



FOR IMMEDIATE RELEASE

EFG's New Flagship VSC Increases Penetration up to 15 Percent through 25 Million Term Options

DALLAS, TX (June 16, 2020) EFG Companies, the innovator behind the award-winning Hyundai Assurance program, today announced the launch of its re-imagined Motorist Assistance Plan (MAP®) vehicle service contract (VSC). This newly-engineered VSC provides dealers the potential to increase VSC sales by 15 percent through 25 million available terms, and generating up to \$200,000 in revenue per year. For more information, visit: <https://bit.ly/MAPSTAR>

Traditional VSCs have a small set of very specific terms that may not fit every customer's needs, forcing dealers to shoehorn customers into narrow terms with too much or too little coverage. With the enhanced MAP, EFG expanded eligibility requirements and term mileage in 2,500 mileage increments, resulting in 25 million term options dynamically available to the dealer. Along with five deductible options and six surcharge options, the updated MAP allows the dealer to better tailor the product to each customer's personal driving habits, giving them a viable product for every customer and increasing penetration rates. Cancelled contracts and burdensome chargebacks are also reduced for the dealer with the product's focus on each customer's specific protection and budget constraints.

A significant benefit to the newly-designed MAP is the product's surgical-level risk-based pricing. Not only is this more beneficial for all customers, dealers significantly benefit from greater contract specificity in their reinsurance positions as reserves are better aligned with contract coverage. This creates a much more efficient loss management and rating process, reducing the impact of high-volume claims on dealers' reinsurance positions.

"Recent events around the COVID-19 pandemic have significantly accelerated the pace of change in the automotive industry, from online vehicle retailing to F&I products that have a higher degree of relevancy to the consumer," said John Pappanastos, President & CEO of EFG Companies. "The US long-term economic outlook reflects diminished consumer confidence, driving consumers to demand more specific levels of protection that are better aligned with their individual needs and budgets at a more specific level than we've ever seen before. This product delivers on all fronts for the consumers while meeting dealers' evolving profitability hurdles."

MAP is designed for new, used and high mileage vehicles. With four levels of coverage, including exclusionary and named components, MAP eligibility is extended to current plus 12-model-year vehicles with less than or equal to 150,000 miles.

F&I managers can offer MAP based on the individual driving habits of their customers with:

- expanded eligibility requirements;
- expanded term mileage in 2,500-mile increments;
- six surcharge options that include commercial and ride-sharing vehicles; and,
- five deductible options to meet every customer's need at the time of a claim.

EFG continues to be on the cutting edge of developing VSC products designed to meet the needs of today's consumers while supporting the continuing challenges faced by auto dealers. EFG was one of the first to market in August 2019 with MAP Electric Vehicle Protection, a VSC specifically designed for the needs of EV customers. MAP Electric Vehicle Protection provides exclusionary coverage for all assemblies, parts and the battery installed by the manufacturer, except those specifically excluded, of up to 11 years and 150,000 miles. Most manufacturers provide coverage for an EV battery up to 8 years or 100,000 miles.

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About EFG Companies

EFG Companies drives the industry's highest-reported compliant F&I profitability through its distinct engagement model in which the company operates as an extension of the dealer's management team. EFG addresses total dealership performance, and its client satisfaction Net Promoter score is higher than national corporate leaders such as Nordstrom, Ritz Carlton, and Amazon. Learn more about EFG at: www.efgcompanies.com.