

# AUTO

## POS PHYSICAL DAMAGE INSURANCE

## A win-win for auto dealers and their customers

In a competitive marketplace, value-added auto/vehicle protection can make the difference in boosting sales and goodwill with your clients. For dealers, OSC's innovative lender protection product helps your finance & insurance team close deals on-the-spot and protect the lender's collateral. The premium is conveniently wrapped into the auto loan and paid monthly by the borrower from six-months to the entirety of the loan, with no underwriting required. As our product is underwritten by an A.M. Best "A+" rated carrier with a record of rapid claims handling—and we abide by the highest regulatory and technology standards—it ensures a smooth ride for all.

### Benefits

**Our on-the-spot physical damage insurance coverage can close the sale for the auto dealer.**

- Dealer can close the loan on the spot and the insurance is guaranteed to be issued in compliance with the terms
- No deposit is required by the borrower... the big advantage: increased loan approvals
- Cash flow increases because the premium is paid monthly
- If there is a default, the financing source can cancel the insurance without any obligation for the remaining premium

### How it Works

**If the borrower lacks acceptable physical damage coverage and names the finance source as the loss payee at the time of the loan origination:**

- Dealer includes in the amount to be financed by the customer the insurance premium for the coverage term desired
- The financing source enters new contracts for the damage insurance directly into the OSC tracking system
- The financing source either remits the monthly premium for the insurance-in-force to OSC or submits an insurance cancellation request if the loan is in default
- When the collateral insurance coverage expires, the borrower can choose to continue the OSC point-of-sale coverage or obtain their own physical damage insurance
- Liability and equity protection coverage is not included in the policy
- The borrower must, as required by law, obtain liability insurance for no less than the state's financial responsibility limits

