Eliminate uninsured physical damage losses

Improve your bottom line

Point of Loan Origination CPI

Lender Benefits:

- With POLO CPI, Lender **controls** placement of physical damage insurance
- No more chasing down insurance certificates
- Premiums may be billed one month at a time or annually
- Lender may cancel premium **at any time** that lender deems appropriate
- Berkshire Risk Services **handles all administration**
- Expense reimbursements and commission sharing agreements are available

Point of Loan Origination Collateral Protection Insurance (POLO CPI) is physical damage insurance tailored for the BHPH and special finance environment. It is designed with the understanding that lender-placed insurance can be a valuable tool for subprime lenders but that premiums are often difficult – ***sometimes impossible*** – to collect if the premium is added midterm to the customer's loan.

POLO CPI is structured to allow lenders to address the important issue of physical damage insurance, including the exact cost of collateral protection coverage, before the car leaves the lot. Easy collateral enrollments and monthly premium billing make the program both simple to administer and highly cost effective.

How POLO CPI works – 4 Easy Steps

1. **Add POLO CPI Addendum** - Lender replaces the standard Agreement to Provide Insurance with the POLO CPI finance addendum. This addendum combines an Agreement to Provide Insurance, all necessary CPI disclosures, monthly/weekly cost of the collateral protection insurance and a borrower acknowledgement, on a single one-page form.

2. **Customer Acknowledgement** - Customer acknowledges either (1) that customer has and will provide proof of physical damage insurance or (2) that customer does not have proof of insurance and agrees to reimburse lender for the cost of POLO CPI premiums. Acknowledgement includes the exact cost of the POLO CPI premium and increase in the borrower's installments. <u>The customer knows the cost of collateral protection insurance up front.</u>

BERKSHIRE Risk Services, LLC

12920 Metcalf Ave., Suite 220
Overland Park, KS 66213
www.berkshirerisk.com

(913) 433-7000
(800) 624-1669 Toll Free
(913) 433-7100 Fax

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3. Report New Insured Loans - Each week lender reports (via fax, email or data file) all new installment contracts added to the POLO CPI program. Lender's collateral protection coverage begins immediately upon Berkshire Risk Services receipt of each completed report.

4. Monthly Premium

- **No Out of Pocket Cost –** Premium is billed in arrears at the end of each month of coverage, which allows lender to collect from customers before paying premium.
- **Uncollectible Premium Cancellable –** Lender may cancel coverage and associated premium charge when premium is uncollectible.

Berkshire Risk Services Does the Rest:

- All program administration, including reminder notice to borrowers sent thirty (30) days after closing
- Claims handling
- Weekly and monthly status reports and billing statements
- Customer support for all lender and borrower questions

For more information about POLO CPI, call (800) 624-1669 ext. 104