

BENEFITS FOR LENDERS AND BORROWERS

What is the Purpose of Collateral Protection Insurance?

The fundamental goal of a CPI program is to reduce charge-offs and expenses. CPI helps lenders protect their loan portfolio from uninsured borrowers while safeguarding borrower relationships.

For lenders, CPI provides a multitude of benefits:

Financial

- » CPI reduces charge-offs
- » CPI reduces expenses and makes them more predictable so lenders can offer more competitive rates
- » CPI has a positive impact on indirect lending margins and overall profitability

Protection

- » Proactive insurance verification helps reduce the number of loans that ever enter “no insurance” status
- » CPI motivates non-compliant borrowers to purchase their own coverage
- » Automatic tracking and detailed reports provide instant access and insight in real time

Efficiency

- » A dedicated CPI program frees up employees to focus on core business
- » Advanced technology and automation provides automatic updates and status changes, reducing manual processing time and labor costs
- » Effective, well-administered CPI programs minimize noise and negative feedback



CPI ALSO BENEFITS BORROWERS

- » CPI promotes overall lower rates because of fewer lender losses
- » Under a CPI program only borrowers who don't maintain coverage are charged premium
- » Multiple reminders reduce the chances that a borrower will unknowingly drive uninsured, which has the potential to devastate them financially
- » With Waiver of Repossession coverage, borrowers covered by CPI can still get their car repaired in the event of an accident — keeping them in the driver's seat
- » CPI provides protection and reduces borrower exposure to risk due to inattention or administrative errors
- » A well-managed CPI program makes it easy for borrowers to comply



WHY STATE NATIONAL?

Portfolio protection is State National's one line of service, and it's all under one roof. We've been a trusted partner to financial institutions large and small for half a century, and we're the only dedicated CPI provider that is also the underwriter, with no third-party outsourcing.

Our sole focus is reducing lender risk and improving your bottom line. And with a Customer Satisfaction (CSat) score of 95% and a Net Promoter Score (NPS) of +86 — more than double the industry average — we're committed to your absolute satisfaction.

- » More money, delivered faster — an average of 20% more in claims payments than our competitors, with the fastest turn time in the industry
- » SNC's innovative technology, including our exclusive InsurTrak web-enabled tracking system, continually monitors every loan, providing instant access to borrower data and insurance status — for more protection with less paperwork, less time required, and less effort on your part
- » Our AI-powered WRAP process and unique proactive outbound verification ensure that notices and placements are based on the most current insurance information — avoiding unnecessary borrower communications, providing cost savings, and safeguarding borrower relationships

Contact State National today to see how we can help you save time, money & effort when it comes to protecting your loan portfolio: info@statenational.com

StateNational