

# **7 REASONS** Why You Need a Second Opinion on **ALL** Your **Premium Finance Cases!**



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### 1. Paying high case splits

Working with some programs you pay case splits as high as 30-50%. As a carrier approved vendor we can offer splits as low as 10%. And no spread comp.

### 2. Using cash value riders that spread compensation.

There are a few issues here. The first is when you use these riders you increase the chargeback back period up to 5 years. With most carriers it also hurts long term policy performance for the client. Finally, it spreads compensation and makes the writing agent wait up to 5 years to get full commissions.

### 3. Wrong carrier

Depending on the client's age, rating and goals, the right carrier is often difficult to find. Working with experts that not only know how to design premium financing, but chose the right carrier is very important. Some programs require to use certain carriers that force you into a multiple-choice situation where you have 2, 3 or 4 carriers you have to use. Those carriers may not be the best solution for the client.

### 4. Funding flexibility

Instead of waiting for a certain date to fund your case, some as long as a couple months, get approvals and fund is as little as a week. On you and your client's schedule, not the banks

### 5. Bank fees

Some programs have mandatory arrangement, trust and/or annual service fees. Sometimes it makes sense to pay a fee to get a lower borrowing rate as with some refinanced cases. But in most cases, excess fees and charges are not in the client's best interest.

**6. Programs “paid by the bank” not splitting cases.**

There is no free lunch in this world. For programs that say they are paid by the bank, the reality is the client is being charged higher interest rates to offset the payments to the program. Why go with a program where your client is being charged a higher interest rate than they could get elsewhere lowering their overall borrowing costs?

**7. Wrong bank**

Just like carriers, there are a number of banks and lenders that do premium financing. Using the wrong bank can cost your client thousands of dollars in borrowing costs. Knowing which banks offers the best terms for your client is critical. If you have a current balance sheet from the client AND know all the lending programs available, it is easy to determine which bank is best for each client.

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