

In this issue:

- Organizational Changes at Employee Benefit Systems
- History of Machinists Custom Choices Program
- Long Term Disability Insurance
- Meet Shelly Milner

Issue 2

August 2009

Organizational Changes at EBS

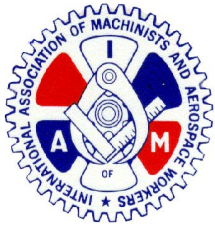
Employee Benefit Systems, Inc. is pleased to announce the promotion of Charlie Mabry to the position of President. He joined the firm as Senior Vice President in 2006 bringing over 25 years of experience in group benefits. Charlie has taken over the operations of EBS following the departure of William B. Loweth who had served as President since 1997.

EBS is also please to announce the promotion of Lisa Hooper to the position of Director of Administration. Prior to joining EBS in 2007, Lisa was the Vice President of Claims and Policyholder Services for Century United Life Insurance Company. She brings over 25 years of insurance and administration experience to her new role.

Both Charlie and Lisa can be reached at 713-812-0900.

History of the Machinists Custom Choices Program

Thirteen years ago District 19, the railroad district of the International Association of Machinist and Aerospace Workers, approached the ownership of EBS and the International requesting help to provide coverage where a gap existed in the benefits available through collective bargaining agreements. From these discussions and subsequent negotiations with insurance companies, the Custom Choices program was born. After successfully implementing the Program at 264 railroad locations around the country, the International unanimously endorsed the program at the 2000 Grand Lodge Convention. Since that time, EBS has worked with each Territory to include the program in as many CBA's as possible. To date, over 75,000 Machinists and their families have taken the opportunity to secure additional financial protection afforded through one or more of the Custom Choices policies. The goal of the management and staff at EBS is to ensure that each and every IAMAW member has the opportunity to consider whether one or more of the products would benefit them and/or their family.



The Need for Long Term Disability Protection

- A disabling injury occurs every 1.3 sec-on or off the job. That's over 63,000 every day, and over 23 million a year.
- 90% of disabling accidents and illnesses are not work related.
- 70% of the private sector workforce has NO long-term disability protection .
- 39% of workers who apply for Social Security disability benefits are denied.
- More than 50% of the workforce has no private pension coverage. A third have no retirement savings.

As we prioritize the different aspects of our lives, our assets appear to be at the top of the list. We consider such possessions as cars, homes, & jewelry as our assets. We fail to realize that our most important asset is “our ability to earn a living”. All of our belongings are tied into the ability to make payments and hold on to the valuables that we have attained during our lifetime. What happens when the paycheck stops due to disability or inability to work as a result of illness or injury? Hardship and possible loss of all of ones possessions becomes a reality. How do we avoid this tragic situation?

Employee Benefit Systems, Inc.

10000 Memorial Drive
Suite 800
Houston, TX 77024

Phone: 713-812-0900

Fax: 713-812-0888

E-mail: bloweth@ebsworksite.com
cmabry@ebsworksite.com
jgranger@ebsworksite.com



Disability income insurance is designed to protect your most valuable asset by replacing a percentage of the income you lose during the time you are disabled and unable to work. Most Collective Bargaining Agreements include salary continuation/short-term disability plans that provide income replacement for a short period of time, i.e. 26 weeks. The disability plan available through the Custom Choices program is structured to begin providing benefits as soon as the benefits from the short-term plan end. Benefits are then payable for up to five years. Unlike the short-term plan, monies received from the long-term disability plan are tax-free to the insured. Additional information on the long-term disability plan can be obtained on our website—www.ebsworksite.org.

Meet Shelly Milner

Shelly Milner is a member of the policyholder relations team that is housed in EBS' Houston offices. Shelly joined EBS in 2001, and is one of our longest tenured employees.

Shelly's primary responsibilities include supporting our field managers to ensure they get the most current and accurate information to the members who have an interest in the program and providing service to those policyholders who want to make a change in their benefits or might want assistance in filing a claim. She is another of the vital links in the chain that make the Machinist Custom Choices program such a great benefit for our membership.