

## Premium Funding – Workers' Compensation Premiums



### Premium Funding~

Aegis understands that due to cash flow limitations, many employers miss out on the available discounts. To assist our clients BJS has negotiated preferred premium funding rates with Macquarie Premium Funding (Macquarie) to enable our clients to take advantage of the discounts available for up-front payment of premium.

This year Macquarie has reduced their rates providing Aegis clients with greater savings through premium funding.

The preferred premium funding rates and fees available to Aegis clients are:

Premium Band	Interest Rate^	Application fee
\$0 - \$99,999	2.3048%	\$90
\$100,000 - \$249,999	2.2548%	\$150
\$250,000 - \$499,999	2.2048%	\$150
\$500,000 - \$749,999	2.1548%	\$300
\$750,000 - \$999,999	2.0448%	\$300
\$1,000,000 +	1.9248%	\$300

### Benefits of Premium Funding:

- access to the premium discounts
- cash flow advantages of paying your premium monthly
- interest charges may be tax deductible for the funded policies (refer to your Accountant)
- easy automated repayments from your nominated bank account or credit card
- Workers' Compensation premium adjustments may be included in the funding
- other insurance premiums and broker fees can be included in the funding



# Premium Funding – Workers' Compensation Premiums



## Example savings through premium funding for 5% and 3% discounts:

Available Discount	<b>5%</b>
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Premium Funded Paid by August 5th	
Gross Prem	\$ 300,000.00
Inclusive of GST	\$ 330,000.00
Discount	\$ 16,500.00
Loan Amount	<b>\$ 313,500.00</b>
Interest rate	2.2048%
Interest	\$ 6,912.05
Admin	\$150.00
<b>Total Cost</b>	<b>\$ 320,562.05</b>

Available Discount	<b>3%</b>
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Premium Funded Paid by Due Date	
Gross Prem	\$ 300,000.00
Inclusive of GST	\$ 330,000.00
Discount	\$ 9,900.00
Loan Amount	<b>\$ 320,100.00</b>
Interest rate	2.2048%
Interest	\$ 7,057.56
Admin	\$150.00
<b>Total Cost</b>	<b>\$ 327,307.56</b>

Up Front Saving	<b>\$9,437.95</b>
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10 Instalments of	\$32,056.20
Cash on Hand	\$297,943.80

Interest Rate	<b>2.51%</b>
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Interest Earned	<b>\$3,857.64</b>
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Tax Benefit	<b>\$2,073.61</b>
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<b>TOTAL SAVING</b>	<b>\$15,369.21</b>
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Up Front Saving	<b>\$2,692.44</b>
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10 Instalments of	\$32,730.76
Cash on Hand	\$297,269.24

Interest Rate	<b>2.51%</b>
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Interest Earned	<b>\$3,764.52</b>
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Tax Benefit	<b>\$2,117.27</b>
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<b>TOTAL SAVING</b>	<b>\$8,574.22</b>
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If you would like to explore the advantages of Premium Funding your Workers' Compensation premiums and adjustments, contact Kathy Li (Account Manager) from Aegis Risk Management Services on (03) 9860 4228 or [kathy.li@aegisrms.com.au](mailto:kathy.li@aegisrms.com.au)

^ The preferred premium funding rates are only available to clients of BJS's Specialist Workers' Compensation Division, Aegis Risk Management Services.

~ Premium Funding is subject to approval from Macquarie Premium Funding.