

WELCOME!

Greetings friends, old and new.

AFC Insurance was born in 2000 and continues to grow — both in size and in the services we provide to you, our loyal agents and brokers.

Please enjoy our inaugural edition of “The AFC Program.” We plan to publish our newsletter bi-annually to keep you informed of our products and services. Our goal is to continually provide performance, not promises.

Please let us know how we can help you.

Warmest regards,

Jane Gordon
President

WWW.AFCINS.COM

AFC Insurance, Inc. publishes “The AFC Program” on a biannual basis.

The content and opinions expressed in “The AFC Program” are strictly for informative and illustrative purposes from sources who are presumed accurate. AFC Insurance does not assume responsibility for any misguided information and no guarantees are implied.

AFC Insurance is an Underwriting Manager for Health and Human Service, Home Healthcare Insurance, Commercial Childcare and Pizza & Deli products with a mission to provide “Performance, Not Promises.”

If you have questions about our programs, you can reach a representative by calling 877-456-5323 or writing to us at 95 Highland Avenue, Suite 150, Bethlehem, PA 18017.

Introducing AFC’s programs

DINA TRISTANI
AIA, CIC, CPIA, CPIW
Vice President — Operations

Are you doing business with AFC Insurance?

We specialize in social services, home medical equipment dealers, day care and pizza/deli program business.

We have an experienced staff at AFC, and a service-oriented approach, which are key advantages in today’s marketplace.

Why should you start doing business or continue to do business with AFC?

As mentioned, we have four programs. Our Social Service program is for profit and not-for-profit risks.

Classes of business include counseling services, addiction centers, mental health and physical disability centers.

We also write home health care business. We have a program with QBE (Rated A by AM Best) for General Liability, Pro-

fessional Liability and Umbrella.

QBE’s professional liability form provides a variety of options and successfully competes in today’s market. Pricewise, QBE is very competitive. Coverage-wise, QBE can’t be beat.

QBE is also represented for “Home Medical Equipment Dealers.” A wide range of medical products are eligible. All lines of coverage are also applicable.

We also have the Lexington Insurance Company (Rated A by AM Best) writing package and/or GL, FL, Auto and Umbrella lines on a non-admitted basis or Chartis (Rated A by AM Best) on an admitted basis.

Travelers is also represented for Auto and Property to support our liability products. Travelers has a very broad appetite for this class of business including non-emergency transportation risks. Writing risks on a monoline basis is acceptable.

Our other program, Child Care Solutions, is a program for afterschool care, day care, day camps, tutoring and nursery

schools, which is written through Chartis admitted paper.

Property, GL including abuse, PL, Auto, and Umbrella coverages can be provided. Accidental medical coverages can also be written at high limits for students and faculty.

Our newest program, but an already-established program, is our Pizza Restaurants & Deli Package with Fireman’s Fund (Rated A by AM Best), which includes the option to write Worker’s Compensation. The most important feature of this product is the option to write the Non-Owned Auto liability coverage for delivery drivers, which makes it very competitive.

For all our programs, we have risk management options available that include an array of tools including safety bulletins, educational webinars, consultative programs, and other services.

SEE PROGRAMS ON PAGE 2

New changes call for green celebration

KENNETH KING
Accounting Leader

The year 2009 has been a year of positive change for AFC Insurance. We have been busy!

- Our file server and workstation hardware and software have been upgraded.
- A new “paperless” imaging system has been implemented.
- The process of burning and mailing policies on CD-ROMs and also emailing policies directly to our brokers has also been implemented.

Change is constant! At AFC we are continuing to improve our processes for increased productivity and efficiency to better serve you, our customers.

In addition, we would like to offer easier payment alternatives to our brokers through either ACH – Direct Billing of your monthly statement to your bank account, or having you process your payments through wire transfer instead of manually issuing a check each month.

If you are interested in participating in either of these programs, please contact our Accounting Department directly at 610-814-2182.

As we approach the 4th quarter, we are still working on additional changes and bringing more improvements to you.

Social Service Program: the only constant is change

AIG / LEXINGTON / AIU / CHARTIS

MAGGIE TUNNEY
Vice President

For the past four years, we have enjoyed a strong business partnership with Lexington Programs, representing all of the admitted and non-admitted companies under the newly formed Chartis Insurance Company. The Chartis Group remains A-Rated from AM Best.

Within our Social Service Program, we have a broad list of eligible classes including Youth Residential Programs, Mental Health and Drug and Alcohol Counseling, Shelter and Senior Programs. All coverages are available including General and Professional Liability, Property, Auto and Umbrella.

One of the newest coverages included in this program is HIPAA—the Health Insurance Portability and Accountability Act coverage extension endorsement. This endorsement provides \$50,000 limit for damages due to a violation of the Department of Health and Human Services regulations regarding privacy.

Please call me to discuss your specific needs or how we can tailor coverage to your needs. I look forward to speaking with you.



Photo courtesy of istockphoto.com

Pizza & Deli Program: order while it's hot

ART LYONS
Vice President

Pizza shops with delivery? AFC Delivers. Written on Fireman's Fund paper (The American Insurance Company, AM Best A, XV) AFC offers a Business Owner's Policy (BOP) designed specifically for Pizza shops and Delicatessens. As an optional coverage Non-Owned Auto coverage for delivery services is available. Other coverages specifically designed for pizza restaurants and delis are automatically included, such as loss of refrigeration coverage.

In addition to Non-Owned Auto coverage for employed delivery drivers, AFC offers coverage for Owned Autos, Worker's Compensation and Excess Liability. These coverages are available in most states.


Other options available include Payment Card Security Coverage, a unique coverage available only through this program. This coverage is designed to protect the business from the impact of non-





Photo courtesy of istockphoto.com


compliance issues following a data breach.


This optional endorsement provides coverage for:

 Penalties, chargebacks and payment card reissuing expenses outlined in the merchant service agreement.

 Upgrades to software and hardware systems (including installation and re-scanning services) that will bring the insured into compliance following a data breach.

 Extra expenses incurred, such as late payment fees and other bank service charges, if credit providers freeze the insured's cash flow and hold penalties and expenses from receivables accounts.

 Extra expenses incurred to protect or restore the insured's reputation.

 Extra expenses incurred to promote the business to the affected individuals after a breach, such as a restaurant gift certificate or service coupon.

This is just a sample of the optional forms designed specifically for this program. Please call Art Lyons to discuss the program in detail or visit our pizza website at www.afcpizza.com.

PROGRAMS FROM PAGE 1

So, why do you still want to do business with AFC?

Our service goals are No. 1 priority. Every underwriter has the authority to make quick decisions.

Our underwriters collectively have more than 100 years of experience in this specialized marketplace.

You will find that we quickly turn around your quotes, policies, endorsements, and other service needs as we handle the rating, policy and endorsement issuance capabilities in our office. We can provide you with loss runs, claim status reports and payment histories upon request.

Once again, why do business with AFC?

It is our carriers (all Rated A), products and service. We know the marketplace. We know your business. We want to be a partner in your office and succeed together – performance, not promises – so why not send us your business?

Program solves childcare needs



MIKE VONFABIAN
Senior Underwriter

If getting quality coverage at an affordable price for your day care center accounts is like finding a good babysitter, we have your solution... **Childcare Solutions**.

Childcare Solutions is our premier day care package insurance program. It is offered nationwide and is open to all accredited child care centers*. It is written through the Chartis Insurance Group on an admitted basis and offers all package lines including professional liability. We also offer umbrella coverage and our Essential Accident Coverage to protect the children and staff!

Let's face some facts. With unemployment running rampant, more and more parents are

home to take care of their children or, if they are underemployed, they are tapping grandparents to provide child care. Bottom line, the average center is down on attendance.

If making ends meet is a problem for your center owner, why not help them lower something in their budget...their facility insurance costs. Oh, and by the way, we have some great enhancements to our package that are dynamite! Does your current program offer *equipment breakdown* coverage? Or *upgrade to green*?

Find out more today. We want to be the solution for your childcare customer. Childcare Solutions. Call 1-877-456-5323 today! Or, check us out on the web at www.afcins.com.

**No in-home day care or drop-off centers.*

LOOK FOR OUR NEXT ISSUE IN SPRING 2010!

A wedge with Travelers

PATRICK CASSADAY, CPCU
Director of Underwriting

AFC has an exclusive arrangement with the Travelers (A+ XV AM Best Rated/Admitted) for their Health and Human Service (HHS) Program that is available in all 50 states.

This program is for property and auto coverages and supports all of AFC's GL/PL products, but we can also write monoline Auto and/or Property coverages.

Outside of our normal appetite, we can also write the Property and/or Auto coverages for nursing homes, assisted living facilities, and other similar type facilities.

In addition to the above lines, we have also been successful in writing the monoline Auto coverage for non-medical transportation risks.

If you are interested in finding out more about what we can offer in our Travelers program, please contact Patrick Cassaday at 610-814-2193 or email questions to patrick.cassaday@afcins.com.

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Until then, we wish
you a safe and happy
holiday season and
happy New Year!

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