

## EXAMPLE CHARGEBACK EXPIATION PROGRAM™ HIGHLIGHTS

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The EXAMPLE Chargeback Expiation Program™ (CEP™) is a two-fold program that helps dealers build stronger businesses while improving cash flow. First, EXAMPLE provides **superior insurance protection against chargebacks**. Second, EXAMPLE electronically tracks and reports performance of a dealership's sales and F&I departments and its lenders' statements, providing dealers with **comprehensive F&I department reporting that can be used as a timely management tool**.

EXAMPLE's unique services have been innovated and are administered by experts in the insurance and automotive industries. Its group of insurance providers includes some of the largest, most financially secure organizations in the country. EXAMPLE's advanced computer technology works 24 hours a day, 7 days a week, 52 weeks a year, performing an efficient, money-saving service for dealers of all sizes.

EXAMPLE can give you answers to the following questions.

- **Are you sure that your lenders are paying your full share of finance charges and that reported income from participation plans matches that of your lenders' actual records?**

There is a multitude of methods for calculating the dealer participation in the finance charge. Lenders can and do use many of these methods to maximize their shares, but there is only one method that gives you your maximum share.

Only with constant reconciliation of dealer and lender statements can you make sure that your lenders are giving you proper discounts and that the methods used to calculate your participation bring the most money to your dealership. You must be able to make a comparison between the best method for you and the method that each lender is using.

- **Are you positive that each and every one of your chargebacks was made from loans originated by your dealership?**

Chargebacks are the largest item that cannot be audited on your financial statements. If your chargebacks are shown "net to Finance and Insurance (F&I)" on your statements, verification of your chargebacks is virtually impossible. To avoid chargeback fraud, you must be able to make accurate chargeback calculations, verify if there were previous chargebacks, and determine if a chargeback was one of your original loans.

- **Are you sure that your salespersons and F&I manager are making the best loans and selling the correct amounts of service contract and credit insurance to your customers?**

Your salespersons and F&I manager may be creating unviable loans, causing a high frequency of chargebacks, and they may be losing revenue by neglecting to offer needed service contracts and credit insurance to customers. However, to determine loan viability and missed opportunities to sell appropriate insurance products, you must be able to accurately assess F&I performance down to a detailed personal level in a timely manner. Traditionally, this process is laborious and time-consuming, and the results are often unreliable, due to the passage of time and inadequate record keeping. You cannot know the extent of your losses without a consistent, responsive and comprehensive analysis of your F&I income.

- **Do you know your F&I manager's and salespersons' actual F&I performance on a weekly basis?**

Manual F&I productivity reporting is often late and inaccurate, making such a method an ineffective management tool, incapable of assisting you in tracking, reporting, and correcting production problems within your dealership. Again, you cannot know the actual performance of your personnel without a consistent, comprehensive analysis of F&I income.