

NEWS & VIEWS

May, 2004

A publication for the valued clients of MDA Services Ltd.

MDA SERVICES LTD. 2003 Shatters All Previous Records!

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News & Views

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Year **2003** was a **record** for net premiums and profits. **Thank you** for all your hard work!

The volume increase is due to the fantastic combined effort put forth by you, your staff and the MDA Services staff at selling and promoting these profitable products.

As a result of everyone's hard work, we are pleased to announce that the MDA Services Ltd. Board of Directors approved a **rebate of profit from operations of \$315,000.**

The results achieved by MDA Services Ltd. **provided record profits** for the **shareholders'** personal investment as well.

Many of your fellow dealers are **only** receiving selling commission from the sale of credit life and disability insurance. They are missing out on yearly rebates from MDA Services Ltd. Let's not forget the financial rewards and **second level profit** through your ownership investment.

Talk to your fellow dealers and tell them about your good deal and

then let us know and we will arrange a presentation for them.

2003 also saw the launch of another great product and profit opportunity, **Roy, Speed & Ross** registration fee program.

This combined with your own **credit insurance program** and **mechanical breakdown insurance program (MSP)** gives you the best opportunity for profit from products sold by any company! If you're not aware of all programs, let us explain the benefits to you.

2004 has started out to be another great year, MDA Services Ltd. continues to focus on attracting new accounts AND assisting all accounts to maximize sales, penetration and profit.

We Have A Website!

*Have you logged on and registered? If not, please visit www.mdaservicesltd.com and do so **now.***

It's completely interactive!

Offshore Performance

Ownership has its rewards

MDA Services Ltd. offers the distinct competitive advantage of its reinsurance programs. In the late eighties, a few dealers posed the question, "Why are we doing all the work to sell credit insurance products then handing over the profits of our business to someone else?"

And so, the concept of Landis and MDA Services Ltd. was born - a financial products company designed by dealers and managed by dealers with profits returned to dealers.

Member dealers who market MDA Services Ltd. insurance products have the opportunity to purchase shares in dealer-owned off-shore reinsurance companies. This allows dealers to participate in the profits generated through earned premiums and investment income. The reinsurance companies are headquartered off-shore in tax friendly environments which further enhances the return on investment.

MDA Services Ltd. markets group credit life and disability insurance, and Maximum Service

Protection Mechanical Breakdown Insurance in Alberta and BC.

Dealers can purchase shares in Landis (AB), Landrin (BC) and WARCO (M.S.P.).

All three reinsurance companies posted record profits in 2003 (see below for performance details).

Dealer-ownership is the backbone of MDA Services Ltd.'s success. No other insurance provider offers excellent products and service, competitive commission structures and increased profits through offshore participation.

Dealers have proven what can be achieved when we all work together toward a common goal: a stronger dealer network...both as individuals and as an industry.

If you have any questions about off-shore reinsurance, please contact your MDA Services Ltd. representative today!

Don't just plan your future...OWN it!

Previous Records Shattered

2003 Performance Highlights

2003 Results	Landis (AB)	Landrin (BC)	Warco	MDAS
Profit and Dividend Paid	\$2,776,996	\$ 809,596	\$554,267	-
MDAS Rebate Paid	-	-	-	\$315,000

A NEW RECORD

Combined Paid Profits and Rebate: **\$4,455,859**

This paid dividend is in **ADDITION** to the 45% expense reimbursement that you receive at the time of sale!

Did you get your share?

TOGETHER WE HAVE BEEN SOMETHING.....

The following is our report card on what has been accomplished since inception by our dedicated group of dealers and hard working staff.

	Profit	Dividend
Landis	\$24,446,757.00	\$24,444,547.00
Landrin	6,938,813.00	6,936,145.00
Warco	1,142,638.00	1,135,602.00
MDA Services Ltd.	<u>1,122,456.00</u>	<u>1,120,000.00</u>
Total	\$33,650,664.00	\$33,636,294.00

Plus Association support of \$1,500,000.00

“Ownership Has Had It’s Rewards”

In addition, we have paid on your behalf **\$43,501,414.00** in claim payments to your lending institutions. This is a **price and value product** that is C.S.I. and lender friendly.

The above **profit** is what the dealers were **not** enjoying before MDA Services Ltd. This is also the profit that our **competitors don’t share with the dealers, they keep it**. Others have unsuccessfully tried to copy us but what drives the profitability is the lowest fees in the market place. One of our competitors, who tried to develop an offshore company is now introducing a retro program. Their fees on the deals range from **18% to 22%** compared to our **9%**. **Guess whose money they are keeping!**

This unprecedented achievement is great news for shareholders who have enjoyed excellent returns since the companies’ formations. No other insurance provider offers excellent products and service, competitive commission structures **AND** profit opportunities through ownership. This unique profit opportunity is the backbone of MDA Services Ltd.’s success. Because you own the company, all decisions, programs and policies are made in YOUR best interests...a truly priceless benefit.

If you have a close dealer friend who is not currently reaping these benefits of ownership and would like to hear more, contact you MDA Services Ltd. representative and let them start profiting from their own business today!

What other credit insurance provider allowed dealers to earn an extra \$4.5 million in profit last year?

Pro-Forma

What to look for

When **your** competitor wants to compare **their** program to **yours**, these are some areas you should look at.

First, check the math making sure that the numbers they use are actual premiums and actual losses from your book of business. If they have changed the mix or amount of your business or reduced your actual losses, **WHY?**

Second, check their fees. If they exceed your current fee, **what do you get in return?**

Third is interest. Is the rate realistic and is it being calculated on the total premium written or just the profit. **How can you be paid compound interest on your selling commission and paid claims?**

When in doubt, let us help you dissect their comparison.

Directors and Officers *for the Year 2004*

The 2004 Directors and Officers of your companies are as follows:

Gord Scott	Chairman	Kipp Scott Pontiac	(403) 343-6633
Blaine Nicholson	Vice Chairman AB	Nicholson Chev.	(780) 465-6471
Sherrold Haddad	Vice Chairman BC	Flag Chev Olds	(604) 584-7411
Bob McKay	Past Chairman	McKay Pontiac	(403) 253-2222
Bruce Williams	Director	Centaur Imports	(403) 287-2544
Jim Szackas	Director	Westcastle Motors	(403) 627-4266
Charles Longmate	Director	Windsor Ford	(780) 532-9550
Brian Gentles	Director	Fort Motors	(250) 785-2283
Brian Haley	Director	White Rock Chrysler	(604) 531-9156
R. W. Stephanson	President	MDA Services Ltd.	(780) 468-9552

The above directors are very dedicated to the management of these companies and deserve your support and recognition. Should you have any questions, please feel free to contact them.

Do You Hear the Cry of the Wolf?

Announcing that the...



has changed it's date to...

Wednesday, September 15, 2004
Wolf Creek Golf Resort

MARK YOUR CALENDARS