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## A Note from Dave Gill...

MileStone Bank continues to be passionate about creating strong relationships and delivering best-in-class service to the small business community; and, we feel grateful for the rewards it brings to many along the way. Recently, we were recognized as the top bank in Bucks, Montgomery, Philadelphia, and Delaware counties for small business lending (*Courier Times*). With our success, comes the ability for MileStone Bank to support the local community through participation in the Educational Improvement Tax Credit Program. The program allowed MileStone to donate \$140,000 to local schools and nonprofit organizations. We thank our clients, shareholders, colleagues, and partners who continue to help us meet the financial needs of the businesses in our community and provide much needed support to social services and educational agencies.

It has also been rewarding to see a number of our clients recognized for achieving their own business milestones. We applaud them and celebrate their victories. Just as important, we want to provide support for the times when operating a small business is challenging. This newsletter issue is dedicated to helping MileStone clients prepare for, mitigate, and manage risk. In a tough economy, with limited resources, unforeseen obstacles, and increasing risk it's important to be educated about risk management and to align your business with trusted strategic partners. We hope that you feel MileStone Bank's support in that role and will utilize the helpful tips found in this newsletter to strengthen your business.

*Sincerely,*

**Dave Gill**

Co-Founder, President, & CEO

## EPL Insurance: Protect Against the Heat of Hiring and Firing.

Decisions regarding staffing levels, hiring, and firing have always been challenging for small businesses, even more so when facing unusual economic challenges. It is critically important to protect your business against legal ramifications when staffing your organization. The usual tips always apply – hire people who fit your company culture, know their values, and understand what motivates them. The experts have been saying it for years – know your people. Unfortunately, it's not always enough.

Statistics show that the chances are greater for small businesses and non-profit organizations to be sued by an existing or former employee than by a third party entity for bodily injury or property damage.

The various employee complaints include wrongful termination, failure to

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## EPL Insurance: Protect Against the Heat of Hiring and Firing. *(continued)*

promote, discrimination, improper hiring practices, and violations of other government laws designed to protect employees. Additionally, during this period of economic downturn, the numbers of lawsuits and complaints to the EEOC have increased each year by double digits, with typical defense costs averaging \$5,000 per suit.

To protect against this risk, Employment Practices Liability Insurance (EPL) was introduced almost 20 years ago and is now considered an essential piece of every business insurance portfolio. Embedded in many business insurance packages are \$5,000 liability limits for EPL protection for no additional cost. It is now highly recommended that professionals consider increasing this protection. For non-profits, the coverage is often included in their Directors and Officers Liability Insurance for an additional charge. The best advice is to talk to your insurance professional about standalone EPL options for protection solutions. You will need to provide information regarding the type of business, employee count, turnover ratios, employee manuals, etc. Policy limits may start as low as \$100,000 and higher deductible limits can make the coverage more affordable.

To provide the best protection for your business – know your people, have sufficient insurance protection in your portfolio, and use current HR materials. Be fair and consistent when dealing with all employees. Always ask for advice from an attorney with labor law experience when difficult situations arise and be diligent about documenting HR related matters. ❖

Contributing Co-Authors:

**Bill Hacker**, *President of Arbor Insurance Group*

**Michele Zirolli**, *Agency Principal of A.V.G.*

*Insurance Services*

## Business as Usual – No Matter What.

The reality is that 40% – 50% of small businesses never reopen after experiencing a disaster. Researchers say this statistic speaks to the overwhelming number of small businesses with inadequate or even nonexistent disaster recovery plans. Now that Hurricane Irene has come and gone, complacent business owners down the East Coast should feel the urgency to get prepared. The savviest will plan for the minute disturbances of a normal business day, as well as the seemingly impossible situations. “Could my company survive if I were to lose these bricks and mortar?” Protect yourself against the attitude, “it can’t happen to me.”

Anderson Baker, a small business owner in New Orleans, will be the first to say “it can happen” and he is urging small business owners to “look now for solutions.” Baker’s commercial insurance office building was swept away by Hurricane Katrina on August 29, 2005. Unlike the other 19,000 businesses that never reopened their doors after that day, Baker’s company was fully operational in three weeks time, conducting business from a

trailer office and mobile phones. Baker attributes the successful turn-around to a detailed disaster recovery plan. He was prepared.

Together, the Small Business Administration and Agility Recovery Solutions have condensed the overwhelming amounts of research and streamlined the steps for creating customized disaster recovery plans. This tool will help businesses learn how to prepare for situations like power outages, wintery weather complications, social media disasters, and even, hurricanes. Visit **[www.PrepareMyBusiness.org](http://www.PrepareMyBusiness.org)** and keep everything running business as usual – no matter what. ❖

### **[www.PrepareMyBusiness.org](http://www.PrepareMyBusiness.org)**

- ✓ **Register** for FREE Webinars
- ✓ **Download** Sample Recovery Kits
- ✓ **Learn** About Your Local Resources
- ✓ **...And Much More!**

## Protect Yourself Against Fraud

### MileStone Bank Offers Advanced Fraud Protection with Positive Pay!

Simply download check data into MileStone’s Online Banking and Positive Pay will automatically match check number and dollar amount of each check submitted for payment against information previously authorized by your company.

- » **Increased security against fraudulent check activity**
- » **Improved audit control**
- » **Efficient account research**

For a more information call 267.327.4910 to speak with a MileStone Bank representative.

## MileStone Bank client:

KasTech Consulting, Inc.

**Location:** Langhorne, PA

**Acclaim:** Dedicated professionals and sophisticated software bring security and efficiency to business systems.

In a tight economy where every dollar and every minute counts towards productivity, uncovering gaps in processes and systems is key in managing and mitigating risk. MileStone client, Laura Kasman is a champion detective when it comes to this facet of running a business and in the year 2001, decided to put her talents to good use by founding KasTech Consulting Inc. – a company designed to help businesses run more efficiently and effectively through process, systems, and software management.

Laura's vision began with the strong personal belief that "the right team and technology can make anything possible." She has the unique ability to step outside of a business and assess how these two components can work in tandem to produce results. The big picture, for KasTech Consulting, is that every business has the opportunity to operate with the efficiency and sophistication of a Fortune 500 Company. It all boils down to the question; do you have the necessary systems in place and the right people executing?

Laura and her team of seasoned consultants work with clients across all industries to help answer this question, but have a concentrated focus in the manufacturing, distribution, and service industries. They have an impressive track record of success in helping to bring organizations to a higher level of reporting, minimizing manual data entry and reducing error. In fact, KasTech once helped a client save \$30,000 annually by adding an Inventory



"MileStone Bank's Remote Control Banking provides a more efficient, secure, and convenient process and that's what we're all about – it's a perfect fit!"

Management System that added checks and balances to the system, increased personnel accountability, and minimized opportunity for lost inventory.

As a master of productivity, Laura switched to MileStone Bank in March of 2010 and has never looked back. "MileStone Bank's Remote Control Banking provides a more efficient, secure, and convenient process and that's what we're all about – it's a perfect fit!" Laura is referring to MileStone Bank's check scanning equipment, which allows her to deposit checks from her office, 24/7, over a safe and secure website, with next business day availability on funds deposited before 8:00 pm.\*

KasTech Consulting Inc. just opened a new location in Pittsburgh, Pennsylvania and will celebrate their 10th Anniversary this year. Congratulations on reaching new company milestones – we applaud you for your dedication and commitment to strengthening the business community. ❖

## Marketing Minute:

### CAN-SPAM = CAN-FINE!

#### Calm your e-marketing worries with 4 Dos and Don'ts

Our overstuffed inboxes thank Mr. John McCain for spearheading the CAN-SPAM Act back in 2003. As consumers, we can appreciate that the chaos of email solicitation has been reined in and given measures of ethical accountability. For business owners, it's important to understand that a single violation of CAN-SPAM is subject to \$16,000 in fines. Proactively become CAN-SPAM compliant by using common sense and ethical business practices. Stick to these 4 dos and don'ts to avoid breaking the bank:

**1. Do provide a valid physical address.**

The body of the email must contain a physical address for recipients to contact if desired.

**2. Do include a functioning opt-out mechanism and honor opt-out requests within 10 business days.**

Emails must contain an easily identifiable way for recipients to remove their information from your contact list and it's your responsibility to respect that request.

**3. Do not mislead.** Subject lines are meant to preface the content contained within the email.

**4. Do not conceal sender identity.**

Email headers, sending address, and other identifiers need to clearly indicate the source of the email. ❖



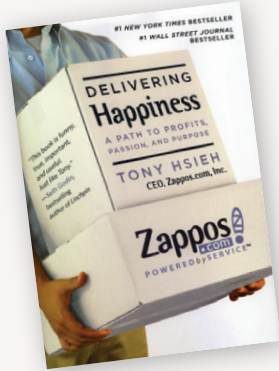
Ph: (215) 702-8155 | [info@kastechco.com](mailto:info@kastechco.com)  
[www.kastechco.com](http://www.kastechco.com)

\*Remote control funds availability is subject to approval and some exceptions may apply. See a MileStone Bank representative for details.

## What's Management Reading?

**Delivering Happiness: A Path to Profits, Passion, and Purpose**

**By: Tony Hsieh**



MileStone Bank CFO, Elijah Gray is reading about customer service and company culture. One of her favorite books is “Delivering Happiness: A Path to Profits, Passion, and Purpose,” by Tony Hsieh, CEO of Zappos.com. As an organization, Zappos.com can be lumped into the list of dot-com success stories that began reaching national attention in the late 1990's. Beyond that, their unique focus on customer service and company culture has made this organization stand out among the rest and leave a lasting impression. In the book, Hsieh recounts his failures and triumphs as an energetic entrepreneur and explains his unique quest to deliver happiness to employees and customers alike. Elijah deeply connected with Hsieh's passion for building the right culture and shared that “with the right employees and company culture, the best customer experience can be delivered, and the profits will follow.” Elijah and MileStone Bank's management team engaged in a lively discussion after reading the book and agreed that for those looking to stay current on customer service trends, improve their company culture, or are simply interested in learning how this online shoe store grew to dominate the industry – “Delivering Happiness” is a quick read that should not be skipped.

If you have recommendations for what management should read next, contact your relationship manager. ❖

## Eileen Wass

**Banking Officer & Customer Service Representative**

Most MileStone clients know Eileen (Houck) Wass from the role she plays on the front line: her welcoming friendly smile, attentive day to day account servicing, and cheerful voice on MileStone Bank telephone messages. What you might not know about Eileen is the vital role she plays behind the scenes: facilitating sound practices and procedures to protect the bank and bank clients alike.

Eileen began her banking career as a part-time teller, while going to school full-time at Manor College. Over her 17-year career, she has worked in a variety of roles including Commercial Loan Assistant, Marketing Assistant, and Personal Service Banker. Her well-rounded experience, has given Eileen a good understanding and respect for what is needed to manage and mitigate risk and adhere to bank regulatory requirements. In her current position, Banking Officer and Customer Service Representative, Eileen uses her expertise to ensure the highest level of systems efficiency and security. Working with sophisticated data and intricate details of operations, Eileen navigated the bank through multiple regulatory changes including recent FDIC rules and regulations. She also assists in keeping all personnel on track with required regulatory training.



Eileen's ability to deliver best-in-class client service while mastering the intricacies of operations and bank regulations speaks volume of her ability as banking professional. At the core of her success are a caring attitude, strong work ethic and unwavering strength in character complimented by the support and courage of her husband, Hospital Corpsman 2nd Class Nathan Wass currently stationed in MCAS Miramar in San Diego CA. Eileen often refers to herself as 'a proud military wife' and shared, “the support I receive from the MileStone family (colleagues and clients) reaches well beyond the norm.” MileStone Bank was founded on the principle that quality relationship banking grows from supported and valued employees – Eileen knows first-hand how much this matters and expressed deep-felt appreciation for the impact it has had on her both professionally and personally.

As Eileen approaches her 4th Year Anniversary with MileStone Bank and her 1st Wedding Anniversary – please join us in congratulating her successful contribution to MileStone and expressing appreciation for her family's commitment to our nation. ❖

## Relationship Banking...Without Boundaries



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**Mon – Fri:** 8:00 a.m. – 5:30 p.m.

**Sat:** 9:00 a.m. – 12:00 p.m.