

Volume 3, Spring 2005

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For additional information or clarification regarding any of the articles published in *The Guardian*, please contact Ms. Paula Anders, **WNC** Corporate Development Coordinator at [panders@wncfirst.com](mailto:panders@wncfirst.com)

## Focus on Acquisition

### Welcome AMPAC Insurance Marketing Inc.

by Jay Springman, Chief Marketing Officer/AMPAC

A new member company of **WNC**, AMPAC Marketing Inc., is not new to the financial institution marketplace. For more than 29 years, AMPAC has been dedicated exclusively to marketing life insurance products to customers of affinity based clients, including retail banks, credit card companies, mortgage servicers and specialty insurers. Today, AMPAC's term life insurance program is offered to customers of Bank of America, Citifinancial, U.S. Bancorp, Wachovia and AIG- American General Financial Group.

One of the oldest and most experienced third party marketers in existence today, AMPAC is the leader in the direct response marketing and sale of ordinary, fully underwritten term life insurance. In 2004, AMPAC was responsible for marketing more than 250 million inserts and has commitments for 2005 that exceed 300 million.

AMPAC has developed an end-to-end proprietary system that provides a complete

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## From The President's Desk

### Presenting Precise Adjustments, Inc.

by Carl L. Herrmann, III

As **WNC** grows and our product offerings become more diverse, we need to align ourselves as one organization fully coordinated and focused to quickly and attentively respond to our clients' needs and requirements. Equally important is our ability to stay in step with changing state regulations that directly impact our business and the services we provide.

We know that prompt, accurate and professional claims handling is a critical component of our service mix. This is why we've always been extra diligent in selecting only those claims professionals and firms who meet our standards of professionalism, experience and expertise.



Mark Sarrett, Chairman,  
Precise Adjustments, Inc.



Jim Fallis, Jr., President,  
Precise Adjustments, Inc.

I am pleased to introduce you to Precise Adjustments, Inc., a wholly owned subsidiary of **WNC** Insurance Services, Inc. Through a network of highly qualified independent adjusters from coast to coast, Precise is able to deliver prompt, accurate and professional claims adjusting services.

Precise is led by a veteran team of claims experts headed by Mark Sarrett as Chairman and James Fallis, Jr. as President. With a total combined experience of over 40 years in the claims adjusting and administration business, Mark and Jim form the solid nucleus of the Precise team of experts who are ready and able to handle any claims situations which might come its way. This is of increased significance in catastrophe situations where you have numerous and widespread losses in a short time span.

Mark Sarrett brings 21 years of claims experience to Precise Adjustments, Inc. He has managed claims organizations that service specialty financial institution lines and mainstream insurance products both from a carrier perspective and as a third party administrator. During his 12 years at Balboa Insurance Company, Mark led the Claims Division which included servicing major national CPI and Lender Placed Insurance books of business that totaled over \$500 million in written premium. He has managed claims organizations that provided nationwide claims service by directing adjuster teams that have numbered as many as 125 claims associates.

Jim Fallis also brings more than 20 years of experience in the claims arena including general contracting specializing in insurance claims and reconstruction. Jim is a certified adjuster of the National Flood Insurance Program and was the former National Flood Claims Manager of a

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President's Desk *continued from page 1*

major adjusting firm. Jim was also honored as "Adjuster of the Year" by a professional adjusting company that he used to represent.

On June 1, 2005, Precise Adjustments, Inc. established a physical presence in our South Pasadena, CA corporate headquarters by integrating **WNC**'s current Claims Department. This integration will allow Precise to operate more effectively by absorbing a quality resource in **WNC**'s claims experts. This in turn will enable **WNC** to allocate more resources to servicing your needs and developing new products to address your changing insurance requirements.

We're pleased to have Precise Adjustments, Inc. as part of **WNC** to further demonstrate our commitments to "strength", "service" and "specialty" to our markets.

If you have any claims inquiries or would like more information on Precise Adjustments and its services, please call 626-817-0949, send a fax to 626-817-0945 or an e-mail to [claims@preciseadjustments.com](mailto:claims@preciseadjustments.com). Please remember to add Precise to your address book so our e-mail messages will not be filtered or misidentified as spam by your e-mail system. In this way, we can be sure that you won't miss any important communication from us regarding your claim.

Focus on Acquisition *continued from page 1*

turnkey life insurance program for a financial institution client. The program goal is for the client to develop and enhance customer relationships through delivery of an affinity based program. The program objectives are to generate fee income for the client with little administrative involvement on their part. The client benefits from a private-labeled program providing easy access to affordable term life for their customers. This expands the client's core offerings and leads to greater customer retention and profitability.

Highlights of the AMPAC term life insurance program include:

- A consumer-directed sales process driven by business reply cards, inbound calls, on-line application or call transfers to licensed agents providing a simple approach to buying Term Life
- A fully integrated paperless process, from application to examination, underwriting, and policy delivery

- High response rates
- Proven success across all major financial institution channels including retail checking and savings, mortgage, credit card, small business, and consumer finance
- A program designed to accommodate privacy laws
- Competitive fully-underwritten term products issued by American General Life Insurance Company, member of American International Group, Inc.
- Sales of competitively priced Guaranteed Issue, Simplified Issue, Smoker-rated term and whole life policies from RBC Liberty Insurance and National Guardian Life.

In response to the ever changing client needs, AMPAC has recently introduced a Web-based delivery system offering comparative quoting from top insurance carriers along with the opportunity to apply for life insurance. The system can be configured to support retail branch platform programs, face-to-face financial advisory/consultation or it can be consumer-directed from the client's own Web site.

The system is integrated with the current administrative system to provide end-to-end application processing. As with all AMPAC program offerings, the Web-based delivery system can be private labeled to leverage client affinity. It utilizes a flexible design to provide several levels of customization.

With a level of experience unmatched in the industry, AMPAC enjoys an excellent reputation in the marketplace. AMPAC is committed to continuous process improvement and finding new ways to increase results. By maintaining focus on delivering for the client and dedicating resources to deliver an excellent customer experience AMPAC will prove a valuable resource for **WNC**. For more information, call Jay Springman, Chief Marketing Officer/AMPAC, 866.521.5278.

## Service Spotlight

### Hurricane Season Looms

*by Thomas Phillips, Underwriter  
WYO/Excess Flood*

Well it's June and another Hurricane season is upon us. We all sincerely hope that it will not be as hectic as last year was. If it is though, **WNC** is fully prepared to handle any challenge that comes our way. Service is at

the forefront of our company's dedication to our clients.

At **WNC**'s Miami office this is a very important time of year for us, as we concentrate the majority of our time and business dealing with the peril of flood, which is good news for our business partners from the financial and insurance industries. With our expertise and with a wide variety of flood products, we strive to meet the needs that are presented to us.

We have the ability to provide primary flood coverage with the NFIP and in Florida and California, we offer our Private Flood Insurance Program (PFIP). The PFIP provides the same coverage as the NFIP, but with lower rates and optional coverages that the NFIP cannot provide.

In addition to the primary flood products, **WNC** Miami also writes excess flood coverage above the NFIP's maximum coverage limits in every state. We have the ability to write up to \$20 million per location and write with various companies, which are all "A" rated.

We are also in the process of developing a flood product that will allow more than one location to be added to one policy, either as primary coverage or excess coverage, which will lessen the burden on an insured and an agent for tracking multiple policies for multiple locations.

At **WNC** Miami, we are always striving to provide the best possible products to our business partners. We'd love to hear from you with any questions or interest in our products. For more information, please call Thomas Phillips/Underwriter, WYO/Excess Flood, 305.270.6776.

## Denver Division Handles Broad Range of Risk

*by Lynda Andrews, EVP  
Homeowners/Commercial*

**WNC**'s Denver division is a full service retail and wholesale insurance provider. Denver's personal lines products include:

- Homeowners, condo, renters, mobile home and dwelling fire
- Auto, motorcycle and recreational vehicles
- Flood and stand alone earthquake
- Watercraft
- Personal umbrella

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## Technology Bulletin

### New Policy Tracking System to Debut

by George Soule, VP Operations & Special Projects

**WNC**, in concert with Information Distribution & Marketing, Inc. (IDMI) is in the process of developing a new Policy Tracking System (PTS) that will greatly improve the speed and quality of handling our various products. The new system utilizes Internet technology to manage and access large informational databases and create flexible user-intuitive systems.

Here's an Overview:

- The PTS is a real-time Internet ready management system for the Insurance industry.
- It is an all-in-one system managing information from policy administration and reporting functions to agency point of sale.
- PTS functions include
  - Quote • Rate • Comparative Rating
  - Underwriting • Issuance
  - Policy Maintenance • Claims • Imaging
  - Custom Reporting • Premium Finance Package
  - Catastrophic Recovery • Data Warehousing
  - Rate Analysis Tool • Workflow
- It provides an efficient method to sell, quote, issue and manage policies from anywhere.
- The PTS centralizes the Insurer's information and reduces workload, errors and costs associated with tracking and managing an insurance policy.
- It allows for complete control of user access to an Insurer's database.
- It opens communication channels through all levels of an Insurer's organization.
- Information is protected via a secure private Internet network. This process allows for an Insurer to operate in a virtually paperless environment and increase the accuracy of the information within Insurer's policy holder database.

The PTS uses Microsoft SQL server technology and is capable of handling millions of policies. Development of **WNC's** Private Flood Insurance Program (PFIP) is nearing completion and will soon be installed on the PTS. At present, the PTS is being used

to rate and quote PFIP policies by some of our agents. **WNC's** Excess Flood and Homeowners products are next in line to be handled by the PTS.

For more information about the PTS, call George Soule, VP/Operations & Special Projects, 626.463.6344.

## Product Spotlight

### WNC Launches Two New Products

by Ferdie Cinco, Compliance Manager  
**LPF+**

After carefully reviewing our clients' input especially in the aftermath of the four Florida hurricanes that defined the 2004 Hurricane Season, **WNC** is pleased to offer an enhanced and more responsive flood insurance program that delivers added protection to the mortgage lender or servicer as well as the borrower.

This enhancement is called Lender-Placed Flood Plus Program (LPF+). LPF+ is as comprehensive as our standard flood program but comes with an extra shield of protection - it ensures that mortgage payments are made if the home becomes uninhabitable after a catastrophic flood event. LPF+ will pay the borrower's mortgage principal and interest payments for up to 3 consecutive months while the house is being repaired. With LPF+ both the lender and the borrower benefit.

### Preferred Flood Risk Program (PFRP)

Also at this time, we'd like to introduce to you a brand new flood program - **WNC's** Preferred Flood Risk Program (PFRP). Simply stated, PFRP offers low-cost flood coverage to owners of eligible buildings located in non-SFHA flood zones in NFIP participating communities. Non-SFHA means those flood zones other than "A" or "V" and their various designations. PFRP's rules and guidelines are the same as the NFIP's Preferred Risk Policy although PFRP is only available for 1-4 Family Residential buildings. Because 25-30% of all flood losses actually occur in non-SFHA flood zones, PFRP is a perfect addition to our flood program mix because it provides risk-aware homeowners the ability to obtain flood insurance protection at low premium rates.

For additional information on LPF+ and PFRP, please call your **WNC** representative or Ferdie Cinco, Compliance Manager at 626.463.6427.

## Who is WNC?

### Meet Ann Morlan



Ann Morlan,  
Operations Manager/Customer Service

Ann Morlan joined the **WNC** family in May of 1985 and is celebrating 20 years of service this year! During her **WNC** career Ann has held a variety of different positions, including Voluntary and Lender Placed Customer Service Representative, Compliance Department associate, Company Trainer, Supervisor of Lender Placed products and Operations Manager. In her current position, Ann is responsible for a staff of more than 30 employees handling multiple processes consisting of Quality Control, Lender-Placed, and Voluntary Insurance (Homeowners, Private Flood Insurance for Non-participating Communities (Non-Par), Coastal Barrier Islands (Cobra), PFIP, and Excess Flood).

**WNC** is currently involved in changing its computer system from AS400 to a Web-based software program. This is a big change and it involves all departments within the company. In Operations, this change will affect one department at a time. Ann will be working along side each one of her supervisors to assist in various testing phases on the conversion, which include analyzing rates, establishing guidelines, creating forms, issuing notices and reviewing procedures to ensure that this new system can accomplish everything we are currently processing and more.

In spite of her multiple responsibilities, Ann does have a life separate from **WNC**. Ann loves the outdoor life. Her hobbies include hiking, mountain biking, waterskiing, boating, motorcycle riding, camping, exploring and the list goes on. Ann also enjoys just relaxing at home with her family (husband, 5-year old daughter and 20-month old son) and all of her animals, 4 dogs, a cat, a squirrel, a raccoon, a couple of snakes and of course, some fish.

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## Conference Update

### National Flood Insurance Program (NFIP)

June 1-3, 2005 – Marco Island, FL  
301-731-5300 ext. 439

### California Mortgage Bankers Assoc. (CMBA)

August 7-9, 2005 – Las Vegas, NV  
916-446-7100

#### Service Spotlight *continued from page 2*

The group specializes in various types of delivery which include both point-of-sale offerings for mortgage closings and traditional retail sales. Denver has enlisted an impressive roster of providers including St Paul Travelers, Hartford, Chubb, Clarendon, Century National,

Vesta Shelby, American Modern Home, Progressive and other regional carriers.

Denver also offers commercial insurance products for various types of commercial business exposures through domestic markets such as St Paul Travelers, United National, Chubb Custom and other regional carriers and offers program business for apartments and condominiums through Lloyds of London.

The Denver division is noted for its innovative approach and is currently testing a “near standard” homeowner product which can be offered by lenders as an alternative to forced ordered business. More on that soon.

For more information about services offered by **WNC**'s Denver division, please call Lynda Andrews/EVP, Homeowners/Commercial, 720.875.9005.

#### Who is... *continued from page 3*

Ann has been working with Flood insurance for the last 20 years and now her husband has become involved with Floods in a totally different way. He is a Ventura County Search & Rescue Deputy Sheriff and was involved in rescuing several men, women and children during the recent floods that hit Ventura County this year. He and other rescuers put their own lives at risk to assist others during this devastation and chaos.

If you have questions regarding information disseminated at these meetings or if you need information about upcoming conferences just contact:  
Dava Wittig, 262-789-8202 Sheri Kordsmeier, 770-509-5159 Lisa Samaniego, 909-392-3754



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