



American Financial Systems, Inc.



American Financial Systems Begins a New Chapter

Waltham, MA (March 1st, 2012) – American Financial Systems, Inc. (“AFS”), a leader in serving the supplemental benefits needs of employers and plan participants throughout the United States and internationally, is pleased to announce that its management team, led by Daniel Johnson, has reacquired the company from Guardian Life.

AFS, with its talented team of experts and formidable array of proprietary technology, is well positioned to work with specialized consultants, distributors and multiple financial product providers in the supplemental/executive benefits market. Innovation is at the core of AFS's future strategy and the marketplace can look forward to continued improvements in plan design, optimal funding strategies, and customer-centric plan services through its technology and services capabilities.

“The executive benefit landscape is rapidly changing and our independence comes at a very opportune time. In partnership with leading plan consultants and distributors, AFS is able to provide a technology and service platform that is unique, flexible and highly cost effective. Our “design and analysis” technologies facilitate incredible amounts of optimization in plan funding, and can be exquisitely tailored to reach blended asset-class solutions that best meet the explicit goals of the plan sponsor or participant. Moreover, our Deferral.com technology platform and our AFS ePlan Services division have expanded their offerings by hiring several highly-experienced plan administrators as well as continuing to add technological improvements. Existing clients, including those brought on during our Guardian era, will continue to receive the exceptional service they've grown accustomed to receiving from us,” said Dan Johnson, President and CEO of AFS. “We believe this acquisition will place us right in the center of the action where our recent string of innovations will create a compelling value proposition for our customers and partners.”

Founded in 1986, AFS was acquired by Guardian Life in September 2008. AFS has made impressive progress over the past several years, making the complex market accessible to non-expert practitioners by developing turn-key packaged solutions for non-qualified deferred compensation plans, developing new proprietary optimization algorithms, forming new strategic partnerships, and recruiting outstanding technology, administrative and design teams.

The acquisition enables AFS to begin this new chapter in excellent shape. “While we are no longer a subsidiary of a large financial institution, our management team has invested significant equity in the company to provide a stable and secure financial foundation for profitable growth. We have no debt (and don't anticipate the need for any) and our business will generate profits that allow us to continue to invest in our future.” said Dan Johnson, president and CEO. “Our entire company is enthusiastic about this new chapter in our 26-year history.”

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