

What Others Are Saying about Lender Force-Placed Insurance Practices

by Dennis J. Wall

“Dennis Wall's fine book, *Lender Force-Placed Insurance Practices*, is an excellent and deep study of one of the great consumer rip-offs of the last few decades. Mr. Wall has done a great service for attorneys and advocates who need to understand this issue in order take action to move the nation toward ending the abusive kickbacks that unfairly double or triple the cost of insurance for Americans already struggling to keep their homes.”

— **Bob Hunter**

Director of Insurance, Consumer Federation of America;
Former Texas Insurance Commissioner and Federal Insurance Administrator

“My perception of reasonableness changed dramatically on reading Mr. Wall's fine exposé. I have seen numerous mortgages, security agreements, and several commercial contracts that stipulate that if the borrower fails to provide and keep in force an insurance policy or policies in the amounts specified, the lender can purchase such insurance and charge the premiums to the defaulting party. Sounds reasonable enough. A Lender ought to be protected if the borrower does not provide the required insurance. In *Lender Force-Placed Insurance Practices*, Mr. Wall documents the abuses perpetrated by Lenders, servicing agents, and insurance companies on hapless and impecunious borrowers. Force-placed insurance comes with low risk and high premium cost for the insurers (often subsidiaries formed for this purpose), who are happy to pay commissions and kick-backs to the policy originators. It would seem Lenders could take an assignment of a lapsing policy and continue the premiums, but that is not what happens. If the Lender took that very reasonable approach, significant dollars would be left on the table under current force-placed insurance practices. This very useful book finishes by raising and exploring possible alternatives to the current system of lender force-placed insurance practices. Read this book. You will learn much useful information that can be put into practice.

— **R. Lee Bennett**

GrayRobinson, PA
Orlando, FL

“One of the lesser-known manifestations of the economic crisis that began in 2008 is lender force-placed insurance, transforming a reasonable device for the protection of lenders' collateral into a profit center for financial services firms. Dennis Wall does a superb job in describing how this phenomenon came about and the contractual, regulatory, and legal issues it presents. Surveying practically all of the publicly available resources, he describes proper and improper practices, legal arguments, and potential solutions. This book will be useful to lawyers on all sides of the issue.”

— **Jay M. Feinman**

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