected) and Harvest prices for the 2013 crop year.

2013 Spring Crop Prices			
Crop	States	Projected Price Set Yield Protection (YP) & Revenue Protection (RP)	Harvest Price Revenue Protection (RP)
Corn	NE, KS, IA, CO, SD	\$5.65	\$4.39
Grain Sorghum	NE, KS, IA, CO, SD	\$5.53	\$4.30
Soybeans	NE, KS, IA, CO, SD	\$12.87	\$12.87

SHORT-RATING WHEAT FOR 2014

The option to short rate wheat is again available. This option provides a reduced premium rate for acreage intentionally destroyed before harvest by grazing or other means. If you are interested in short rating wheat, the deadline is **March 15th**, contact your agent prior to this date. ■

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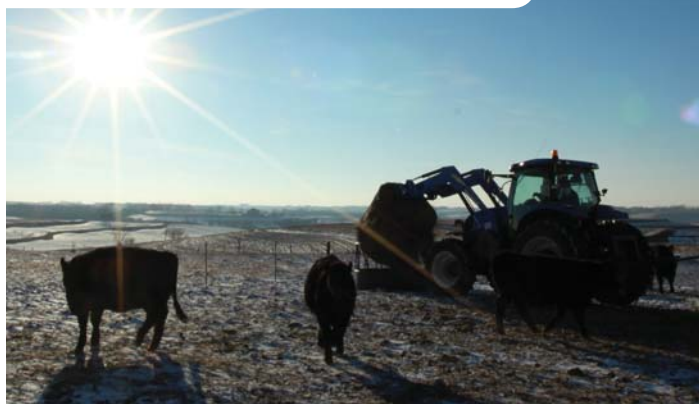
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Cattle News



PROTECTING YOUR LIVESTOCK PROFIT

By Arlyn Rieker

For most of us, we as cattle producers are used to what we call “a normal cattle cycle”. As we go through the cycle, when cattle numbers reach a high enough level, the beef prices start to decline, producers tend to start scaling back by culling cows and selling more heifers instead of retaining replacements for the herd. Through this process of liquidation and reduction in cattle numbers, prices start to improve thus resulting in a move towards the expansion phase and then the numbers increase to the high level resulting in the same cycle. For quite a few years now, we have been in a reduction phase in the cattle numbers. Whether this is because of the extended drought, trade restrictions due to BSE, or rising feed and grain prices our numbers have declined. Producers I have visited with have been culling at a higher rate and retaining fewer heifers. These factors and others have been contributed to a slow, if any, rebuilding of the cow herds.

As for 2014 and beyond, grain prices have dropped to levels prior to 2010 which will aid in areas where cattle are still being fed due to the drought and may allow those producers to retain some heifers which, in years past would have been culled heavily. Producers are now weighing the value of retaining more heifers, even though it is tempting to take a short term gain by selling or finishing them out versus the potential long term gain of retaining ownership and building their herd numbers. As I visit with more and more producers, they are expressing the need to “price protect” through this time more than ever. Lenders and producers know this could be a profitable time for the cow/calf producer but with tighter lending requirements and higher capital required to retain or start a herd, price protection is vital to surviving the volatility in the market. With the potential variability in profits from market volatility, the producers and lenders I have visited with are saying it is a necessity to “price protect” having so much capital invested in the cattle and annual costs to run the cow.

As you look for risk protection, LRP is a viable and

flexible option. Currently we are looking at \$169.66/cwt coverage on 600#-900# steers and \$185.91/cwt on <600# steers. Remember the weight you insure is the expected weight when you plan on selling the cattle. As you are calving, coverage is available once the calf is born. For the background, coverage is available once you have possession of the calf and have an estimated time for market. If you listen to our radio ads you will hear us quote steers. We also get questions about covering heifers and the different prices covered. Below is a chart showing the PAFs or Price Adjustment Factors and how the ending prices are factored.

As you can see on the table, the steers have a 10% higher coverage price than the heifers and this same 10% is factored on the ending price. Give me a call about this and I will be happy to discuss this with you.

One thing I enjoy doing is visiting with producers about what is going on in their world and attending the Nebraska Cattlemen’s Annual convention this past December in Kearney allowed Shannon Poggendorf, Steve Johnson, and myself this opportunity. A group of college students from the NCTA in Curtis was there, so I took the opportunity to visit with them about risk management tools they were learning about for their cow herds. To my disbelief, only one of them had ever heard about LRP and the risk protection it provides. They were very interested and asked a lot of questions since most of them are headed back to the farm or ranch to pursue their dream of a career in agriculture after college. I always enjoy the opportunity to help educate and give producers (whether college students or not) the tools to increase the chance of success in the passion they have chosen – this, of course being agriculture.

I look forward to visiting with you at the Nebraska Cattlemen’s Classic at the Buffalo County Fairgrounds February 15th-23rd. Please stop by or give us a call so we can visit with you about LRP, crop coverages for the upcoming spring, or weather contracts. ■

Example of Coverage prices

Insured Weight Range		Steers	Heifers
Wt. 1	< 6.0 cwt.	\$185.91 (110%)	\$169.01 (100%)
Wt. 2	6.0 - 9.0 cwt.	\$169.01 (100%)	\$152.11 (90%)

Example of Ending prices/Index set at \$165.01

Insured Weight Range		Steers	Heifers	Example of loss: \$169.01 - \$165.01 = \$ 4.00/cwt. \$4.00 x 9.00# = \$36.00 loss per head
Wt. 1	< 6.0 cwt.	\$181.51 (110%)	\$165.01 (100%)	
Wt. 2	6.0 - 9.0 cwt.	\$165.01 (100%)	\$148.51 (90%)	



Precision Ag Data

PLAINS EQUIPMENT GROUP
By Lorin Krieger

The fall and winter is traditionally a time to gather with family and friends to celebrate the past year and look forward to the coming year. We, as food producers, seem to just get done with one crop and we are already looking forward to the next one. This publication has many items relating to risk protection and how to get the most from that protection. In the equipment business we call that “optimization”. It is the art of how to use what you have, coupled with information to make good business decisions.

Along those lines, I would like you to consider the use of another kind of information to make smart management decisions. The information I am referring to is precision ag data collected in the field by most of your equipment. This data has tremendous value to help with management decisions each year. Here is an example. What is the ideal speed to drive while planting? Is it in the operator’s manual, what your dealer says, what your neighbor does, or anyone else who is an “expert”? Does it change by the weather report? Does it really matter? All of these are good questions that can be answered by the data that is collected while planting and harvesting. We can analyze the data to find the optimum speed which gives the best yield across all the acres that particular machine planted. We have seen as much as 15 bushels per acre swing in yield, based on the planter speed. Of course seed size can affect how the planter delivers the seed and size varies by hybrid, but you can get a very accurate average to work with. This information can lead to a very important management decision that affects profitability. Imagine if you find the ideal planter speed is faster than you have been driving? How could the extra productivity of covering more acres in a day help during the ever shrinking planting window? Or imagine finding out the extra acres you covered by going .5 mile per hour faster cost you 10 bushels per acre. That is important data to know.

The previous example is just a sampling of the kinds of analysis we can run on the data collected. Here are some other examples:

- Yield by hybrid
- Yield by soil type
- Yield by planter operator
- Yield by harvest speed
- Yield by harvest operator
- Crop profit or loss by each acre or even smaller units can be calculated

There are unlimited possibilities to refine your operation. In the current environment of lower crop prices, it’s important to be as efficient as possible with every aspect of your operations. This is one tool to utilize the tremendous potential this data can bring.

Another way to use the data collected by precision ag equipment is in the aid of productivity as it pertains to crop insurance. If you are a grower currently using a cropping system that involves dryland and irrigated crops in the same field, and you own precision ag data collection equipment, you will want to look into this. In the recent past, if you wanted to plant the same crop at different rates in the same field for insurance purposes, you had to have a “discernable break” between those two areas. This meant leaving a strip of nothing, shredding the growing crop or planting the two areas separately. Agronomically, leaving a strip for weeds to flourish is a very poor option. Financially, shredding a growing crop is expensive and a waste of good seed and productive land. And from a productivity standpoint, planting in separate areas or even on separate dates, is a significant loss in time and resources. We have a better way...

By utilizing our Insurance Compliant mapping package, we can make it possible to plant seamlessly between the dryland and the irrigated areas of your field and not require any physical break in the crop. We can write prescriptions your equipment can use to change the rates on the go. These prescriptions, coupled with the data collected from planting that verifies the rates changed, can qualify as the “discernable break”. Then after harvest, we can analyze the data based on those areas and quantify the bushels grown by each area. This means harvesting straight through and being able to harvest the entire crop at once if you wish. If you have had to harvest and plant dryland corners separately from irrigated acres, you know how important this can be. That’s *optimizing* the resources you have with data you have collected!

Let us show you how precision ag data can be put to use in your operation to make your equipment and insurance investment work harder for you. Contact Shannon Poggendorf or Andrew Bellamy at The Home Agency at 800-245-4241 for more information. ■



Added Price Option



Maximize revenue on your
corn and soybeans

You can't predict your harvest next year. You put a lot of effort into increasing the yield on your corn and soybeans — why not add to the value per bushel in case of a yield loss?

Added Price Option (APO), through RCIS, allows you to buy up the projected price of a bushel on your corn or soybeans. There are a number of price discovery products on the market for 2014. Most require you to guess which period of time the highest price for your commodity will occur. APO through RCIS is easy and it eliminates the guesswork. Just pick an added bushel price within a range over your current MPCl price election and get paid when bushels fall short of your yield guarantee.

Cover your marketing decisions and input costs

An APO plan through RCIS offers these advantages:

- You're not required to select a specific price projection month.
- Losses can be paid on an optional/basic unit basis even if you choose the enterprise unit option on your MPCl policy. There is no limit on the number of optional/basic units on APO.
- Allows you to get a yield loss indemnity payment even if harvest price is higher than the projected price.
- Purchase APO as a supplement to a yield or a revenue MPCl policy.
- APO applies to trend-adjusted yields.
- Use it to pay forward contract non-delivery penalties in the event of a yield loss due to insured perils.
- Supplement MPCl coverage to cover input costs.
- You have the option of locking in a bushel price election higher than the MPCl projected price.



APO details

- APO is available on corn and soybeans in Colorado, Illinois, Indiana, Iowa, Kentucky, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, Pennsylvania, South Dakota, Tennessee and Wisconsin.
- Sales closing deadline is March 15, 2014.
- APO will not pay when there is a revenue loss only on the underlying MPCl policy unit.
- The APO price election will not increase regardless of the price fluctuation under the revenue protection policies.

Determining APO maximum price per bushel

Multiply MPCl projected price by the following factors to calculate the maximum APO price election:

- 75% level MPCl - 33.3%
- 80% level MPCl - 25.0%
- 85% level MPCl - 17.6%
- Any price between \$.10 and the maximum calculated by level is available for bushel price selection.

APO loss calculation example

Subtract harvested bushels from guaranteed bushels by APO unit and multiply the result by the APO price election:

Unit guarantee:	150 bu
Actual unit yield:	116 bu
Unit bushel loss:	$150 - 116 = 34$ bu loss
MPCl indemnity:	$\$5 \times 34$ bu = \$170 per acre
APO indemnity:	$\$1 \times 34$ bu = \$ 34 per acre
Total indemnity:	MPCl indemnity \$5 + APO indemnity \$1 x 34 bu = \$204 per acre

Contact your RCIS agent today to find out how to maximize revenue on your corn and soybeans this year with an Added Price Option plan through RCIS. To find an RCIS agent near you, go to RCIS.com.



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Health & Wellness

WHAT IS HIIT?
By Morgan Yardley

You may have seen articles written on HIIT or have heard someone talking about it. So what does HIIT stand for and what is it? HIIT is high-intensity interval training. It is an enhanced form of interval training where you have short intense aerobic exercises with short recovery periods. It is a form of cardiovascular exercise and usually lasts 10-30 minutes. It provides improvement in athletic capacity and condition, improved metabolism and improved fat burning.

Now that you know what HIIT stands for what are the actual benefits of it?

1. **It is efficient.** It is easy to squeeze into your busy day. Research has shown that doing 15 minutes of interval training done three times a week is better than a person jogging on the treadmill for an hour.
2. **You burn more fat than regular exercise.** You burn more calories during a HIIT workout as well as more fat and calories in the 24 hours after a HIIT workout than you would if you went for a run.
3. **Healthier heart.** Your heart during a HIIT workout goes into an anaerobic zone. Therefore if you do HIIT workouts, in the long run you will be able to run, jog, swim or cycle twice as long while maintaining the same pace.
4. **No equipment needed.** Running, biking, jumping rope, rowing and swimming all work for HIIT. Anything to get your heart rate up fast will work.
5. **You lose weight not muscle.** HIIT workouts preserve muscle while ensuring most of the weight lost comes from fat stores.
6. **Increases metabolism.** HIIT stimulates production of your human growth hormone (HGH) by up to 450 percent during the 24 hours after you finish your workout. This slows the aging process and increases your caloric burn!
7. **Do it anywhere.** You can adapt HIIT workouts to whatever space and time you have. Wherever you are, you just need

to have maximum effort for a short period of time followed by a recovery period and then repeat.

8. **It is very challenging.** This workout is short so you will be working hard the whole time. You may hurt and you may be sucking in air, but you will be done before you know it and it doesn't give you time to be bored.

Does this sound like a quick workout you would want to try? I have been doing HIIT on the treadmill and I can say if I can do a workout in 20 minutes I will take it! Very

few people have time to spend hours in the gym. Get your workout done in 10-30 minutes instead. Check out <http://www.bodybuilding.com/fun/ultimate-8-week-hiit-for-fat-burning-program.html> or <http://www.dailyhiit.com/videos>. ■

Information came from www.shape.com and www.bodybuilding.com.



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Consult the appropriate professional regarding your particular situation.

2/14



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Common Ground



ADVOCATING FOR AGRICULTURE

By Sara Ross

As consumers we hear about all the hot topics of the moment in the media. Whether it is on the news, in the newspaper, or online, one week it's GMOs, the next it's antibiotics in meat, and the next it could be hormones in our milk.

So much of what is published on the internet or reported on the television is either untrue or not the whole truth. This trend of misleading seems to be building steam over the past few years, probably due, in part, to the increase in social media. According to Forbes Online, the use of social media has increased 800% in just eight years!

When consumers have questions about their food, where do you think they turn to? Is it the farmer who actually grows the food? No, for the most part it isn't! More often than not, it's the internet, where everyone and anyone can type nearly anything they want and people will believe it to be the truth!

There are about 2.2 million farms in America. That's a significant number! Our voices have not been loud enough for far too long. Others are telling our story and they aren't always getting it right.

For the past three years, I have been involved in a grassroots organization called CommonGround, a group of farm women speaking out on behalf of agriculture and our family farms.

Our main goal is to speak with the consumer, and/or the ones making the food decisions for their families, which is often times the wife/mother, about any questions or concerns they may have about the way their food is grown.

Many times I have spoken with consumers who are confused about a specific topic regarding their food. Having a one-on-one conversation with them often clears things up. I feel that now, more than ever, it is so important for farmers to speak up and let their voices be heard. There are a number of ways you can do this. For example, you can write letters to the editor of your local newspaper in response to an article that was written. You can comment on blogs or articles speaking for or against agriculture. You can start your own blog about your family farm. You can join an agriculture organization in your area. You can also talk to consumers face-to-face at various food events nearby.

CommonGround's website, findourcommon-ground.com, is a great resource for any of the hot topics currently in the media. Please use their information, which has been approved by the USDA, to help you advocate for agriculture.

As some of you know, I did not grow up on a farm, but met and married a farmer. I've learned a great deal about farming and agriculture over the years and love sharing this knowledge with consumers. Please join me on this roller coaster of a ride that we call agriculture! ■

For more information:

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Insurance Myths

“REDUCING YOUR INSURANCE COSTS... DISTINGUISHING BAD ADVICE FROM GOOD ADVICE”

Many Americans are struggling financially in the current economy, particularly those struck by layoffs, and are faced with tough decisions about how to reduce expenses. As a result, much has been written about how to reduce insurance premiums as one aspect of a belt-tightening strategy. Unfortunately, too much of this advice has been BAD and much of this bad advice comes from consumer websites and publications with little understanding of insurance and risk management. The purpose of this article is to identify some of the bad advice being discussed and reinforce some of the good advice. It concludes with 10 reasonable things to consider to reduce your insurance costs.

The first myth we want to dispel is all policies are alike, the only difference being the price. Insurance policies are legal contracts and, aside from some industry standards, each insurer's policy is unique. Some cover far more or less than others. For example, some auto policies do not cover non-owned autos. Do you ever drive someone else's car? Some auto policies do not cover business use. Do you ever run by Office Depot, the post office, or the bank on behalf of your employer? Some auto policies exclude undisclosed household residents. Is it possible a child moved back home for economic reasons and you forget to tell your insurance agent? Might you drive that resident child's car after they move in? Did you know that auto policies won't cover you while driving a resident family member's car?

These are all very real examples of coverage shortcomings the “low cost” auto insurance advertisers don't tell you about. In fact, if you ask to see their policies before buying, chances are you won't get a copy. Consumers shop for most things based on value, not just price. The same should be true for insurance. So the next time you see a cute or clever sales pitch from a lizard, cave man, or giggling Wal-Mart-like “pick your price” aisle clerk, ask what you're buying. The amount of coverage you need depends on your exposure to loss and what assets and income you

need to protect today *and in the future*, not what you'd like to pay.

A second myth is you can rely on insurance advice from consumer websites and publications. Sadly, consumers often accept insurance advice from attorneys, plumbers, roofers, cops, and accountants before they'll listen to their own insurance agent. A major national publication included advice from a “consumer expert” that recommended dropping replacement cost coverage for “actual cash value” coverage, which is likely to save the insured little in exchange for much in the way of lesser coverage.

One popular consumer insurance website recommends consumers consider dropping their physical damage and uninsured motorist coverage completely while reducing their liability coverage to the state minimum requirements. At a time when consumer assets are at their greatest peril, now is not the time to be reducing or eliminating critical coverages that protect you from catastrophic loss. The article shows that, by dropping your liability limits from 100/300/50 to 25/50/10 and eliminating the physical damage and uninsured motorists coverages on your auto, you can reduce your total premium by just over 50% on average. What they don't show is the average values of the autos used in the examples ranged from \$12,000 to \$22,000 according to Kelly Blue Book. How many families can afford even a \$12,000 loss, much less a 6- or 7-figure liability claim? Auto liability limits of 25/50/10 mean each person you negligently injure in an auto accident gets no more than \$25,000 (\$50,000 total for all injuries) and any property damage you cause, such as damage to the other vehicle, is limited to \$10,000. It is entirely possible a hospital bill might exceed \$25,000 or the other vehicle you total is worth more than \$10,000.

A third myth is you can drop some coverages because others exist to pay in their absence. For example, so-called financial experts may recommend dropping uninsured motorists and medical payments coverage on an auto policy if you have health or workers compensation insurance. Uninsured motorists insurance covers much more than just medical expenses. Given the growing number of uninsured motorists, removing or reducing this coverage can expose you, your family members, and passengers to catastrophic loss.

In the case of business insurance, many business owners are looking, if the law permits, to drop workers compensation insurance or have officers with strong health insurance plans exempt themselves. Workers compensation typically pays UNLIMITED medical benefits, plus disability, rehabilitation and even burial benefits. In addition, some health insurance plans exclude work-related injuries or work injuries that could have been covered by workers compensation. Some businesses are considering eliminating business interruption insurance even though studies have shown few businesses survive a major loss long enough to be able to reopen their doors.

A fourth myth is you should insure the *market value* of your home or business building. Market value is based not only on the cost to rebuild but also on the value of the location and land value. It's also a function of how much someone is willing or able to pay for your property based on their financial position and the ability to obtain a loan. Your insurance limit is based almost exclusively on the cost to repair or replace the building. The market value can be significantly higher or lower and, just because the market value of your home or business building has declined doesn't mean you should reduce your insurance limit. In fact, while home prices countrywide have declined measurably in the past year, the cost to rebuild those homes has risen about 4%.

These are just a few examples of what consumers and business owners are doing to reduce their insurance costs, many of these approaches coming from extraordinarily bad advice from consumer writers and others who lack the knowledge to understand what they are suggesting. So, what are some reasonable approaches that CAN be taken to reduce or control insurance costs?

10 THINGS YOU CAN DO TO CONTROL INSURANCE COSTS

1. Investigate coverage and product options with your independent insurance agent. One advantage of using an independent agent is they represent a number of insurers with different products and can assist customers in fitting the right product at the right price for the unique exposures you present.

2. Carefully consider whether increasing deductibles NOW is appropriate. While increasing a deductible can save money, it's important to do it at the right time. Don't raise the property deductible well past the point of sensible premium reduction on the theory that "it will never happen to me"...insurance purchasing decisions are often made with little regard to post-loss consequences of our current buying decisions. A higher deductible could pay for itself in 3-5 years, but it could take 7-10 years and not be a good investment. The preferred approach is to increase deductibles during good economic times when you can afford a \$1,000 - \$2,500 loss while accumulating a deductible fund that can be used during hard times if a loss actually occurs then.

3. Consider multiple-policy discounts. This is common advice and generally good advice. Having homeowners, auto, and umbrella policies in the same company will likely save money and, perhaps even more important, will make it less likely that a coverage gap will show up when more than one insurance company is involved in a claim. Likewise, in business insurance, having general liability and auto coverage in the same insurer using "ISO-standard" or superior forms is often critical.

4. Ask for credits. Too often, consumers are entitled to credits for alarms, extinguishers, good student driving discounts, etc. but the agent is not aware of them. Ask your agent for a list of everything that could reasonably reduce your premium and see if you can meet those standards. A good example is how your auto is rated for use. If you're laid off from work or you've found a job

closer to home, you might very well be entitled to a lower premium. Unless you tell your agent about these kinds of changing circumstances, you won't reap the benefits of reduced risk.

5. If you're going to drop coverages, consider dropping non-critical coverages. Examples include towing and rental reimbursement, credit insurance, etc. Your Home Agency agent can assist you in making these decisions.

6. CAREFULLY consider dropping physical damage coverage on your vehicles. As outlined above, this is not always a good idea unless you can absorb a significant 4- or even 5-figure loss. Keep in mind, too, as an auto loses value, the physical damage premium generally declines as well. Do not be fooled by any simple formula that says you should drop coverage when the value of the vehicle drops below "X" times the premium. You should base your decision on what you can afford to lose and, if your car was destroyed and you could not replace it, how would that affect you financially.

7. Weigh risk management alternatives to insurance. For example, you could place jewelry in a safety deposit box rather than scheduling it. Needless to say, this is probably more risky, but it's a reasonable consideration. Also, do not cut back on maintenance and loss control procedures that yield long-term benefits like the reduction of frequent losses and those often excluded by insurance policies.

8. If necessary, sell some possessions. Can you get by without certain autos, motorcycles, ATVs, jet skis and boats, homes, jewelry, guns, etc.? If so, you can drop the insurance on those items. However, it is generally a good idea to not drop insurance on property until your exposure to loss no longer exists. This is especially true of any possession that has a significant liability exposure.

9. Seek expert advice. Start with your independent insurance agent who is familiar with you and your circumstances, not a consumer website or publication that presents generalized, sometimes suspect, advice, nor someone who lacks the training and experience to provide sound insurance advice. Work with your Home Agency agent to seek outside advice from other experts. If you are getting insurance advice from your attorney or accountant, run it by your insurance agent to see what impact it might have on your policy coverages.

10. Question any advice you get, even the advice in this article! It may not be right for YOU. Before you make decisions to reduce or eliminate insurance coverages, assess your risks of loss. What are your exposures? What can you lose? What exposures represent losses you cannot afford? What exposures can you retain? The quality of your decisions may be the difference between economic survival and bankruptcy. Talk with your Home Agency agent about these points and make sure you are properly insured! ■

Article from www.independentagent.com.



Regional Office News

STRATTON, CO
By Penni Fox

One of the old timers once told me that weather is like a woman.....not sure what you are getting from day to day. I wanted to ask him if he had heard the phrase "Happy wife, happy life" but figured after 50+ years of marriage he was well acquainted with "Yes Dear," which allowed me to laugh with him at his "woman" joke. This year has been a rollercoaster with crazy weather patterns. Writing this a week before Christmas, we are having a 67 degree day breaking a record high since 1880. Two weeks ago you could hear our teeth chatter with single digit temps and into the negatives with the wind chill. You really never do know what is coming our way. I really hope in 2014 we have more moisture and cooler temps for crops and grass for cattle.

There was a new House Bill passed in Colorado regarding homeowner coverage starting January 1, 2014. They want better communication between insureds and producers regarding the coverages. This evolves from all the fires and flooding in our state. When your policies renew, I will be reevaluating your dwelling, outbuildings, personal property and loss of use. One of the things we are asked to do is have insureds take pictures of or video the inside of your home. It's suggested that you use your smart phone as it's more likely you will have it when running out the door instead of hunting for your video recorder. Stand in the middle of each room and turn four times taking pictures. It's ok that you will overlap items in the room. When it comes to cabinets and closets, open them and take pictures as well. At the time of loss, the insurance company is going to want to evaluate your personal property and these pictures will assist them in do-

ing so. I encourage you to do this before your renewal and email me the pictures to pfox@thehomeagency.com to get them in your file. If you have questions or concerns, please give me a call.

Wishing everyone a happy New Year! Thank you for your business and the opportunity in working with each and every one of you! ■

MCCLELLAND, IA
By Kevin Ross

Brrrrrr! Wow, what a cold start to winter we had in December and early January. On the bright side there hasn't been much snow to deal with so the livestock around our area have dealt with the cold quite well. Great yields this fall for both corn and beans in our immediate area mean the bins are full for the most part, but the farmers are having to spend some time watching grain quality as the corn was wetter than usual for this region.

The meeting season has definitely gotten underway for farmers and agents alike. There are always the fun ones with tax preparers and lawyers (sarcasm), but there are also a lot of educational meetings and events designed to better agriculture and farmers as an industry. My challenge to everyone this spring is take the time to go to one extra meeting that will directly benefit your operation. Possibly something on the micro level for your farm or just learning at a macro level about the most recent world events. As times look like they may be changing a bit and prices pulling back, that little extra time may yield you the new piece of information you need to remain profitable. Good luck and maybe I will catch you at an industry event somewhere! ■

BENKELMAN, NE

By Meghann Pursley

Happy New Years! I hope you all enjoyed a Merry Christmas shared with friends and family. We had a great holiday season from family gatherings and games, to yummy food and presents and numerous decorating and un-decorating of our Christmas tree by Ashlynn. Next year our tree won't stand a chance as she'll have a new baby brother or sister to help her!

2013 was a rough year in terms of production losses due to drought and revenue losses from a declining market. I'm thankful we had such great price coverage for 2013. 2014 wheat projected price was set at \$7.11 which isn't as good as last year, but it's better than current market price. We'll see in March where corn and soybeans end up. As of December 16th we are still finishing up some multi-peril and production hail losses. Thank you all for having your production information organized and bins marked this year. It makes the claims process go a lot faster. We haven't had much for snow and at the moment its 67 degrees! Let's hope this cycle breaks.

I am excited about our meeting in February and hope to see all of you there. Our spring sign up deadline for row crops is March 15th. After sign up AND acreage reporting please make sure you double check the paperwork you receive from either RCIS or NAU to make sure the crops, coverage level, acres and plant dates are all correct. I know you receive many documents in the mail from these companies, but they are all important to open. If you find any of the information on them to be incorrect please notify me immediately.

Here's to a successful 2014! ■

RUSKIN, NE

By Dave Meyer

It's the 18th of December as I am writing this, and once again, I'm left wondering where the year went.

The rest of the year will be a blur of activity for our family. Together with the usual Christmas gatherings, my wife, Dianne, will graduate from the University of Nebraska at Omaha with her Masters Degree in Social Work. Twenty five years after she graduated from college she was back in school pursuing her dream; three and a half years later it will be realized as she walks across the stage to receive her diploma.

To do this, Dianne's average day started at 4:00 am with two hours of homework, a four mile run, getting to work by 8:30 am, home by 6:00 pm, and studying until 9:30 pm. There was also the weekly 260 mile (round-trip) drive to Omaha for classes. Her dedication has been an inspiration to family and friends.

I am only sharing these details in the hopes that if any of you have a dream you really want to accomplish, although it might not be easy, you can probably find a way to get it done.

I want to thank all of my crop insurance clients for their business in 2013, and hope to have the opportunity to work with you again in 2014! ■

BELOIT, KS

By Enos & Jill Grauerholz

Hope you are getting off to a terrific start in 2014. It is a year we have thought about for the last 18 years. Gage, our oldest is graduating from high school this year. You never really think the day will come, so it is starting to hit us hard! Next fall, he is planning to study Agronomy at Kansas State University.

February means time to think about insuring your spring planted crops. The base prices are being set now. As we write this, we have \$4.50 corn and \$11.62 beans. We will be having our meeting on February 28th this year and will have quotes and base prices for you. It will be a lunch meeting in Beloit. We will discuss new options to increase your base price on spring crops.

It is calving season and we want to remind you that you can purchase LRP (Livestock Risk Protection) on those calves as soon as they hit the ground. Quotes come out late afternoon (after 3:30 pm) and the policy must be written before 9 am the next day. We have record prices and shouldn't take them for granted.

As Enos has been running the dozer, he is getting more concerned about the lack of sub-soil moisture. Hopefully by the time this comes out, we will have received adequate precipitation.

Mark February 28th on your calendar and we will see you then! ■

HOME, KS

By Paula Brown

2013 is in the books and 2014 crop year planning is at hand. At the time of this writing, we really need some price relief on the row crops. Hopefully prices have climbed by the time this prints in February, since we'll be tracking the February averages to set our 2014 price guarantee. Corn and milo will track the December corn contract and soybeans will average the November contract. As we know, better prices equate to better coverage, so this factor will affect decisions at renewal time. Like we experienced on the wheat, to keep the same revenue guarantee as last year we'll have to increase coverage levels if the prices don't rebound in February. I know these aren't just numbers we'll be looking at; these are potential profit/loss margins that are very real to producers. 2013 yields were good in our area, which was a bit of surprise after the heat we had in August. There were some spotty losses on corn and milo on the revenue side but overall everyone was pleased with the yields. Soon it will be time to begin meeting with each of you to review your coverage. We will be having meetings to go over any changes and new options and I hope you will be able to attend. March 15 is the deadline to sign up 2014 row crops or make any changes to your existing policy. I look forward to working with you in 2014! ■

KIRWIN, KS
By Rhonda Jones

BURRRRR another blast of cold air!!! That sums up our weather so far this winter in the Kirwin area. The geese and duck hunting have been really good this season.

Production for fall harvest was all over the chart. The soybean crop was really short and some fields left uncut. Milo and dry land corn had averages from 30 to 120 bushel. The higher yields came in the eastern area.

The New Year is upon us and calving season will be starting. The cattle market has been very favorable, but for how long? LRP insurance is a tool you may want to consider to protect those prices.

Mark your calendars for February 4th for the prime rib customer appreciation meal in Agra. I hope to see you there! ■

LARNED, KS
By Clark Redding

BRRRRRRRRR!!! Man it is cold. Cold everywhere. Kansas, Nebraska, Colorado, no matter where you are today it is cold. Kinda like the old days. I went to high school in North Platte, NE back in the 60's, and it seemed like it was always below zero in the winter. It would start snowing in late November and you wouldn't see the ground 'til April. We just aren't used to these kinds of temperatures.

Kansas wheat could be at risk. We need snow cover. We've got a decent crop started this fall and we are somewhat exposed at this point with a lack of snow cover and very cold temps. Looking for more snow as we go into 2014.

Colorado is in the same shape. A good looking wheat crop for a change, and with some decent moisture, next spring could be a great wheat harvest.

We've been finishing up claims on corn and milo. There have been lots of revenue losses this year with the falling corn prices. Thank God for the Revenue Protection. Anyone who says crop insurance is not a good investment should talk to some of my customers in Kansas and Colorado. It has paid off the way it was designed. Hopefully, as we go into 2014 we will see a period of normal rainfall and producers can work to rebuild their APH's.

2013 was a hell of a year -- glad it's over! I'm looking forward to 2014 with much optimism. Our family has been blessed with a new granddaughter. One very high point, in a tough year. Josie Marie Redding was born on September 24th. Like her older sister, she is quite beautiful, but I'm prejudiced. I hope all of you reading this have something or some things to be happy and blessed with. When you read this Christmas will be over, but I hope you had a very merry one.

I want to thank all of my clients, who do business with The Home Agency, for their loyalty and their business. For the most part, you are all friends of mine, and that's just the way I like it. ■

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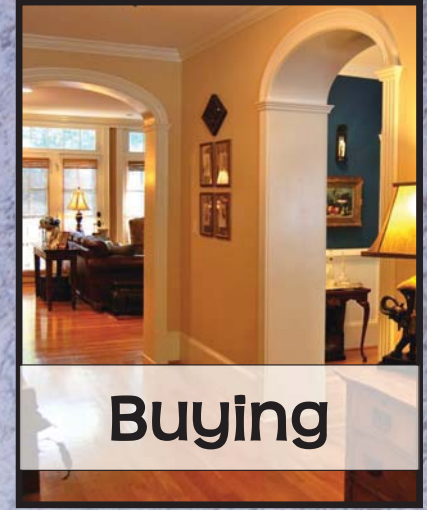
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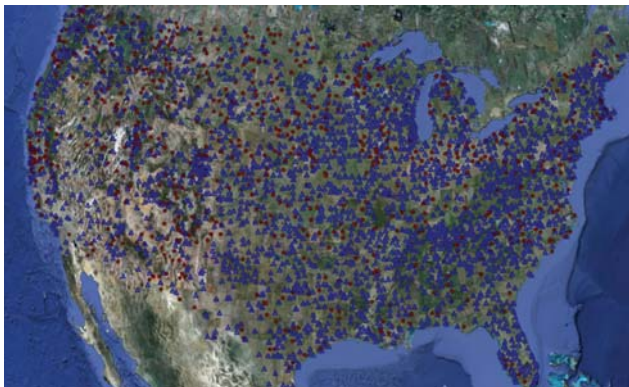


HOW DOES THE EWEATHER RISK PROGRAM WORK?

By Jim Jubb

In past editions, we have talked about all the different weather risks we cover and what weather could be expected in the future. As we all know, this year had some really crazy weather developments causing late spring freezes, havoc in planting and pollination and late harvest for wheat causing beans to either be exceptionally late or not be planted at all, and a later than normal summer that caused some real problems for corn. In this edition, we show you how growers from your area and coast to coast managed risk.

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Your Home Agency agent can show you the closest station or a basket for you to choose from!

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All of eWeather Risk's contracts are based on over 60 years of history and the dates that are chosen. Generally, your agent will suggest starting these at 10% above the average for heat and excess precipitation contracts and 10% below the average for drought and cool summer contracts. Freeze contracts are based on the crop tolerance to low temperatures as well as the history. You can change these depending on what you want to accept for more or less weather risk.

Your Home Agency agent can also recommend the station and type of weather risk that fits your production risk, or you can just let your agent know what you are concerned with. Your agent will provide a written quote for you to consider that has the weather history, start and end dates, where the risk starts and when it pays out at 100%. Plus, they can build several related and similar weather risk quotes quite quickly and show you how affordable they can be. All you need to do is pick up the phone and give them a call.

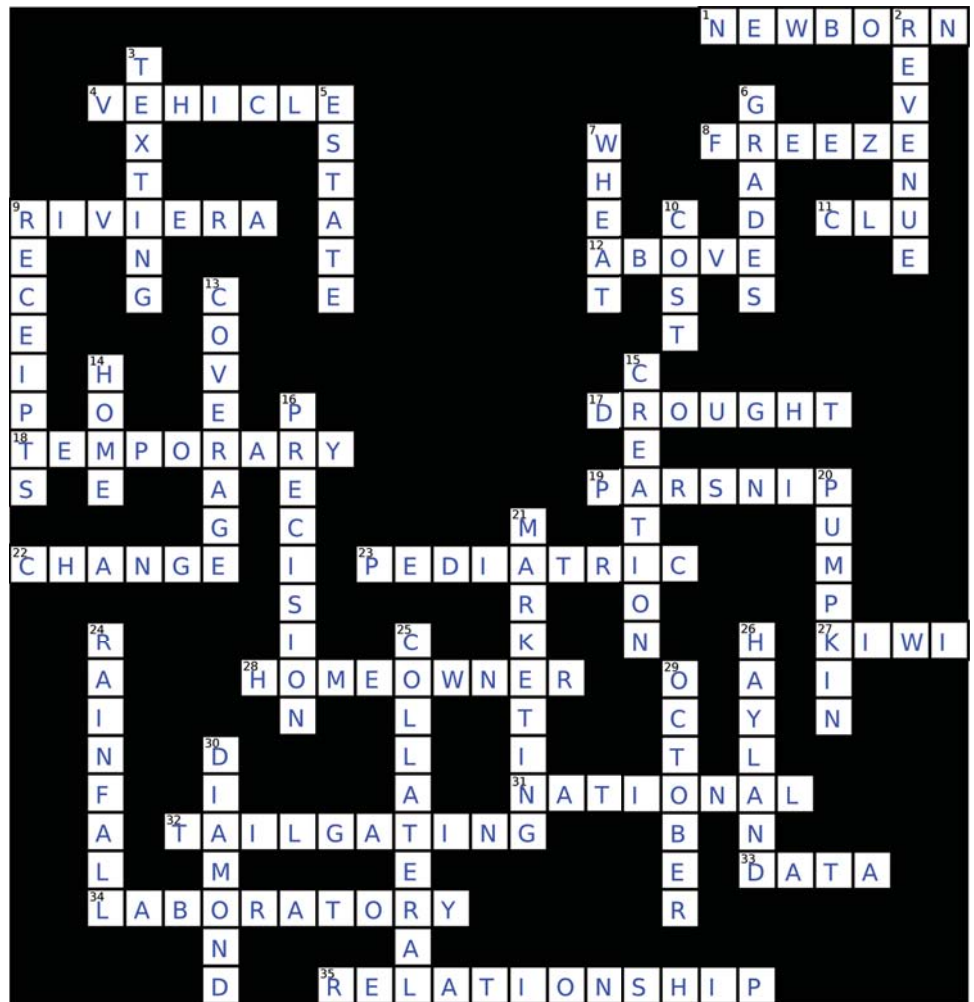
WHAT TO EXPECT IN THE FORECAST 2014?

The weekly Home Agency WeatherManager has both long-range forecast trends and short to medium term forecasts that can be very beneficial in your financial decisions. You can't find these on television nor hear about the long range on the radio. You can find these forecasts on The Home Agency's website, though.

For a long term trend, it all depends where you are. The Home Agency's Weekly WeatherManager has the current NOAA forecasts and headlines that are important to you. To see the latest drought outlook, just type this address into any browser: http://www.cpc.ncep.noaa.gov/products/expert_assessment/seasonal_drought.html. Every week we talk about the weather that's important to your operation and offer ideas on how to hedge your weather risk.

If you haven't received a copy of The Home Agency WeatherManager, simply go to <http://www.thehomeagency.com> and download the most recent one. Or, call your agent and have them send one to you in the mail. ■

NOVEMBER 2013 PUZZLE ANSWERS



Issue 164
January 9 2013
WeatherManager Weekly

Welcome back from the Holidays and hope you are off to a great start to the New Year. After a short Holiday break, we bring you this week's WeatherManager, your weekly journal for ideas and developments in the weather risk market, brought to you by eWeatherRisk and The Home Agency.

Headlines continue to talk about the extreme cold and its effect on wheat and cattle, as well as freeze risk and continuing drought conditions. We alerted many of you to the cold winter hedges for livestock early in December and boy did the polar vortex deliver. The animals lose weight as they expend energy staying warm, and feedlots must carefully monitor their food intake and health. "In this kind of weather, cattle don't do all that well in the feedlot," said Dan Vaught, an agriculture analyst at Doane in St. Louis. [Cold weather pushes cattle prices to record](#) -

Mother Nature isn't always helpful to those in the agriculture industry; in fact, sometimes she can be downright cruel. Even though we haven't yet learned how to manage Mother Nature, The Home Agency, with the help of eWeatherRisk, can help you manage the financial impact of nearly ANY weather condition. [Send me a quote!](#)



Kuzma Financial Services

SUITABILITY VS. FIDUCIARY

By Alan E. Kuzma, CLU ChFC

Investment Advisory Services offered through

Global Financial Private Capital, LLC

An SEC Registered Investment Advisor

After 40 years in the financial industry I would like to think that I have a pretty good handle on the big picture.

So when information comes along that “turns a light on for me”, I feel compelled to pass it along. Maybe you also will have an “ah ha” moment like I experienced.

Fiduciary vs Suitability-Why Should You Care?

If you care about you or your family’s financial future, you should care. Doesn’t sound like much of a big deal, but these two words, fiduciary and suitability, are critical to determining the type of care you get from your “trusted” financial advisor. Unfortunately most of the public is not aware that a minority of advisors are held to a fiduciary standard while a majority is held to a much lower suitability standard of care.

Who Is Held To A Fiduciary Standard Of Care And Who To A Suitability Standard Of Care?

Currently, only independent Registered Investment Advisors are required to act in a fiduciary capacity. Brokers or “financial advisors” working for a broker dealer firm or an insurance company are only held to suitability (not a fiduciary standard). Not sure who’s a broker dealer firm? Firms such as Edward Jones, Morgan Stanley, Ameriprise and Merrill Lynch are broker dealer firms.

What Is The Difference Between Fiduciary Standard Of Care vs Suitability Standard Of Care?

Part of the reason this difference is not well known is that the terms are not easy to describe and the large firms, who could afford to spread the word, obviously have no interest in doing so.

Fiduciary standard of care means doing what is best for the client; namely, always putting the client’s interest before the advisors. It also means disclosing any possible conflicts of interest including compensation related to products or referrals.

Suitability standard of care usually means an advisor need only suggest products that are suitable for your objectives, your income level and your age. Also, no disclosure is required for possible conflicts of interest.

Fiduciary vs Suitability Illustration

Let’s try an everyday example: buying a car. Assume you are looking for a car that costs less than \$25,000 and gets over 25 mpg. Those two requirements alone would leave you with a rather long list of cars that would be “suitable” to you. However most of us would further investigation and consider additional criteria.

For example: Which models have the best safety record? Which ones have the best maintenance/repair history? Which ones have the best resale value? And so on. You work to find a car that does not just meet your basic needs or is “suitable” but one that “best” for you.

Going one step further, would feel comfortable making your car buying decision simply relying on the salesperson representing the car manufacturer? Or, would you feel more comfortable using an independent research organization such as Consumer Reports to help find the best car for you? I think you know the answer. Why not then demand an independent, fiduciary level of care for something of much greater importance, your financial future?

Help may be on the way. One provision of the massive new Financial Reform legislation attempts to deal with the Fiduciary issue. The law gives the SEC the authority to create rules requiring investment advisors, who provide personalized investment advice about securities, to act in the best interest of their customer. It also allows the SEC to require these advisors to

disclose material conflicts of interest and obtain consent from the customer.

There is one catch. Due to heavy lobbying by large broker dealer and insurance firms, the SEC is not required to make these rules. Instead, the law requires the SEC to commission a six month study to look at the effectiveness of existing legal or regulatory standards of care for broker dealers and investment advisors providing investment advice.

Let's hope the SEC does the right thing for consumers.

Until then, ask your current or prospective financial advisor if they will sign a written fiduciary oath with provisions noted above. If they will not or cannot, ask yourself whose best interest are they working for?

Global Investment Performance Standard

Everyone at one time or the other has heard the term "The Gold Standard". In the investment world The Gold Standard is known as GIPS or The Global Investment Performance Standard.

The GIPS standards were designed to provide assurance for investors who want reliable performance metrics based on the principles of fair representation and full disclosure

Global-The GIPS standards are a rigorous set of investment performance measurement standards adopted in 34 countries and recognized around the world for their unparalleled credibility, integrity, scope and uniformity, enabling direct comparability of a firm's track record.

Trust-GIPS compliant firms voluntarily go beyond legal reporting requirements to demonstrate a commitment to open, honest and ethical practices.

Full Disclosure-The thoroughness of the GIPS standards and the requirement for composite reporting greatly improves transparency by eliminating survivorship biases, misrepresentation and omission of historical data.

Current-The GIPS standards evolve to address issues that arise in the dynamic investment industry.

Confidence-Compliance creates a tangible incentive for firms to invest significant time and resources into internal risk-control mechanisms and the setting of performance benchmarks-the hallmarks of reliable long term success.

To claim compliance, an investment firm must demonstrate adherence to comprehensive and rigorous rules input data, circulation methodologically, composite construction, disclosures and presentation and reporting.

As an investor ask your financial advisor if their firm is GIPS compliant or visit www.gipsstandards.org.

Second Opinion

Second opinions are a common practice in the medical community. After all, your medical providers want to get it right.

If the material presented above raises questions in your mind, here is a second opinion offer.

To help people make informed decisions, we now offer a second opinion service. The service takes people through the discovery and analysis process to help them get very clear on where they are now and where they would like to go. The service examines any of the gaps that need to be filled.

One of three things will happen:

1. We find out they are in good shape and advise them to stay where they are, or
2. We find out they could be in a better situation. If they are not a right fit for their particular situation, we'll be happy to point them in the right direction to a financial advisor who can work with them more effectively, or
3. We find gaps in their current plan and feel we could provide a significant advantage in helping them reach their goals. We would then explore the idea of working with them.

For more information, please talk to the good people at the Home Agency or contact me at alan@kuzmafinancialservices.com or call 402-438-4200. ■



Kuzma Financial Services

Established 1973

**Financial-Planning • Consulting
Estate Planning • Insurance
Insurance-Senior Products
Retirement Planning Service**

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Valentine Favorites

Mock Angel Food Cake

From: Sharri Baldonado's Grandma Johanna Dinkelman

Ingredients:

2 cups cake flour
2 cups sugar
½ teaspoon salt
1 cup boiling water
5 egg whites
2 teaspoon baking powder
¼ teaspoon cream of tartar
1 teaspoon vanilla

Directions:

Sift together the cake flour, sugar, and salt.
Beat in the boiling water. Set aside.

In a mixing bowl, beat the egg whites until fluffy. Add the baking powder and cream



of tartar to the egg whites. Continue beating until stiff.

Add the sifted flour mixture to the egg mixture. Mix well and then add the vanilla.

Pour into an angel food pan and bake for 15-20 minutes at 450°.

When serving, top with whipped cream and fresh berries. Enjoy!

Here's a quick and easy dessert to make for your Valentine on February 14th! They will be sure to love it!

Variations could be to top with whipped cream and strawberries or cut it into chunks and dip it into chocolate fondue. Either way it will be delicious!



Table Topper Finished Size: 18"x 24"

Cutting:

Assorted Squares: Choose 2 pre-cut packs of Mini Charm Squares, OR cut 57 squares 2 1/2" x 2 1/2"

Inner Border: White (1/6 yard)

Cut two strips 2 1/2" x 42", Sub-cut into (2) 2 1/2" x 10 1/2" and (2) 2 1/2" x 14 1/2" pieces.

Outer Border: Red (1/8 yard)

Cut one strip 3 1/2" x 42", Sub-cut into (2) 3 1/2" x 18 1/2" pieces.

Binding: Red (1/4 yard)

Cut into three strips 2 1/2" x 42"

Backing: 5/8 yard

Simply Charming Valentine

Enjoy this quick and easy project that utilizes pre-cut 2 1/2" squares called Mini-Charms or Moda Candy. They're so irresistible you won't be able to stop at just one pack!

Construction: All seam allowances are 1/4"

1. Arrange 25 of the 2 1/2" squares in 5 rows of 5 squares each. Sew squares into rows, then join rows together. Unit should measure 10 1/2" x 10 1/2".
2. Sew the 2 1/2" x 10 1/2" white inner borders to sides of unit. Sew the 2 1/2" x 14 1/2" borders to the top and bottom of the unit.
3. Arrange two sets of seven of the 2 1/2" squares into a row. Sew together. Sew unit to sides of center section.
4. Arrange two sets of nine of the 2 1/2" squares into a row. Sew together. Sew unit to top and bottom of center section. Unit should now measure 18 1/2" x 18 1/2".
5. Sew the 3 1/2" x 18 1/2" borders to the top and bottom on the center section.
6. Quilt as desired. Bind using the 2 1/2" strips.



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Crossword Puzzle

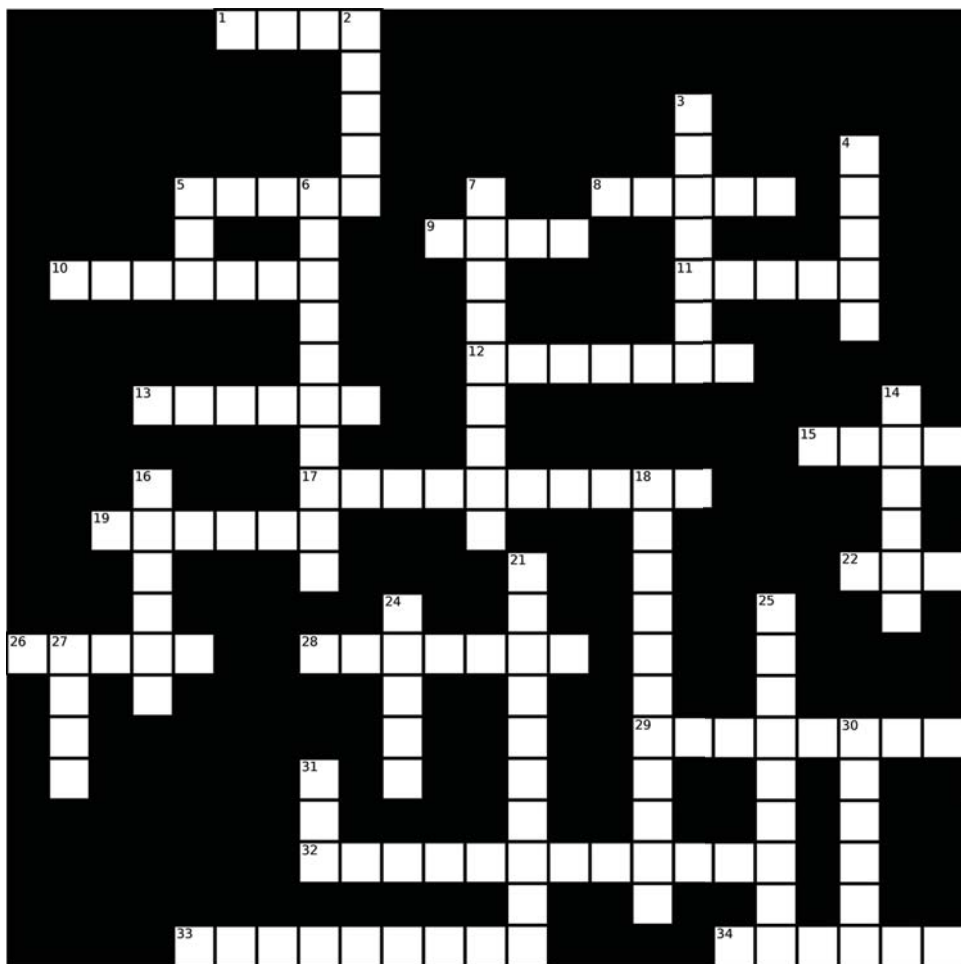
Please enjoy this crossword puzzle. You will find every answer somewhere in this magazine. The correct answers will be in the next issue.

ACROSS

- 1 Added Price Option (APO) is brought to you by ____.
- 5 There are more than 2.2 million ____ in America.
- 8 Price Flex is brought to you by ____.
- 9 Price Flex is a fully customizable coverage allowing for expanded flexibility in revenue ____ transfer.
- 10 In order to insure newly broken ground, it may be necessary to submit a ____ agreement request.
- 11 Jim, along with his grandson Hudson and son-in-law Kevin, went ____ hunting while home for Christmas.
- 12 Consumers are often entitled to ____ for alarms, extinguishers, good student driving discounts, etc.
- 13 You must have a ____ loss, not a revenue loss for the Added Price Option.
- 15 Insurance policies are legal contracts and each insurer's policy is ____.
- 17 Price Flex is only sold on ____ units.
- 19 Price Flex is available for corn, ____, soybeans, and wheat.
- 22 Fiduciary standard of care means doing what is best for the ____.
- 26 Short rating ____ must be done by March 15, 2014.
- 28 HarvestMax™ is an innovative product designed to help growers protect against ____ yield losses while protecting revenue and profits.
- 29 By utilizing Plains Equipment Group's ____ Compliant mapping package, they can make it possible to plant seamlessly between dryland and the irrigated areas of your field and not require any physical break in the crop.
- 32 Getting the most from risk protection is called ____.
- 33 For quite a few years now, ranchers have been in a ____ phase in the cattle numbers.
- 34 The Home Agency will be at the ____ Cattlemen's Classic at the Buffalo County Fairgrounds from February 15th-23rd!

DOWN

- 2 Trend-Adjusted APH (TA) must be elected by ____ Closing Deadline.
- 3 The extended ____ may be a cause for the reduction in cattle numbers.
- 4 Having homeowners, auto, and umbrella policies all with the same company will likely save a consumer ____.



- 5 Doing a HIIT workout, you burn more ____ than with just regular exercise.
- 6 HarvestMax™ compliments your current risk ____ strategies.
- 7 Currently, only independent Registered Investment Advisors are required to act in a ____ capacity.
- 14 For HarvestMax™, you take the ____ average of all irrigated corn or soybean acres in all counties.
- 16 The use of ____ media has increased 800% in the last eight years.
- 18 ____ standard of care usually means an advisor need only suggest products that are suitable for their customers' objectives, income level, and age.
- 20 eWeatherRisk's ____ station network consists of about 6,000 weather stations.
- 21 Your agent will need your 2013 row crop ____ in order to give you an accurate quote for this coming year's crop policy.
- 23 APO applies to ____-adjusted yields.
- 24 ____ 15th is the Sales Closing Deadline for 2014 row crops.
- 25 Jim Baldonado has been in the ____ business for 28 years now!
- 27 One benefit of doing a ____ workout is that you can do it anywhere!
- 30 HarvestMax™ is brought to you by Ag ____.
- 31 ____ is a supplement MPCCI coverage to cover input costs. ■

ADDRESS SERVICE REQUESTED

*Photo on the front cover was taken by Sara Ross.
Design and layout of The Home Agency Magazine is by Sara Ross.*

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Gothenburg, NE 69138
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Brady

120 North Main
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888-537-3511 · 308-584-3044

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619 Chief Street, PO Box 567
Benkelman, NE 69021
800-245-4241 · 308-423-2400

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Lincoln, NE 68508
800-245-4241 · 402-314-5338

Ruskin

1123 Road 4900
Ruskin, NE 68974
800-245-4241 · 402-984-9255

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McClelland, IA 51548
712-566-3603 · 402-740-5624

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Beloit, KS 67420
785-593-6659

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