

Credit Life Modified 6/15

Credit Life is a feature that a car dealer can sell. But first the dealership and salesman must be registered as life insurance salesmen, take a test, whatever. In Idaho, this appears to be very simple. Not so much in Washington.

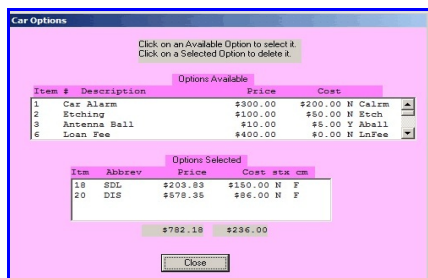
Finally, after 15 years, somebody wanted it. I figured that they look up some numbers in a table, like for Gap insurance, pound it into my program, and I print a form. Negatory. Because of the actuarial nature of life insurance, each deal has to be calculated individually to get the premium and benefit for the insurance. To make life even more fun, there are two different kinds of insurance, Decreasing Life, and Disability. (Something called Level Term Life also exists but is not addressed here.) And the Life can be Single or Joint.

It took two hard months of back and forth with Mr Steve Peschka of Inter Americas Insurance to get this all figured out. Ideally, this calculation, for want of a better term, should be integrated into the Deal program. However, since I only have one client for this stuff, I do not want to add functionality to a program that everybody uses, to satisfy this one client. If in the future more clients sign up for this stuff, I will revisit that issue.

So, I have built a sideways program, named funny enough, CreditLife.exe, that does all the heavy lifting. It works in parallel with the Deal program (and even the Quick Quote program) to calculate the premiums and benefits, by getting as much information as it can from the database. The user only needs to enter the stock number and select the customer name, and this program will do the rest.

The real problem with this stuff is that every time you change the deal, you gotta recalculate the credit life. Hence, this program acts sideways to the Deal program. It needs to be the LAST thing run for a deal, if you fiddle with financing options, trade in offers, and all the other stuff that is part of a deal. It can run During these negotiations, but it has to also be the Last thing run as part of the deal package.

Step one for a dealership is to add the following three items to the Options For Sale database, using a tool in the Admin/Tables program. Those three items are Single DecreasingLife, Joint Decreasing Life, and Disability, and the result should look like the graphic below.

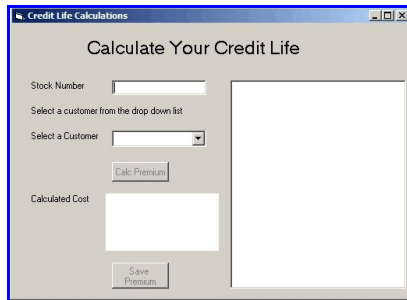


The prices listed do not matter, but the abbreviations must be exactly SDL, JDL, and DIS. The box below shows that the SDL and DIS options have been selected. You cannot select BOTH SDL and JDL for the same deal. I do not check for this. You CAN select DIS and either of the other two.

Note that the creation of the Options For Sale data need only be done once per dealership.

Now, for a deal that will use this item, you would select the Optional Items from the deal screen, and select the appropriate products. They will show up in the bottom box. Ignore the price and cost for now.

When you are at the point where you want to bring up the calculations of the life insurance products, bring up the Credit Life program. There should be an icon on your screen. The program that runs will look as below.



There is a place to enter a stock number, and once that is done, a place to select the buyer from the existing list of buyers for this vehicle. (A dropdown box will appear.) That is all you have to enter.

The Calc Premium button will light up (green). Click it and all the calculations will be done, and the results will be displayed in the lower left box. (The right hand larger box is a diagnostic display that I would need if something screws up.)

If you like the results, click the Save Premium button, and the data will be saved into the database for this stock number and buyer.

During the time you are running the Credit Life program, the Deal program should be closed down, or at least not open to this stock number. That is because the Credit Life program will populate the database tables used by the Deal program, but Deal does not know that. The only way for it to refresh itself with that information is for you to re-select the stock number and buyer in the Deal program.

The Credit Life program is currently a one shot program. That is, you can run it multiple times, but you have to stop and restart the program every time. This has to do with initializing a bunch of stuff that maybe I will deal with later, but I aint gonna do it now. As noted above, if you make any changes to the Deal after running this program and updating the database, you will have to rerun the Credit Life program again.

Once that is all done, the Car Options will contain the proper cost information for the selected insurance products, and the bottom line values in the Deal program will contain the correct monthly payments, amount to be financed, and so on.

Note that at this time, you CAN select a first payment date other than 30 days. But you CANNOT do balloon payments as the industry likes to call them (Irregular payments would be a better name). You also CANNOT do leases.