



CHURCH

**The Church
Insurance Company**

727 Quincy Street, Suite One
Rapid City, SD 57701
(605) 348-9437

John B. Davis
Regional Vice President

November 9, 1989

Mr. Randy Reinartz
The Diocese of South Dakota
200 West 18th Street
Sioux Falls, SD 57104

Dear Randy;

I am writing to follow up our correspondence and conversations with regard to Grace Church, Madison and St. Mary's & OBR, Flandreau.

Our Underwriting Office suggests two options for each church to consider.

Madison

OPTION 1:

We will maintain coverage on a Replacement Cost Value basis, reducing the value of the building to \$188,000 (contents \$37,600). An individual policy will be issued, removing Madison from the blanket policy of the Diocese (thereby limiting a loss to the value of the policy, although the coverage provisions will remain the same).

For this option, the premium cost will be reduced from the present \$196 per quarter to \$126 per quarter.

OPTION 2:

We will change the coverage basis to Actual Cash Value, reducing the building value to \$100,000 (contents \$15,000). An individual policy will be issued, as in Option 1.

For this option, the premium cost will be \$96 per quarter.

Mr. Randy Reinartz
November 9, 1989
Page 2

Flandreau

OPTION 1:

We will maintain coverage on a Replacement Cost Basis, reducing the value of the building to \$88,000 (contents \$10,000). An individual policy will be issued, removing Flandreau from the blanket policy of the Diocese (thereby limiting a total loss to the value of the policy, although the coverage provisions will remain the same).

For this option, the premium cost will be reduced from the present \$137 per quarter to \$103 per quarter.

OPTION 2:

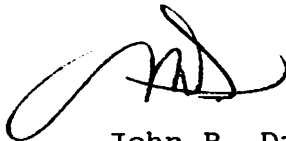
We will change the coverage basis to Actual Cash Value, reducing the building value to \$80,000 (contents \$5,000). An individual policy will be issued, as in Option 1.

For this option, the premium cost will be \$94 per quarter.

Please consider these suggestions and let me know what would be helpful.

Looking forward to hearing from you, and with continuing best wishes for a blessed Pentecost Season, I remain,

Faithfully,



John B. Davis
Regional Vice President

cc: The Reverend Allen L. Lewis ✓
Andrew M. Price, CPCU