



EFG Companies' Simplicity Vehicle Protection Helps Insurance Agents Sell to Consumers Driving Older, Higher-Mileage Cars

- New Vehicle Service Contracts Address Needs Among 33 Percent of Consumers Purchasing Autos -

DALLAS (August 26, 2014) EFG Companies, the innovator behind the award-winning Hyundai Assurance program, today announced a vehicle service contract (VSC) that will help insurance agents generate greater profits and fight pricing pressure from carriers. Simplicity Vehicle Protection® answers a significant need discovered in a recent third-party research survey where 33 percent of consumers stated they were never offered an extended warranty on their vehicles at the time of purchase.

As consumers continue to keep cars longer than historical norms, ongoing maintenance costs are a growing issue. According to the EFG survey, 48 percent of respondents expect to replace their cars every four to seven years, which for many could extend their ownership well beyond 100k miles and their manufacturer's warranty.



In addition, according to the latest "Automotive Market Trends" analysis from Experian, the percentage of vehicles on the road pre-dating the 2001 model year has reached its highest level since 2009. Vehicles in that age group made up more than 28.3 percent of all vehicles on the road today, which is 6.2 percentage points higher than in 2008.

"Competition and pricing pressures from carriers continues to squeeze agency profitability. s. A large number are adding complementary revenue streams to increase the value they offer customers," said Mark Rappaport, President, Simplicity Division of EFG Companies. "With Simplicity Vehicle Protection, insurance agencies have a unique opportunity to set themselves apart from their competition while increasing profitability and customer retention."

With Simplicity Vehicle Protection, agents and managing general agents (MGAs) now have access to products that help customers protect their pocket book from expensive vehicle repairs.

"Competition is on the rise, and I needed a way to help my agents grow their business," said Tim Hunt, Owner of Paladim General Agency. "Everyone talks about their low prices and customer service, so I needed to go a step beyond. That's where Simplicity Vehicle Protection came in. With Simplicity Vehicle Protection, I'm able to offer more value to my agents, which helps them increase average revenue per customer."

With five different coverage levels, consumers have the ability to choose the level of vehicle protection that works best for them. All coverage levels include:

- Alternate transportation
- Trip interruption
- Unlimited number of claims
- Roadside assistance
- Ability to transfer upon resale
- Nationwide coverage
- Choice of deductible

Simplicity, a division of EFG, also offers Home Warranty, Roadside and Repair Assistance and Payment Protection consumer protection products. For more information, visit <http://www.simplicityprotection.com/>

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About EFG Companies

With close to 40 years of experience serving as an industry innovator of consumer and vehicle protection programs, EFG Companies is a world-class financial services product administrator committed to the continuous development of innovative products and services with go-to-market strategies and execution support across a multitude of channels. www.efgcompanies.com