



Case Study

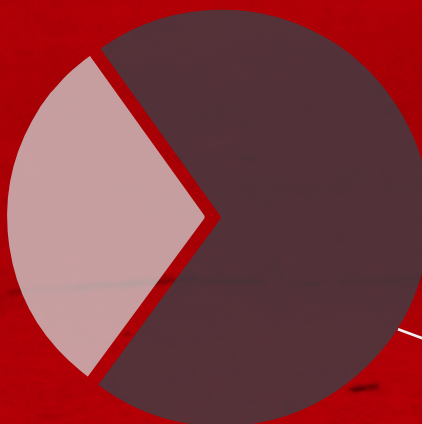
IAA LOAN PAYOFFTM

Reducing Cycle Time for Insurance Carriers

Problem

Vehicle owners have loans on up to 70% of total loss claims. Nearly half of those loans have negative equity and require a letter of guarantee. In order for the bank to be paid once a vehicle is totaled, insurance companies and lenders have to exchange countless phone calls, voicemails, faxes and emails. It's a tedious and frustrating process for everybody involved – the customer, the bank and the insurance carrier.

TOTAL LOSS CLAIMS



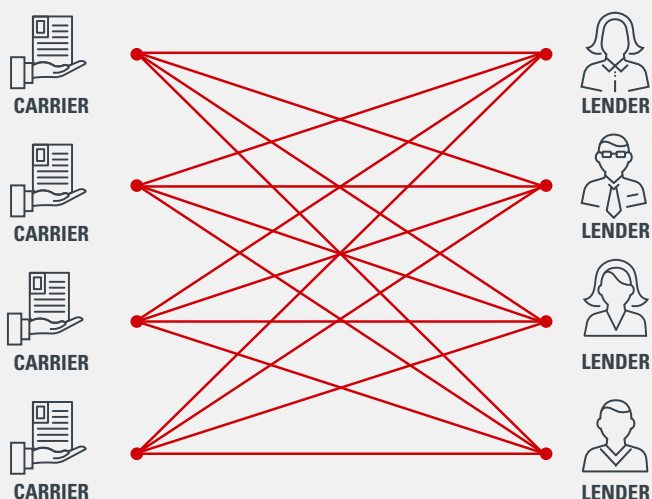
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Solution

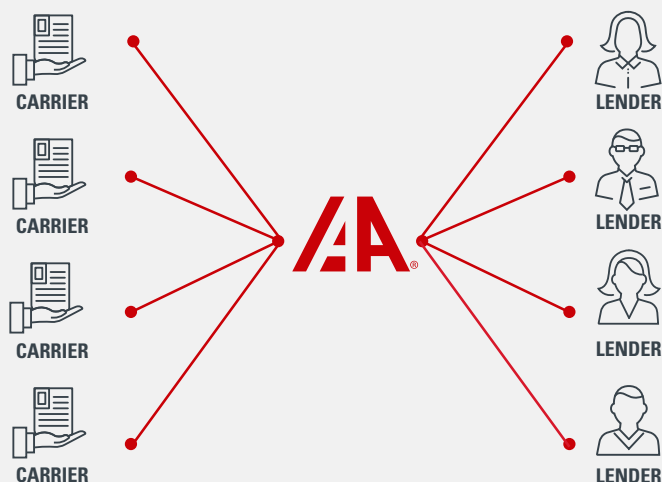
IAA set out to create a better process that reduces the endless phone calls, faxes and overall time it takes for insurance carriers to secure and complete payments to the bank. After researching the process, IAA innovated and designed IAA Loan Payoff™, an online communication portal between banks and insurance carriers that gets auto loans paid faster.

Eliminating excess tasks allows insurance carriers and lending institutions to expedite the settlement process, reduce labor costs and focus more time on delivering an improved experience to current and prospective customers. Best of all, IAA Loan Payoff is easy to use.

Without Loan Payoff



With Loan Payoff



With one central landing page, there's no need to reach out to multiple touchpoints during a claim settlement.

IAA Loan Payoff Process



**ADJUSTER SUBMITS PAYOFF REQUEST AND
RECEIVES INSTANT LOAN PAYOFF QUOTE**



LENDER APPROVES REQUEST AND PAYOFF AMOUNT



IAA LOAN PAYOFF GENERATES LETTER OF GUARANTEE (LOG)



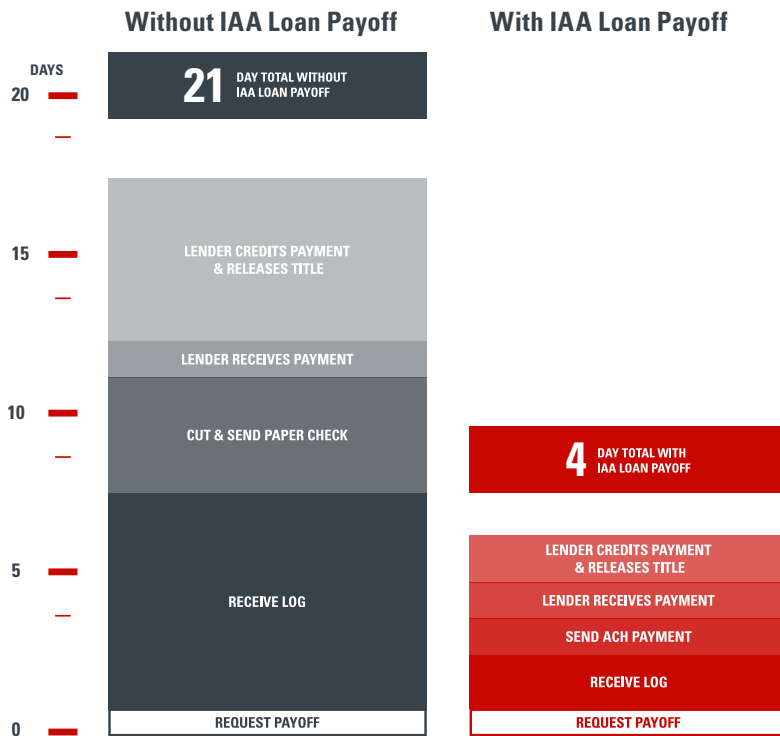
ADJUSTER SENDS PAYMENT VIA ACH TRANSFER



LENDER RECEIVES FUNDS OVERNIGHT THEN RELEASES TITLE

IAA Loan Payoff Reduces Cycle Time

Claim Settlement Process



IAA Loan Payoff greatly reduces the time it takes to make lien payments to the bank from 21 days on average to less than 4 days on average – often in as little as 2 days. With just one central web portal to connect all parties, this solution eliminates extraneous touchpoints and streamlines communication. Even the time it takes to receive payment is reduced via use of electronic funds transfer, which enables a lender to credit the owners account immediately, rather than having to wait 2-5 days for a paper check to clear.

Meet Loan Payoff's Newest Feature, Instant Loan Payoff, Exclusive to IAA.

The Loan Payoff portal will now deliver an instant payoff amount for major lenders. This exclusive feature helps carriers improve the total loss experience for the vehicle owner with the added benefit of additional time savings in the process. IAA Loan Payoff has already reduced the amount of time it takes to obtain payoff information. The new Instant Loan Payoff feature will now immediately return an accurate payoff amount to the IAA Loan Payoff portal allowing the adjuster the ability to help the vehicle owner better understand their claim and begin to plan for a replacement vehicle. This exclusive new feature continues to drive down the cycle time of the loan payoff process.



Loan Payoff Success

IAA Loan Payoff has been successful from the start, and it's only getting better. Released as a pilot in September 2017, Loan Payoff processed more than \$1 million in loans in its first week. The product has proved that streamlined communication through a digital portal dramatically reduces effort and cycle time.

Now with over 2,500 loans, equaling more than \$18 million in loans paid, the sky is the limit for this innovative new product. With additions like Instant Loan Payoff, exclusive to IAA, we've reduced the time it takes to receive the letter of guarantee to under 2 days, while the competition continues to lag far behind.

"I submitted a request to a financial lender today at 10:34 a.m. and as of 11:15 a.m., the lienholder has accepted and uploaded the letter of guarantee and a copy of the title! This is wonderful how this process works as we have waited up to 10 business days with this particular lienholder in the past. I am very excited about how easy this process is and can't wait to see more!"

**-Physical Damage Supervisor,
Georgia Farm Bureau**

Key Performance Metrics



Over 2,500 loans paid



Over \$18 million in loans paid



**On average, it takes under 2 days to receive LOG,
opposed to industry standard of 10+ days**

Saves Time

Cycle time was reduced across the board. There was less time spent on negotiations about the loan payoff amount, so the overall payment turnaround time was shortened. Cars were then sold sooner, stopping value depreciation in its tracks.

Saves Labor

From untangling communication webs to eliminating the need to manually generate and ship checks, IAA Loan Payoff offered significant savings in terms of manpower required. Our carrier was able to offer an improved customer experience due to the speed and accuracy of the process.

Overall, lenders were pleased with the ease of communicating with adjusters, the central location of documents, how quickly they were paid and how easy it was to interact with adjusters. Huge time and labor savings were evident for lending institutions as well.

We're confident that any partners that choose to utilize IAA Loan Payoff will find the same results.

IAA

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IAA-Auctions.com/IAA-Loan-Payoff