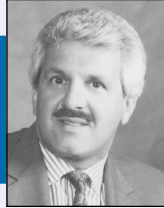




Allied Advisor

Serving the Insurance Needs of Southern New Jersey for More Than 94 Years

President's Corner



Michael Rossi
President

Changing Financial Market Causes Price Increases

The insurance marketplace has changed dramatically over the past 50 years. Between mergers, acquisitions, bankruptcies and the changing financial market, today's world has very few insurance companies as compared to yesterday. The effect on the consumer is obvious: fewer choices and higher prices.

Insurance companies no longer have the cash flow to invest in the stock market and the market is no longer yielding the big returns. Instead, companies are forced to return to actuarial sciences to project rates against losses. With diminished choices and continued tough economics, rates will continue to climb until there is a return to profitability.

We are seeing averages of 15 to 30% increases in many of our commercial accounts' renewal premiums and experiencing changes in these same insurance carriers' financial ratings. Insurance carriers are rated by companies like AM Best on their financial soundness, which is why financial institutions require an "A" rated company to insure your home or commercial building. It is very important that you buy your insurance from an "A" rated carrier whenever possible to minimize your risks.

As always, AIS believes that **Knowledge is the Best Policy**. We remain committed to providing you with the best available choices for all of your insurance needs.

New affiliate expands AIS reach to the greater Fairfield Township area

Fairfield Insurance Agency (FIA) of Fairton, New Jersey, is now affiliated with Allied Insurance Services, broadening the reach and impact of AIS products and expertise. As a result of this partnership, FIA now brings a wider range of personal and commercial insurance services to all of its valued customers and to the residents of the greater southern New Jersey region.

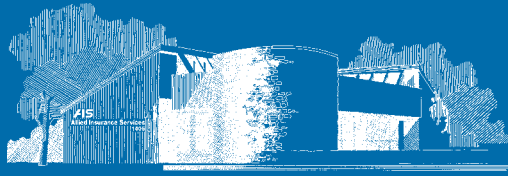
"FIA still offers the same friendly, reliable service as before, but now has the ability to reach across a much broader spectrum of the insurance industry to meet the needs of our customers," says FIA President Jim Owen.

FIA continues to offer auto, home, workers' compensation and small-business insurance with the same level of professionalism. In addition, thanks to the AIS affiliation, FIA now offers insurance products for life, disability, long-term care, financial planning, retirement, business continuation, and commercial property and liability.

"People want the best value and service for their dollar today. The partnership between AIS and FIA is aimed at ensuring that this value and service are available to a broader range of people in our area," says Michael Rossi, III, President of AIS. "Our belief, **Knowledge is the Best Policy**, is the foundation of our quest for excellence as an insurance agency."

Please let us know what you think of our newsletter. Tell us about specific insurance issues you'd like to learn more about. We're here to help! Ask for Melissa Comparri.

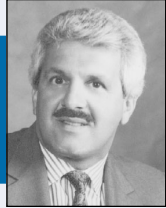
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Knowledge is the best policy!

COMMERCIAL TIP

How Crime Resistant Is Your Business?

Here is a brief checklist that can help you secure your business from theft.

Quality Doors and Locks

The number one precaution is to have a metal or solid wood door and cylinder lock that resists kicking, drilling and beating. Some lock manufacturers offer specially designed keys not available at standard key shops and hardware stores.



Remote Control Locks

To protect your office and employees during the day as well as at night, you may want to consider a remote control lock. While their features vary greatly, the general purpose is to let you decide who should be admitted. A video camera displays the visitor.



Video Surveillance Cameras

Cameras catch criminals in the act, ultimately aiding in identification. They are available in stationary or movable models.

AIS can help reduce your equipment maintenance costs

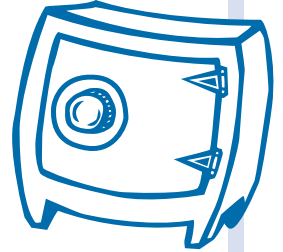
Maintenance insurance is now more affordable than ever! AIS, through a relationship with Custom Insurance Programs (CIP), can help save you significant \$\$\$ on your maintenance costs for all of your office equipment — copiers, printers, fax machines and more. It's really easy to save money! A representative from CIP will sit down with you and review all of your costs and show you how to save 15 to 30% while maintaining the exact same level of maintenance service and still utilizing your very same equipment service vendor.

And there's more — CIP also helps you keep updated records on your equipment with detailed reports and can even make recommendations for the most cost-effective time to replace your equipment. If you don't like the service you are receiving from your current maintenance company, CIP can put you in touch with a new provider and still save you money.

For more information about CIP's services, call CIP at 800-206-9913 and ask for Frank Jones.

Office Safes

If you purchase an office safe, make sure it is big enough so it can't be easily stolen. Electronic keypads are effective because they eliminate the hassle of making sure the system is locked and they don't need to be rescrambled.



Heat and Motion Detectors

These devices monitor changes in heat and/or motion and respond with an alarm or bright lights. While they can be highly effective, they are not a good idea if you have an office watchdog or other pet that may trigger the detector.

Insurance Fraud: the crime we all pay for

Insurance fraud occurs every day and in every state. People of all races, incomes and ages are victimized, costing Americans at least \$80 billion a year, or nearly \$950 for each family, the Coalition Against Insurance Fraud estimates. Beyond the high dollar costs, there are honest, hard-working Americans whose lives, businesses, careers and families are damaged by insurance fraud crimes.

- **People lose their savings.** People lose thousands of dollars in insurance investment schemes. The elderly are especially vulnerable.
- **Health is endangered.** Lives are endangered by nonexistent health policies and quack medical care that illegally inflate health insurance claims.
- **Premiums stay high.** Insurance prices stay high because companies must pass the costs of insurance fraud to policyholders.
- **Honest businesses lose money.** Businesses lose millions annually because fraud increases costs for health coverage and business insurance.
- **Employees lose jobs.** People lose jobs, careers and health coverage when insurance companies go bankrupt after being looted by fraud thieves.

If you suspect you've discovered insurance fraud, you can report it safely, easily and anonymously in most cases, helping lower the cost everyone pays for fraud.

Fraud Bureau: Call 1-877-55-FRAUD

National Insurance Crime Bureau: 1-800-835-6422