

ACV LOAN PROTECTION

DEFICIENCY WAIVER ADDENDUM FORM

NEW <input type="checkbox"/> USED <input type="checkbox"/>		COVERED VEHICLE INFORMATION		ADDENDUM NUMBER:	
CONTRACT DATE:		AMOUNT FINANCED \$		LOAN TERM (MONTHS) :	
MAKE:		MODEL:		YR:	MILEAGE:
VIN:		M.R.S.P.: \$		CONTRACT CHARGE: \$	
CUSTOMER (BORROWER/LESSEE) INFORMATION					
LAST NAME		FIRST NAME		MIDDLE INTIAL	
STREET ADDRESS					APT #
CITY				STATE	ZIP
HOME PHONE		CELL PHONE		BUS PHONE	
DEALER NUMBER		DEALER / CREDITOR/ INFORMATION			
DEALERSHIP NAME:				PHONE:	
STREET ADDRESS:					
CITY:				STATE	ZIP:
ASSIGNEE INFORMATION				LOAN/LEASE ACT #:	
ASSIGNEE:				PHONE:	
STREET ADDRESS:					
CITY:				STATE	ZIP:
APPLICABLE GAP PROGRAM: <input type="checkbox"/> 12 MTHS / 125% MSRP <input type="checkbox"/> 24 MTHS / 125% MSRP <input type="checkbox"/> 36 MTHS / 125% MSRP If above "Boxes" are not marked, period coverage will be 12 months and maximum loan amount of MSRP/NADA retail will be 100%					

I (CUSTOMER), WHOSE SIGNATURE APPEARS BELOW, ACKNOWLEDGE THAT THE INFORMATION CONTAINED ABOVE IS, TO THE BEST OF MY KNOWLEDGE, TRUE. I HAVE READ THE DEFICIENCY WAIVER ADDENDUM IN ITS ENTIRETY, AND AGREE TO ALL OF THE PROVISIONS HEREIN. I UNDERSTAND THAT THE PURCHASE OF THE DEFICIENCY WAIVER ADDENDUM IS VOLUNTARY AND IS NOT REQUIRED TO OBTAIN CREDIT NOR TO OBTAIN CERTAIN TERMS OF CREDIT OR TO PURCHASE THE RELATED MOTOR VEHICLE AND WILL NOT BE PROVIDED UNLESS I SIGN BELOW AND AGREE TO THE AGREEMENT CHARGE. I UNDERSTAND I MAY OBTAIN GAP PROTECTION FROM AN ALTERNATE SOURCE. I UNDERSTAND THAT SUBJECT TO TERMS AND CONDITIONS OF THIS AGREEMENT I AM PROVIDED A "FREE LOOK PERIOD" OF (30) DAYS FROM THE DATE THAT THE AGREEMENT IS SIGNED AND A CANCELLATION REQUESTED WITHIN THIRTY (30) DAYS FROM PURCHASE AND/OR IN THE EVENT OF A TOTAL LOSS TO THE VEHICLE THE AGREEMENT CHARGE FOR THE ADDENDUM WILL BE DEEMED AS FULLY EARNED AND THE AGREEMENT IS NONCANCELLABLE AND THEREFORE, SUBJECT TO ALL APPLICABLE STATE LAWS, NO REFUND WILL BE DUE UPON TERMINATION. THIS AGREEMENT IS NOT MOTOR VEHICLE INSURANCE AND DOES NOT TAKE THE PLACE OF COLLISION, COMPREHENSIVE OR ANY OTHER FORM OF INSURANCE ON THE MOTOR VEHICLE.

DATE _____ CUSTOMER'S SIGNATURE _____ DEALER'S SIGNATURE _____

COVERAGE

The named Customer is responsible to the named Dealer/ Creditor/Assignee under the terms of the described Installment Sales Contract/Loan/Lease Agreement for the amount of any early termination liability resulting from a Total Loss of the Vehicle. Due to this Addendum being in effect, the Dealer/Creditor/Assignee agrees to cancel a portion of the Customer's indebtedness in the event of a Total Loss of the Vehicle as defined herein. The Deficiency Waiver Addendum will cancel the amount equal to the Unpaid Net Balance less the Actual Cash Value (ACV) of the Vehicle, both as defined herein. The Customer's Primary Insurance settlement cannot be reduced by more than \$1,000 as a result of the application of the Customer's deductible and no coverage is provided for deductible reimbursement in the event the ACV exceeds the Unpaid Net Balance. It is further agreed that the maximum claim benefit provided is limited to \$50,000.

DECLINATION OF DEFICIENCY WAIVER ADDENDUM

I do not choose to purchase the Deficiency Waiver Addendum. I understand that by not accepting the Deficiency Waiver Addendum, I am not entitled to any of the benefits in the event of a Total Loss of The Vehicle.

Date _____ Customer's Signature _____ Dealer's Signature _____

DEFINITIONS

For the purpose of this Deficiency Waiver Addendum the following terms shall mean:

Customer means the purchaser of the Vehicle, as listed in the application section of this Addendum.

Vehicle means the four-wheeled private passenger vehicle, van, pickup or light truck not to exceed 1 3/4 ton capacity, as listed in the application section of this Addendum.

Date of Loss means the date on which the actual physical loss or damage occurred to the Vehicle. If such date is indeterminable, the Date of Loss shall be either the date established by the primary insurance carrier or the date the occurrence was reported to the police, whichever is the earlier.

Actual Cash Value means the Customer's Primary Insurance gross settlement, less deductible not exceeding \$1,000, or the National Automobile Dealer's Association (N.A.D.A.) Official Used Car Guide's "Retail" value. All valuations will be based on the best information available on the vehicle's options and condition.

Total Loss means a total or constructive total loss as defined by the individual Customer's primary automobile physical damage carrier. If no primary physical damage carrier exists, then a Total Loss shall mean when the repair cost exceeds the Actual Cash Value or, in the event of a theft, when the Vehicle has not been recovered after a minimum period of 30 days from the date of the original police theft report.

Unpaid Net Balance is defined for the sole purpose of claims calculations, per the original retail installment sales contract or loan agreement, as the original "Amount Financed" divided by "Number of Payments" multiplied by number of months remaining from the Date of Loss to the final payment due date less all cancelable item refunds. No consideration will be given for any deferred, late or delinquent payments.

TERMS AND CONDITIONS

- a. No coverage is provided for any Installment Sales Contract/Loan/Lease when the original term exceeds 72 months.
- b. No coverage is provided for that portion of the Unpaid Net Balance that results from the amount financed/lease cap cost exceeding the percentage of the MSRP on New vehicles and NADA "Retail" on Used vehicles selected on the front of this waiver, at the inception date of the Installment Sales Contract/Loan/Lease. These Installment Sales Contracts/Loans/Leases will not be disqualified from coverage, however, the Unpaid Net Balance will be determined based on this maximum limit. It is further noted and agreed that all claim calculations will utilize the NADA Retail Value to determine the vehicle value at date of loan origination. MSRP will only be used when the make and model year of the vehicle in question does not appear in the NADA Official Used Car Guide at time of loan origination
- c. Primary Insurance: Should the Customer not have collectible physical damage insurance on the Date of Loss, it is the responsibility of the Customer to advise **ACV Protection** in writing immediately when the loss is discovered and ACV Protection will calculate the Actual Cash Value of the Vehicle immediately prior to the loss using the book values stated in the "Actual Cash Value" definition.
- d. This Deficiency Waiver Addendum is transferable only in the event the original loan is assumed by a third party and is subject to a \$50.00 transfer fee.
- e. This Deficiency Waiver addendum will follow the installment sales contract or loan agreement with no subrogation against the Customer/Borrower if the installment sales contract is sold or assigned by the Dealer/Creditor or Assignee named in the agreement
- f. This Deficiency Waiver Addendum is cancelable for (30) days from the effective date of the agreement during the "Free Look Period" for a full refund of the agreement charge will be applied to the borrowers account if the covered vehicle has incurred **NO DAMAGE COVERED UNDER THIS AGREEMENT**
To cancel the customer need only to provide to the dealer/creditor/assignee, a dated and signed written request via certified mail, fax or email that shows the Customer's Name, the Agreement Number and the VIN of the covered vehicle to the assignee prior to 31st day subsequent to the effective date of the contract.
- g. This Deficiency Waiver Addendum is noncancelable subsequent to the end of the "Free Look Period" and/or upon the occurrence of a covered loss. With occurrence of either of these events, the agreement charges will be deemed fully earned and no refund or rebate is due upon termination.
- h. This Addendum shall be void if there is any change in the terms and conditions of the installment sales contract/loan/lease, change of assignee or any material facts have been concealed or misrepresented, or the case of fraud.
- i. **This Addendum may not necessarily cancel the entire Unpaid Net Balance due by the customer.**
- j. **All claims calculations under this waiver will strictly adhere to the definition, terms and conditions of this waiver.**
- k. No payment will be required of the Administrator for any vehicle unless this Addendum has been reported to ACV Protection by the dealer/creditor/assignee within 60 days of the effective date on the agreement.
- l. The maximum limit of liability available to or incurred by any party to the agreement is expressly limited to the liability as stated in this agreement subject to the terms and conditions and expressly excludes any implied liability, incidental, consequential or secondary damages that the customer may incur.

EXCLUSIONS

This Addendum does not apply to loss or damage:

- a. Resulting directly or indirectly from any fraudulent act or due to the legal confiscation of the vehicle by a public official.
- b. Caused by a deliberate act of the customer or with the customer's knowledge that results in the vehicle being deemed a total loss.
- c. A vehicle that is part of a fleet or used for public hire, taxicabs, limousines etc.

Claim Requirements

IN THE EVENT OF A CLAIM, YOU, the Customer, are responsible to notify your primary auto insurance carrier, the named Assignee and ACV Protection as soon as practically and reasonably possible. You **must** inform **ACV Protection, the administrator**, of a loss by **calling 1-800-862-3127 during normal business hours or via mail at 5840 Charleston Lane, Cumming, GA 30041 within 60 days of the Date of Loss or coverage may be denied.** The following documentation must be provided before the claim settlement can be determined and any benefit provided under this Addendum can be processed. **Failure to provide the required documentation within 90 days of the Date of Loss will VOID this Addendum.**

1. Copy of Bill of Sale (Invoice) for the Purchase of the Vehicle substantiating Vehicle make, model, year, options, and accessories, any cancelable items purchased, the total purchase price and the amount financed. 2. Copy of the signed finance agreement 3. Copy of this Deficiency Waiver Addendum. 4. Complete documentation from the Customer's primary insurance company substantiating the date and cause of loss, the gross settlement amount, deductible, the net settlement amount and proof of payment (copy of payoff check). Should the Customer not have collectible physical damage insurance on the Date of Loss, it is the Customer's responsibility to provide documentation showing the cause of loss and proof of total loss from an acceptable property appraisal company. With this information ACV Protection will calculate the Actual Cash Value of the Vehicle immediately prior to the loss. 5. Complete documentation from the Dealer/Creditor/Assignee showing the exact unpaid balance as defined herein. (Complete loan history may be requested) 6. Documentation showing refund amounts of any cancelable items purchased. 7. A copy of the police report will be required if the cause of loss involves theft of the vehicle. 8. Other specifically identified documentation deemed necessary to accurately process and settle the claim.

PLEASE MAKE SURE all documents are totally legible, processing of the claim will be suspended until legible copies can be obtained

ALL Terms, Conditions, Exclusions, Claim Requirements contained in this agreement are subject to any and all State and Federal laws and regulations. Any cancellations or rebates required by state law will be calculated accordingly. The cancellation fee as permitted, or a cancellation fee of \$50.00 will be applied to all cancellations. Other State Provisions: Tennessee; the cost of this addendum is not regulated and you have the responsibility to determine whether the cost of this addendum is reasonable in relation to the protection afforded by this addendum. South Carolina; no coverage will be provided, and a full refund given, pursuant to this addendum if the consumer, the credit terms, including, but not limited to, cash price, automobile value, or amount financed, or the automobile used as collateral for the credit transaction do not qualify for or conflict with any restrictions or limitations found within this addendum or if the amount financed, less the cost of this addendum, the cost of any credit insurance, and the cost of a service contract is less than eighty percent of the manufacturer suggested retail price for a new vehicle or the national automobile dealers association average retail value for a used vehicle. **THIS GAP WAIVER IS OPTIONAL AND IS NOT REQUIRED TO OBTAIN CREDIT, NOR TO OBTAIN CERTAIN TERMS OF CREDIT OR TO PURCHASE THE RELATED MOTOR VEHICLE. THIS GAP WAIVER WILL NOT BE PROVIDED UNLESS YOU SIGN AND AGREE TO PAY THE ADDITIONAL COST.**