

CNA National is a leading provider of finance and insurance products for dealers nationwide. In today's economic environment, maximizing the performance of your Finance and Insurance Department is more critical than ever to your overall financial stability. We understand the importance of balancing the need for F&I income with customer satisfaction. We strive to meet your needs in all areas for service, product availability and industry expertise.

Vehicle Service Contracts

Service contracts were our first product and they remain the focus of our operations today. We have earned the reputation for being the best in the industry and are the only administrator voted a "Best Provider" in the Dealers' Choice Awards since 2005. Our broad variety of service contract options allows you to customize your program with the coverage and benefits that address the needs of your specific customer. We also offer dealer options that include No-Chargeback, Service Drive Sales and follow-up sales programs.

Guaranteed Asset Protection (GAP)

Each year thousands of vehicles are declared total losses due to theft and accidents. Because auto insurance often covers only the vehicle's actual cash value at the time of loss, chances are good that many owners will have a deficiency balance and end up owing the difference between their settlement and the amount due to their lender. Our GAP program can help cover this type of deficiency in the event of a total loss or stolen vehicle.

Preferred Tire CareSM

Our program provides coverage for repair or replacement of your customer's tires or wheels if they are damaged by a road hazard. We also offer cosmetic coverage for damage to the wheels and rims. All of our coverage options include roadside assistance, towing and rental car benefits as standard features at no additional cost.

Pro Certified®

Our flexible approach to used vehicle certification allows you to customize the program to fit your inventory requirements, including models outside of your franchised lines. With our limited warranty program, you'll be able to provide your customers with the right warranty for the vehicle.

E-Business

We offer a variety of web-based services designed to make it easier for you to do business:

- QuikQuoteSM—Get rating estimates based on a vehicle's year, make and model
- QuikRateSM—Obtain accurate pricing based on the VIN
- QuikContractSM—Complete and print e-contracts for signature at your dealership
- QuikRemitSM—Submit e-contracts electronically
- QuikPaySM—Receive faster claims payment by credit card

Profit Participation

We recognize that maximizing F&I income is a top priority and that your profit potential does not end at the initial sale. We have developed participation programs that allow you to customize an option that both maximizes your profit potential and aligns with your long-term business goals. We've paid more than \$424 million to our dealer partners nationwide and we will continue to set the industry standard.



Vehicle service contracts were our first product and they remain the focus of our operation today. A mechanical breakdown is never a pleasant experience so we have designed our claims process to ensure prompt and efficient service for both customers and your service department. Providing superior service depends on quickly identifying and fixing the problem to get the customer back on the road as soon as possible. Our broad range of eligibility guidelines, flexible terms and coverage options gives you the ability to customize a program that works best for you and your customers.

Customer satisfaction comes standard.

Included for no additional charge with any of our standard coverages:

- No exclusion for wear and tear
- No exclusion for pre-existing conditions
- Choice of multiple deductible options
- No second deductible for a repeat repair of the same item
- Commercial use availability

Consumer benefits among the best in the business.

Towing Reimbursement—Up to \$150 per occurrence.

Roadside Assistance Reimbursement—Up to \$50 per occurrence for emergencies like a flat tire, out of gas, keys locked in car, etc. Customers have the option to use the provider of their choice for reimbursement or they can call our toll-free number to take advantage of our “sign and drive” service, up to \$50 per occurrence.

Travel Reimbursement—\$100 per day, up to \$300 per occurrence for meals and lodging if a covered breakdown occurs more than 100 miles from home.

Rental Car Reimbursement—Up to \$50 per day for a maximum of seven days.

Future Contract Guarantee—Allows consumers to purchase another contract prior to expiration of their original coverage.

Different coverage options to meet your market and consumer demands:

New, Near-New and Used Vehicles

Automotive Preferred CareSM—Our top-of-the-line “exclusionary” coverage. All parts, services or conditions not specifically excluded are covered. Available on vehicles with up to 125,000 miles at time of sale.

Mechanical Advantage CareSM—The most comprehensive plan available in stated-component coverage. Available on vehicles with up to 125,000 miles at the time of sale.

Vehicle Value CareSM—Value-priced, stated-component coverage for the major component areas. Available on vehicles with up to 150,000 miles at the time of sale.

Used Vehicles

Certified+Plus CareSM—Specifically designed to be offered on vehicles that have been certified by the selling dealer and issued an extended limited powertrain warranty under their manufacturer’s certification program. Two levels of coverage available (Preferred and Advantage) for vehicles certified under a factory certification program, plus extended coverage for engine, transmission and drivetrain assembly after expiration of the factory warranty.

Powertrain—This basic coverage offers economical protection for listed engine, transmission and drivetrain assembly components. Available on vehicles with up to 150,000 miles at the time of sale.



Certified pre-owned programs have become a key component to almost every dealership's success. While manufacturers' programs help move inventory, their costs often may outweigh their benefits. Our Pro Certified[®] program offers multiple coverage, deductible and term options. This allows for a customizable program for the vehicles you offer without many of the limitations of a factory program. Converting your used vehicle inventory into CNA National Pro Certified pre-owned will help you maximize your gross profit while enhancing your customer retention.

Choose the warranty option that works best for your dealership. Our program options allow you to mix and match the coverage, term and deductible options that work best for your pre-owned sales, service and profit goals.

- A range of term options all the way up to 12 months/12,000 miles.
- Coverage options span the range from basic stated component to exclusionary coverage.
- Deductible options include \$0, \$50 and \$100.

CNA National provides point-of-sale materials to effectively market the Pro Certified vehicles at your dealership.

Increase your dealership's profitability with Pro Certified[®]

Converting your used inventory into certified pre-owned will potentially help you sell more used vehicles more quickly while allowing you to maintain higher sales prices. You'll be perfectly positioned to upsell your Pro Certified customers to a CNA service contract. When you do, you'll pay no fee for the Pro Certified limited warranty. This will allow you to eliminate the program cost while increasing your F&I income. Pro Certified also allows you to:

- Provide certification for models outside your franchise
- Customize the program to fit your specific coverage, service and profit goals
- Participate in underwriting profits
- Attract more customers by advertising the reassurance of certified, quality used vehicles
- Move used vehicle inventory more quickly
- Help maintain higher gross on inspected and certified used vehicles



CNA National participation programs are true partnerships that are recognized as some of the most attractive in the industry. We know that maximizing income is your top priority. With CNA, your income potential does not end at the initial contract sale. We offer products that allow you to maximize your up-front profit, and we have developed participation programs that reward you for positive program results. Our Dealer Equity program provides a complete package that gives you what you want—investment income and underwriting profits with no additional risk. Our program is straightforward, easy to understand and we back it in writing.

Program benefits:

- Fully insured
- Maximum up-front profit
- Investment income
- Underwriting profit
- Direct agreement between you and CNA
- All program requirements and details are clearly stated and easy to understand
- Potential to leverage an untapped revenue source with minimal risk
- Ability to provide consistent, long-term income stream with no up-front costs
- Money is yours even if you leave us—no hidden clauses or rules
- Concise monthly reports help you manage program results

Profit Bonus: underwriting profit

Unlike programs that make you wait until 100% of a policy year's business has been earned, our Profit Bonus is paid after just 75% of an eligible year's business is earned. Our program is designed to get your money in your hands faster. You can receive 100% of the underwriting profit in your account, based on your service contract production. Any loss ratio less than 100% allows you to receive underwriting profit on eligible policy years. Once you receive a Profit Bonus, it's yours to keep, no strings attached.

Equity Bonus: investment income

Based on contract production and loss ratio performance, investment income is calculated and compounded monthly. Equity Bonus is paid every six months, not left in a reserve fund where it would be subject to claims risk. You may receive your first Equity Bonus in six months or even sooner, depending on your start date and account performance. Most importantly, once you receive an Equity Bonus, you never have to pay it back.

Unlocking greater profits with CNA National's Dealer Equity participation programs—

- **UP-FRONT PROFIT**
- **UNDERWRITING PROFIT**
- **INTEREST INCOME**



At CNA National, we recognize that financially savvy dealers want to balance short-term profitability with long-term returns. For many, reinsurance is the answer. Unlike most providers, we offer you a choice of structures based on your individual goals and capacity for risk.

Program highlights

- Designed as a long-term investment with the potential for generating wealth and delivering substantial future returns
- 100% dealer-owned company
- 100% of premium ceded each month
- Monthly cession intervals maximize investment income
- Potential tax deferral
- Dividends taxed at favorable rates
- Investment income accrues to the reinsurance account, generating interest on the interest
- Low ceding fees and accelerated earnings formulas generate higher profit more quickly than other reinsurance programs
- We provide access to independent experts to help set up and manage your account to help you achieve your goals

Our participation programs are designed to maximize multiple income sources —

Choose the structure that works best for you.

With CNA National, you can select the structure that best aligns with your short- and long-term financial goals. Both are set up to qualify for and maintain U.S. taxpayer status.

CFC (controlled foreign corporation)—“Controlled” in the sense that a single shareholder typically owns 100% of the company; “foreign” in the sense that it is not domiciled in the United States. Tax elections are almost always applied only to investment income, and dividends are taxed at favorable rates.

NCFC (non-controlled foreign corporation)—A company with multiple owners in which no one dealer controls more than 10%; 100% owned by dealers, providing a superior dividend feature plus a defined redemption formula.

- UP-FRONT PROFIT
- BACK-END PROFIT
- 100% OF INVESTMENT INCOME
- 100% OF UNDERWRITING PROFIT
- POTENTIAL TAX ADVANTAGES

