Personal Safeguards Group, LLC ("PSG") and its Principal have significant underwriting relationships to assist Dealers, Retailers, Obligors, Marketers, Agents and Brokers in obtaining admitted and approved Service Contract Reimbursement Insurance Policies / Contractual Liability Insurance Policies (CLIP) from highly rated Insurance Carriers for their service contract, extended warranty, limited warranty and other warranty and maintenance related programs.

Many states require registration for a provider to sell in their state and the registration process includes demonstrating some form of financial guarantee to back the extended warranty or service contract provider (obligor).

These financial guarantees can include posting a percent of the gross consideration as security (surety bond, securities, cash, LOC) in a reserve account, a parental guarantee from an entity with net equity in excess of $100,000,000 or a Service Contract Reimbursement Insurance Policy / Contractual Liability Insurance Policy (CLIP). In some states, a Service Contract Reimbursement Insurance Policy / Contractual Liability Insurance Policy is the only viable option available to a provider (obligor) to comply with the states requirements and failure to comply with these requirement can be dealt with harshly by the state regulatory agencies.

A Service Contract Reimbursement Insurance Policy / Contractual Liability Insurance Policy (CLIP) is also generally required by third party lenders to satisfy their requirements before they will advance on a loan that includes a service contract. This is common with auto lenders and most will require this type of protection to approve the vehicle service contract or ancillary product prior to advancing on a loan. This includes vehicle service contracts, GAP, etch, appearance protection, tire and wheel, maintenance, key fob, dent and ding, windshield and other similar products.

In addition to obtaining the Service Contract Reimbursement Insurance Policy / Contractual Liability Insurance Policy, PSG and its Principal help clients source already approved obligor, administrative and marketing companies when needed.


Visit PersonalSafeguardsGroup.com for more information.