

Assurant Equity Extended

Frequently Asked Questions



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From onboarding to ongoing support, you can find answers to frequently asked questions below:

GENERAL:

Q: What is Assurant Equity Extended (AEE)?

A: A new dealer obligor program for TPAs modeled after Assurant's current dealer obligor offering.

Q: Are all TPA clients eligible to participate?

A: All TPAs will be given the opportunity to offer AEE to dealership clients. The product associated with this program is called Drive Protection, it is a vehicle service contract can be sold in-dealership only and is not eligible for call center business.

Q: What makes this program unique/different?

A: AEE gives dealers the ability to provide their customers with a value-added program that allows dealers to take more control and own more of their service contract profitability.

Q: What does a TPA need to do to offer the AEE program to their clients?

A: Qualifying TPAs will need to complete an addendum to their existing agreement with Assurant before they can implement the program. The TPA will also be responsible for program setup including state filings, lender approvals, implementing file transfers and other requirements. More information is available on the [Assurant Equity Extended client site](#).

Q: Who should a TPA contact for information about the program?

A: TPAs should contact their Assurant Account Executive with any questions. There are additional subject matter experts the Account Executive can make available to answer questions about the program and process if needed.

Q: Does the TPA need a P&C Producer license?

A: TPAs may need a P&C producer license. Please contact your AE for more information.

Product:

Q: What product(s) are available in the program?

A: A vehicle service contract called Drive Protection. Coverages, eligibility and other features include:

Coverages:

- Platinum (up to 150,000 miles)
- Gold (up to 180,000 miles)
- Powertrain (60,001-200,000 miles)

Eligibility:

- Mileage: Up to 200,000 miles and Model Years: Current + 15
- Tie-back Distance: 40 miles from Selling Dealer
- Expiration type: Add-on Time / Add-on Miles
- Deductibles: \$100 disappearing or \$100

Q: Are RVs eligible?

A: No. RVs are currently not eligible under the Drive Protection product.

Q: What are the product filing requirements:

A: TPAs will need to file Drive Protection in applicable states. Filing requirements can be found in the State Filing Matrix available on the Assurant Equity Extended TPA client site. As always, the TPAs should verify requirements with their compliance and legal teams.

Q: Can TPAs sell the new service contract in every state?

A: The program is not offered in the following states:

- Florida
- Maryland
- Nebraska

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- Oklahoma
- Washington
- Puerto Rico

Q: Will ancillary products be available?

A: Ancillary products are not currently available.

Q: Who is the insurer on Drive Protection?

A: Virginia Surety

Q: What are the terms and conditions?

A: [Terms and conditions](#) can be found on the Assurant Equity Extended TPA client site. The TPA will need to add information related to the administration of the program and other details. The additional information that needs to be added is highlighted in the template. Read our instructions document before initiating any updates.

Q: Can the T&C's be changed?

A: Drive Protection was designed to be a comprehensive contract that should not need to be modified to provide consumers with a comprehensive and strong feature set. Please contact your Account Executive with any questions regarding Drive Protection.

Q: Can a TPA private label the product? If so, what are the parameters or rules to do this?

A: The name of the service contract is "Drive Protection". The TPA and/or dealer name can be added to "Drive Protection" in marketing materials and forms. For example, the product name can be modified to be "Smith Auto Drive Protection".

Q: Is roadside included in the contract?

A: Yes. The preferred provider is VAS. A TPA may choose to use a different provider. If so, the provider information will need to be updated in the T&Cs.

Q: What point of sale materials are available?

A: A [product brochure](#) is available on the Assurant Equity Extended TPA client site. The TPA must add administration information, can add a logo and make other minor modifications to the brochure. The TPA is also responsible for printing and distributing point-of-sale materials. The [editable brochure](#) needs to be handled by a professional graphic designer, read our instructions document before initiating any updates.

Q: What is the product pricing?

A: There is a standard pricing model. Please contact your Account Executive for pricing information.

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Dealer Qualification and Approval:

Q: What requirements need to be met for the TPA's dealer clients to participate?

A: Automobile dealer eligibility requirements include:

- Equity greater than \$100,000
- Current ratio that is greater than 1:1
- Current assets divided by current liabilities
- Total assets must be greater than \$1,000,000
- Show profitability for the last two years

In addition, independent dealers are required to have a repair facility or a designated repair facility for in-house claims, minimum sales of 200 units per year, financial statements prepared by a third party and been in business for at least two years. For independent dealers the escrow requirement is \$150 per active contract. Find additional information on the [Dealer Requirements and Approval Process](#) document.

Q: What is the dealer approval process?

A: After determining that a dealer meets the requirements, the TPA notifies their Assurant Account Executive that they plan to enroll a dealer or dealer group. After the request has been vetted internally, the dealer may begin submitting the necessary documentation to Assurant via the [Assurant Dealer-Obligor Information Upload Portal](#). The list of required documentation can also be found on the [Dealer Approval Checklist](#) on the Assurant Equity Extended TPA client site. The Dealer Approval Checklist is designed to help TPAs and dealers ensure all components of the enrollment package are included when uploading to the portal.

Q: What is the Dealer-Obligor Information Upload Portal?

A: The [Assurant Dealer-Obligor Information Upload Portal](#) provides a secure way for dealers to upload confidential documents required for the approval process and for annual financial reviews of dealers, post approval.

Q: How long does the dealer approval process take?

A: Once all required documents are submitted, the application review process will take 7-10 business days. Dealer approval decisions will be communicated to TPAs within 2 business days following the review. The application will be rejected if the dealer does not meet the qualification guidelines.

Q: Is the dealer required to sign any agreements with Assurant?

A: Yes. There is a tri-party agreement between Assurant, the TPA and the approved dealer. Once a dealer has been approved, the tri-party agreement will need to be executed and enrollment fees will need to be paid.

Q: How will the CLIP be issued and where will it be sent?

A: The CLIP will be provided to the TPA by their Assurant Account Executive once the dealer has been approved, the tri-party agreement has been signed and enrollment fees have been paid. The TPA will be responsible for providing the CLIP to the dealer and ensuring appropriate registrations have been completed.

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Program Setup

Q: What steps need to be taken before a contract can be sold?

A: Before launching the program, the following must be completed:

- Dealer approval is granted
- Agreements are in place
- Enrollment fees are paid
- State filings and lender approvals are completed
- Sales support materials are finalized
- Dealer participants have been educated by the TPA
- Data file submissions to Assurant have been tested

Q: What files need to be submitted to Assurant?

A: TPAs will be required to send contract information including sales and cancelations to Assurant on a monthly basis. Information about the files and formats required can be found on the Assurant Equity Extended client site.

Q: How will dealers be educated about the program?

A: The TPA is responsible for educating the dealer. Please note, the Assurant Equity Extended client site should not be shared with dealers as part of the education. This site is Assurant TPA business partners only.

Claims

Q: Who is responsible for claims processing?

A: The Dealer and TPA are responsible for processing claims.

Q: How will in-network claims be processed?

A: In-network claims should be processed through the selling dealer network using [best practices](#).

Q: How will out-of-network claims be processed?

A: Out-of-network claims should be processed through the TPA using [best practices](#).

Q: Is a standard claims fund required?

A: Establishing a standard claims fund is part of the TPA's program setup. The standard claims fund should be established based on the average claim rate for the TPA's current programs. Unique criteria for reimbursement of parts, labor time and labor rate are not recommended. The criteria should align with traditional products. This is based on the nationally recognized labor rates, which are based on Mitchell or All data time standards, and parts reimbursements at MSRP part pricing. However, in some cases, some dealers may request discounted rates (MSRP - 10%) for example to control losses. This is a decision for the individual dealer to make.

On-going Program Requirements

Q: Are there any annual reviews or program checks?

A: Assurant will provide regular reviews of the program, possibly including the need to provide updated financials annually.

Q: What files need to be submitted to Assurant for program maintenance?

A: Dealers will be required to report all sales, cancelations and claims to their TPA on a monthly basis. The TPA will be required to send cash and sales, cancelations and claims data to Assurant for reconciliation.

Q: Will performance reports be provided by Assurant?

A: No, the TPA should follow its own administrative reporting practices.