DOWN-HOLE-SURVEY CAMBERD INSURANCE.

50008641

THE ROSEBUD MINING COMPANY, LLC

Hecla Mining Company, Operator

March 9, 1999

MEMORANDUM TO:

Ned Tower

FROM:

Rick Berezay

SUBJECT:

Inland Marine Insurance Policy

Ned, it appears that the insurance coverage for the Brazil equipment may have a higher rate applied than the two cameras we have at Rosebud. The amount listed on our policy for the Reflex foto bar camera (\$55,000) and the Humphrey camera (\$12,000) totals \$67,000. The rate applied, before the Brazil equipment was added, is 1.75. This calculates to \$1,173 and agrees with an invoice we paid for the 1/24/98 - 1/24/99 period (see Hecla invoices 1332 line 16 and 1349 line 16 dated March and April 1998).

For this year (1/24/99 - 1/24/00) we were charged \$1,766.48, an increase of \$593.48 or a rate of 2.636. I think this is incorrect. It looks like the invoice originally was coded correctly but the amounts were crossed out and new numbers shown (see copy).

It appears that the rate reflected on a backup sent to us still reflects 1.75 (see attached). Could you verify we are correct in our thinking and if so have Mary Jane credit Rosebud back the over charge of \$598.48 in March's Hecla billing. Thanks for your help.

C: Allen, Kurt

Dexter, Mike

RRB/rrb
Memo R0592

THE HARTFORD PO BOX 659519 SAN ANTONIO, TX 78265

INSURANCE BILL

RECEIVED

HECLA MINING COMPANYO 1 0 1939

P.O. BOX C-8000

FECE

COEUR D ALENE, ID

02-6-ACCOUNT/POLICY NUMBL. 34 06593928A

PAYMENT DUE DATE

02-23-99

This statement represents your scheduled installment. Please remit your payment promptly to ensure continuous coverage.

POLICY NO. & ACTIVITY DATE	DESCRIPTION		NEW CHARGES/CREDITS	MINIMUM AMOUNT DUE
	CURRENT SERVICE	FEE DUE	6.00	6.00
		HARTACO	00K-0211019	17
7773	00 K05EBud	ROSEIBUD 109		
	335.57		530001	
PAYMENTS RECEIVED SINCE LAST BILL CURRENT BALANCE -924.00 PLEASE PAY EITHER AMOUNT				196.60 MINIMUM AMOUNT DUE

BILL

DUE

*YOUR BILLING SCHEDULE WAS ADJUSTED DUE TO THE ABOVE PREMIUM ACTIVITY.

DATE DATE

190.64 03/03/99 03/23/99

WE DO NOT RECEIVE AT LEAST THE MINIMUM DUE BY THE DUE DATE SHOWN, HE NEXT BILL WILL INCLUDE A FIFTEEN DOLLAR LATE PAYMENT FEE.

FOR COVERAGE QUESTIONS, PLEASE CALL (208) 667-9421

BILLING CO: HARTFORD FIRE INSURANCE CO.

FOR BILLING QUESTIONS, PLEASE CALL 1-800-447-7649 BILLING CO: HARTFORD FIRE INSURANCE CO.

EASE TEAR ALONG PERFORATION AND RETURN BOTTOM PORTION WITH A CHECK PAYABLE TO THE HARTFORD. INSURED: HECLA MINIMG COMPANY

VIMUM AMOUNT DUE \$196.60 URRENT BALANCE \$2,103.00

AYMENT DUE DATE

02-23-99

AMOUNT

PLEASE PAY EITHER AMOUNT

THE HARTFORD PO BOX 650701 DALLAS TX 75265-0701 06593928A

AMOUNT ENCLOSED

m ACC-945-12 Printed in U.S.A.

AS OF 02-03-99 00 1

COMMERCIAL INLAND MARINE SCHEDULE OF PROPERTY COVERED



This schedule provides supplementary information to be used with the Commercial Inland Marine Coverage shown.

POLICY NUMBER: 34 MS EZ6883

CHANGE NUMBER: 003
TYPE OF COVERAGE:

SCIENTIFIC INSTRUMENTS

DEDUCTIBLE: \$500

RATE: 1.75

01. 1989 REFLEX FOTO BAR CAMERA #45-1-203

02. HUMPHREY CAMERA MODEL #PH02-0201-1 S#H233

TOTAL LIMIT OF INSURANCE

Misc. Equipm't

\$ 55,000 \$ 12,000 \$67,000 - AT 120SEBUD 13,150 - BRAZIL