



16438 Vanowen Street, Suite #205 Van Nuys, CA 91406
Telephone (800) 452-8505 Facsimile (800) 209-0120
<http://www.lgpf.net> / info@lgpf.net

Cancellation Avoidance Program

Due to our superior customer service, LG Premium Finance (LGPF) has one of the lowest cancellation percentages in the premium finance industry. Part of this service includes keeping our agents/clients informed of the status of their insured's policies. To do so we have implemented a Cancellation Avoidance Program as outlined below.

1. Welcome Letter (Notice of Acceptance) & Coupons

Once the Finance Agreement (FA) is signed and activated, the insured is sent a Welcome Letter along with Payment Coupons. This document provides clear information of the insured's policies, APR, Premium Amount, Down Payment, Amount Financed, Finance Charges, Total of Payments, Number of Payments, Monthly Payments, and the First Payment Due Date. The Payment Coupons show the amount and dates of each installment payment along with the payment mailing address.

2. Past Due Warning via E-Mail.. (if payment was not received on the due date)

Three days before each installment is due, LGPF will e-mail the insured a Past Due Warning via E-Mail. This is a courtesy notice to let the Insured know that the payment is overdue.

3. A. Notice of Intent to Cancel to the Insured.. (10 days after due date)

Like most premium finance companies, LGPF will send a "Notice of Intent" to the insured via mail when an account is past due.

B. Notice of Intent to Cancel to the Agent.. (10 days after due date)

Once a "Notice of Intent" is being mailed to the insured we will notify the Agent via fax or email about the insured account "Notice of Intent" account status.

4. Notice of Intent to Cancel Telephone Follow-Up.. (10 days after due date)

If, for some reason, the account falls past due, we want to make sure that we do everything possible to get the insured account caught up. On the tenth day past the installment date, LGPF will call the insured. This is simply a "courtesy call" made because we want the insured to protect their coverage. Notice of Intent to Cancel Telephone Follow-Up is being done on a daily basis until the insured account is caught up or the account is being cancelled.

5. Notice of Intent to Cancel Follow-Up.. (20 days after due date)

LGPF will send a "Notice of Intent" Follow-Up letter to the insured via mail 20 days after the past due date.

6. Notice of Cancellation.. (30 days after due date)

Unfortunately, cancellations happen. Thirty days after the due date, LGPF will send a cancellation notice to the insured via mail, and copies and all insurance entities involved on the insured policy/policies via fax or email.

7. Notice of Cancellation Telephone Follow-Up.. (30 days after due date)

If, for some reason, the account is being cancelled for non-payment, we want to make sure that we do everything possible to get the insured account reinstated within the quickest time frame. LGPF will "courtesy call" the insured, as we want the insured to protect their coverage. Notice of Cancellation Telephone Follow-Up is being done on a daily basis for 10 days.

8. Request for Reinstatements

If an account is canceled and subsequently paid current, LGPF has the option to request reinstatement of the policy/policies. As a rule, LGPF will request reinstatement as soon as the account is current.