

## HUB International and AFCO: Working together in premium finance

It pays to understand your role as a broker in the premium finance process. Why? You can provide enhanced benefits (improved cash flow) and service (ease of payment) to your insured.



### Role of the Broker in Premium Finance

#### Pre-financing Activities

- Present insured's financial information to AFCO, including current audited financials of insured (when necessary) for underwriting purposes.
- Assist with policy verification process for development of Premium Finance Agreement (PFA).
- Finalize terms and conditions of the PFA with AFCO.
- Analyze and communicate premiums, coverages and policy provisions that may affect AFCO's collateral (return premium).

#### Financing Process Activities

- Obtain signed PFA from insured – which can be e-signed using AFCO's **EPF Plus™** for electronic premium finance – and submit the signed PFA to AFCO for acceptance and processing.
- Collect and process down payment from the insured; and process funding from AFCO.
- Disburse funds to appropriate entities within the transaction, such as carriers, general agents, brokers, and state departments for applicable taxes and fees.

#### Post-financing Activities

- Answer questions insureds may have about premium finance, such as account status, payments, late fees, reinstatements, address changes, etc.
- Negotiate and process endorsements and additional premiums for insureds.
- In the event of cancellation, negotiate and expedite return of unearned premiums with carriers and brokers for timely collection of return premiums and disbursement to AFCO.
- Expedite process, as required, for policy audit by insurance company at time of policy cancellation.