

## FREQUENTLY ASKED QUESTIONS



**Q: How can GoodWorks Insurance donate 50 percent of its annual Operating Profits to local charities and maintain a stable market presence?**

A: Because traditional insurance agencies have been very profitable, GoodWorks Insurance can make this contractual commitment to communities. The profits that remain in GoodWorks Insurance – after donations, taxes and social returns – are sufficient to build the business and attract a strong capital base.

**Q: How are GoodWorks Insurance donations allocated within communities?**

A: Community charities receive 50 percent of GoodWorks Insurance annual Operating Profits to fund education, healthcare or safety programs in local communities. 70 percent of GoodWorks Insurance’s donations are expected to be made in support of education at the local level. The remainder of GoodWorks Insurance’s charitable donations will be made in roughly equal amounts to the areas of healthcare and safety. Support for healthcare can include funding a local clinic, purchasing medical equipment, or providing transportation service to the elderly. Support for safety can include funding local fire and police department training, purchasing special equipment (not covered by the town), and more.

**Q: Other than giving 50 percent of profits to charities, what makes GoodWorks Insurance different from any other insurance agency?**

A: Transparency, competitive rates, extraordinary service, sound advice and employee partnership. Unlike most workers in conventional insurance agencies, each GoodWorks Insurance employee is an equity owner in the business. These employees have years of experience in the insurance industry and can provide customers with unique expertise and exceptional service. And because GoodWorks Insurance represents a number of different insurance carriers, the agency can work to obtain highly competitive rates for customers. GoodWorks Insurance also remains transparent as an organization by disclosing important financial data to customers, communities, business partners, employees and investors.

**Q: What is the purpose of GoodWorks Insurance’s Charitable Contract?**

A: GoodWorks Insurance delivers its 50 percent donation commitment in the form of an enforceable Charitable Contract. The Contract emphasizes GoodWorks Insurance’s intent to contribute even if the company does not make any profit. It holds GoodWorks Insurance responsible for providing donations and for remaining a fully transparent

organization. The contract also ensures GoodWorks Insurance donations support worthy opportunities in each community.

**Q: What does GoodWorks Insurance mean by “responsible capitalism”?**

A: GoodWorks Insurance refers to its new business approach as “responsible capitalism” due to the nature of its philanthropic commitment. The company philosophy utilizes traditional business activities to earn profit, but more importantly, to simultaneously benefit communities. The founders of GoodWorks Insurance also refer to this approach as business dedicated to *Purpose Beyond Profit<sup>SM</sup>*.

**Q: Are the rates for insurance coverage offered by GoodWorks Insurance higher than normal?**

A: Absolutely not! GoodWorks Insurance rates are extremely competitive because the company represents a diverse group of the nation’s leading carriers. That’s just one element of what makes GoodWorks Insurance so special.

**Q: What insurance carriers have partnered with GoodWorks Insurance?**

A: GoodWorks Insurance has been appointed by well-respected, charitably-minded insurers including Arbella Insurance Group, Chubb, Drive Insurance from Progressive, Litchfield Mutual, National Grange Mutual, Patrons Insurance Group, Travelers and The Hartford. GoodWorks Insurance intends to grow this list as the company adds new products, and opens more offices regionally and across the United States. The company has already received verbal commitments from many additional carriers.

**Q: Can customers convert to GoodWorks Insurance in the middle of the term of their coverage?**

A: In some cases, depending on their existing insurance coverage, customers can convert to GoodWorks Insurance immediately, but in many cases a mid-term cancellation will trigger a penalty paid to the previous insurer. GoodWorks Insurance recommends that existing customers provide GoodWorks Insurance with the details of their coverage and a policy renewal date. GoodWorks Insurance can review the coverage, develop a customized policy and draft a new contract for the time of the next policy renewal.

**Q: Is GoodWorks Insurance targeted toward a consumer or commercial audience?**

A: Both. Each GoodWorks Insurance branch agency provides consumers with personal insurance products including homeowners, automobile, personal umbrella, and others. In addition, GoodWorks Insurance provides small, medium and large corporations with extensive commercial insurance coverage including workers compensation, property and liability, employment practices liability and more.

**Q: What type of service can a customer expect from GoodWorks Insurance?**

A: The highest level of customer service available. GoodWorks Insurance employees come from among the cream of the crop of customer service representatives with years of experience working for established insurance agencies. GoodWorks Insurance has the resources to provide exceptional service whenever a question, issue or claim needs to be addressed.

**Q: Is GoodWorks Insurance's business model patented?**

A: GoodWorks Insurance business model is patent pending. GoodWorks Insurance has purchased the exclusive right to utilize the patent pending GIFT Marketing System for the distribution of insurance products and services.

**Q: What are GoodWorks Insurance's anticipated revenues or goals?**

A: GoodWorks Insurance measures its success in terms of its ability to make donations to professional, local non-profit organizations in support of education, healthcare, and safety in local communities. GoodWorks Insurance's first goal is to donate a total of \$500,000 per geographic area served by each of its local agencies. GoodWorks Insurance's second goal is to donate \$1,000,000 per year per region. The single most important factor that will determine GoodWorks Insurance's success is whether people and businesses embrace the company's socially responsible philosophy. GoodWorks Insurance is confident local customers do believe enhancements to education, healthcare and safety are critical to the well being of their neighbors and communities, and therefore, should support GoodWorks Insurance.

**Q: Where has GoodWorks Insurance donated thus far?**

A: GoodWorks Insurance made its first donation to the Berkshire Hills Fund for Excellence (BHFE) in the amount of \$4,000 on April 6, 2006. The BHFE is an endowed fund whose purpose is to enhance and enrich the educational experience of the students and teachers in the Berkshire Hills Regional School District, located in western Massachusetts. GoodWorks Insurance's donation doubles the amount of annual giving provided by BHFE since its inception in 2002.

GoodWorks Insurance made its second \$4,000 donation on May 22, 2006 to the Granby Education Foundation (GEF). The GEF is a community non-profit that funds local educational initiatives, beyond those possible within school and town budgets, in Granby, Connecticut. Among the activities previously sponsored by GEF have been: (1) sponsorship of speakers; (2) sponsorship of ongoing, in-school programs; and (3) construction of an Ecology Center on school grounds.

Following the tragic death of an elderly woman at a crosswalk in Great Barrington, Massachusetts, GoodWorks Insurance made its third donation, for \$5,060, as a lead

funding source toward the purchase of wireless, solar, crosswalk lights and their donations to the town. In addition to this financial contribution, GoodWorks Insurance took a leadership role in the community for this project, which leadership led to the development of a group of other concerned individuals and businesses that offered to donate such crosswalk lights for 11 locations in Great Barrington. The town initially accepted the donation for five locations in an effort to determine the impact, if any, on traffic patterns. Installation should be completed prior to year-end 2006.

**Q: Who are GoodWorks Insurance's competitors?**

A: GoodWorks Insurance competes with independent insurance agents and large carriers that do not utilize independent agents. But since GoodWorks Insurance embraces community building through a unique, patent pending approach to social responsibility, other companies are unable to match its competitive advantage.

**Q: Does GoodWorks Insurance intend to expand into other communities? If so, what is the timeline for that expansion?**

A: Yes, GoodWorks Insurance expects to grow the business over time. The company will open branch offices throughout Connecticut, Massachusetts, and eastern New York before expanding nationally. By 2007, GoodWorks Insurance expects to open at least one office every two months. Franchising relationships and affiliations with other financial institutions may accelerate the establishment of a national presence.