

Investor FAQ

Why is the company referred to as the DCP Holding Company in some financial documents?

DCP Holding Company is the parent company of three wholly-owned subsidiaries which include Dental Care Plus, Inc., Insurance Associates Plus, Inc., and Adenta, Inc.

The Dental Care Plus Group is the registered trade name for DCP Holding Company and is used to reference the whole company, including the divisions and product lines held under the corporation filed as DCP Holding Company.

Is DCP Holding Company a SEC reporting company?

Yes. DCP Holding Company became subject to U.S. Securities and Exchange Commission (SEC) regulation after the end of fiscal year 2005. Since then, the company has complied with all reporting and auditing standards required by Sarbanes-Oxley and other SEC regulations. DCP Holding Company filings can be located on the SEC Web site under the name DCP Holding CO.

Is DCP Holding Company a public company?

No. DCP Holding Company is a private company that qualifies for SEC oversight because its total assets exceed the SEC asset threshold and because there are more than 500 holders of Common A shares.

What types of information does DCP Holding Company file with the SEC?

In addition to annual and quarterly financial statements, the company files all communications related to financial performance to ensure that all current and potential shareholders have equal access, within the same timeframe, to financial information and business analysis released by the company.

How do I access DCP Holding Company's SEC filings?

1. The SEC posts all filings for reporting companies on its Web site. To access DCP Holding Company filings, log onto <http://www.sec.gov/edgar/searchedgar/companysearch.html> and enter DCP Holding CO in the box adjacent to "Company Name".
2. To obtain paper copies of filings, submit a written request to:
U.S. Securities and Exchange Commission
Office of Investor Education and Advocacy
100 F Street N.E.
Washington, DC 20549-0213

Investor FAQ

OR

Send a fax to: 202-772-9295

OR

Send an e-mail to: PublicInfo@sec.gov

Include telephone numbers where you can be contacted and confirm your willingness to pay charges associated with the handling and delivery of paper filings.

3. www.dentalcareplus.com/corporate includes hyperlinks to major filings (10-Ks).

What is a Form 10-K?

The Form 10-K is the annual filing to the U.S. Securities and Exchange Commission. The purpose of the Form 10-K is to provide stakeholders (shareholders, potential shareholders, directors and employees) with relevant information and disclosures related to the company.

The main components of a 10-K are as follows:

1. Market information for holders of common stock and other related securities, including the share book value, and the number of shares outstanding.
2. A summary of financial data from a minimum of five years is presented along with trend analysis. Specific content can include operating revenues, income from continuing operations, total assets, long-term obligations and information related to shareholder value.
3. Management's discussion and analysis of the company's financial condition and the results of operations. Liquidity, capital resources and the results of operations are key content.
4. Two years of audited balance sheets, three years of audited income statements, three years of consolidated statements of shareholders' equity, and three years of audited statements of cash flows. The notes section following the financial statements provides greater detail and context about the numbers included in the financial statements.

What is a Form 10-Q?

Form 10-Qs are quarterly filings containing financial statements and a management discussion and analysis, required by the SEC. The 10-Q financial statements are unaudited. All 10-Qs are available online. It is not necessary for a company to file a Form 10-Q for the fourth quarter since the Form 10-K will incorporate fourth quarter financials.

What is a Form 8-K?

A Form 8-K is submitted to the SEC to report special events or interim information of concern to shareholders.

Investor FAQ

Who audits DCP Holding Company's financial statements?

As of December 2007, DCP Holding Company's auditor of record is Deloitte & Touche, LLP.

What are Consolidated Financial Statements?

Consolidated Financial Statements are the combined financial statements of a parent or holding company and its subsidiaries. Although subsidiaries may be legally separate, consolidated financials are often preferred because combined reporting actually provides a more complete financial picture of the company.

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What checks and balances are in place to promote transparency in financial reporting?

The SEC, through Sarbanes-Oxley and other legislation or regulation, has established procedures and reporting standards to increase transparency. These checks and balances include the following:

- An independent registered public accounting firm audits the Company's consolidated financial statements in accordance with GAAP and other generally accepted accounting standards.
- The officers of the Company sign their names to all annual and quarterly financial disclosures, verifying that the reports are an accurate representation of the Company's financial position.
- The Board of Directors has formed an Audit Committee, consisting of directors and others with financial expertise. The Audit Committee meets regularly with senior management, internal audit staff and the independent registered accounting firm to review accounting, internal control, auditing and financial reporting matters. The Audit Committee also approved a Whistleblower's Policy that has been circulated to all employees.
- The Company employs an internal auditor who reports to the Audit Committee to document existing processes and controls as well as to recommend improvements to accounting and operating procedures and related internal controls.
- The Company has developed a Code of Conduct, distributed to every employee for review. The Code is posted on the company Web site for easy reference by all of DCPG's stakeholders. The Code of Conduct is formally reviewed and updated at least once a year, and more frequently if deemed appropriate by the DCPG board of directors.

Investor FAQ

What is a proxy statement?

The proxy statement is sent to all owners of Class A redeemable common shares to inform them of nominees to the board of directors as well as other corporate actions that require shareholder approval. The proxy statement includes the official “Notice of Annual Meeting of Shareholders”. Key contents of the shareholder proxy include biographic information about the Board of Directors, standing committees, compensation of directors and executive officers, employee benefit plans and other matters deemed appropriate for shareholder disclosure.

The proxy statement is accompanied by an official ballot for shareholders to record their votes, to sign and to return by a date printed on the card. Ballots may also be accepted if returned by hand or faxed to the Company by the deadline. Otherwise, shareholders must attend the annual shareholder meeting and cast their ballots in person or request an official ballot in person.

The elections of Board nominees and approval of corporate proposals included in the proxy cannot be completed unless there is a quorum of voting shareholders represented by proxy or in person.

Balance Sheet

A balance sheet shows the financial position of a company as of a specific date. Key content includes the Company’s assets, liabilities and stockholders’ equity. The term “balance sheet” refers to the manner in which assets, liabilities and stockholders’ equity are presented.

Income Statement (also called Statement of Earnings)

An income statement summarizes Company revenue and expenses that result in net income. The income statement is an overview of operating performance over either a quarterly or annual period.

Statement of Cash Flows

The statement of cash flows details the inflows and outflows of cash over the period in question. Cash flows are organized into three segments: cash flow from operating activities, cash flow from investing activities and cash flow from financing activities.

Notes

The notes, located directly after the financial statements within the Form 10-K or Form 10-Q, are an integral part of financial reporting. In addition to critical details and explanations of items in the financial statements, significant accounting policies, such as depreciation policies, are included in the notes as well as information on contingent liabilities and subsequent events.