

# Premium Pay Plans

## Improve Your Policy Retention Rates with Premium Financing from Premium Pay Plans!



<sup>1</sup> One of the characteristics of nonstandard auto insurance is that the policy retention rate is lower than for standard auto insurance. This means that new business is a larger proportion of the nonstandard insurance book of business. Articles appear in the actuarial literature explaining that new business has a higher loss ratio than renewal business and also a higher level of fixed expenses. <sup>1</sup> “Considerations in Entering the Nonstandard Auto Insurance Business” By Joseph Marker / HighTable.com

<sup>2</sup> “Retention” refers to renewing the client and continuing to do so for years. There are a number of factors that affect retention, including finance method and payment. Premium financed policies generally retain at least 15 percentage points better than direct bill clients. <sup>2</sup> Excerpt from “How to keep your non-standard auto clients” By Richard Acunto / Insurance Journal / February 20, 2006

*Premium Pay Plans* can provide you with the tools you need to increase your retention rate. Of course, increasing your retention rate means more commission for you and your agency. Financing a policy with *Premium Pay Plans* is easy in our *AccuTrac.net* agency management system, where you have access to each customer’s premium finance account information. You can see exactly how much is owed by your customer and when it’s due. You can see if a payment has been received and posted to your customer’s account. Plus, *Premium Pay Plans* can finance additional premiums which may be incurred by the insured mid-term, such as when adding a vehicle to a policy. Premium financing in *AccuTrac.net* can help you serve your customer better, retain the bulk of your business, increase your profitability, and keep your agency on the road to success.

**Not FDIC Insured, Not Bank Guaranteed, May Lose Value, Not Insured by any Government Agency,  
Not a Bank Deposit**