

ISU Agents and AFCO: Working together as premium finance partners

It pays to understand your role as an agent 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 Agent 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.