



EFG Companies Helps Dealers Navigate Rising Reinsurance Volatility

DALLAS, TX (May 12, 2026) – EFG Companies has launched the *Reinsurance Health Check* – a concise, practical diagnostic designed to help retail automotive dealers identify exposure, stabilize performance, and protect profitability in today's market. Dealer principals across the industry are feeling renewed pressure on their reinsurance programs as rising claims severity, higher repair costs, and delayed reserve adjustments converge. EFG's program evaluates whether today's market conditions are quietly weakening their reinsurance performance — and where adjustments can still make a meaningful difference. While past contracts and products can't be changed, what comes next is still very much within a dealer's control. For more information, visit www.efgcompanies.com/reinsurancehealthcheck

"What many dealers are experiencing now didn't happen overnight," said Eric Fifield, Chief Revenue Officer at EFG Companies. "Over several years, competitive pricing decisions, rising vehicle values, and increasing labor and parts costs created conditions most reinsurance programs weren't built to absorb. The *Reinsurance Health Check* helps dealers step back, understand their exposure, and focus on the areas that matter most going forward."

Six Areas Dealers Should Be Reviewing Right Now

The Reinsurance Health Check walks dealers through six core questions that often signal reinsurance strain well before it shows up in pricing:

- **Product Mix & Volatility** - Is your product mix balanced to reduce volatility while still driving income and customer satisfaction?
- **Coverage Structure Alignment** - Are coverage terms, deductibles, surcharges, and limits aligned with today's market realities — not legacy assumptions?
- **Underwriting Discipline** - Are underwriting standards guiding performance, or are adjustments happening reactively after losses occur?
- **True Reinsurance Risk Exposure** - Do you have clear visibility into how much risk remains on the books and where profitability may be leaking?
- **Early Claims Signals** - Are early claims treated as warning signs that point to process, product, or training issues?
- **Lender & Financing Effectiveness** - Are lender rates and loan structures supporting both customer affordability and dealership goals?

The misconception is that reinsurance pressure starts with pricing. However, pricing is often the last signal. The real drivers usually appear earlier in product mix decisions, program structure, underwriting discipline, and early claims activity. The *Reinsurance Health Check* is intended to highlight the underlying issues while identifying the steps dealers can take now to bolster portfolio performance and protect profitability.

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About EFG Companies

For almost 50 years, EFG Companies has provided consumer protection programs for vehicles and residences across seven market channels. The company's strategic intent is to build sustainable market differentiation and profitability for its clients and partners, including dealers, lenders, manufacturers, independent marketers, and agents. EFG's award-winning engagement model is built upon the belief that the company serves as an extension of its clients' management teams, providing ongoing F&I development, training, product development, compliance, and nationally recognized product administration with an ASE-certified claims team. Learn more about EFG at: www.efgcompanies.com

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