



POLICY & PROCEDURES FOR:

Contract Cancellations

Cancellations Department

1-800-346-6469 Ext. 8002

www.iasdirect.com

Effective Date of Policy: 4/01/06

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April 1, 2006

OVERVIEW

Contract cancellations and refunds are undesirable but a necessary and important part of the administration process. We do not encourage cancellations of contracts but we do want everyone to understand their position on the back end of the sale and to know their responsibilities in the cancellation and refunding process.

IAS will make every attempt to direct the canceling customer to the selling dealer for processing of their cancellation request. This gives the dealer an opportunity to try to save the sale if possible, puts the customer in the right position for their refund and alerts them that there will be a refund expected by the customer or lien holder.

The cancellation request form, corresponding documentation and copy of the policy will need to be mailed to IAS to complete the cancellation. A complete cancellation request must be received in our office within 30 days of the requested cancellation date for us to use that date. Quotes will be honored for 30 days, are available over the phone or via our website and strongly recommended.

IAS will always refund the selling dealer the pro-rated portion of the dealer's cost less any applicable charges or fees. In turn, the dealer will always refund the customer or lien holder the pro-rated portion of the customer's cost less any charges or fees. The chargeback on the agent's commission will be a pro-rated deduction on the agent's next commission statement.

The cancellation and refund process time is actually less than two weeks once a cancellation request is received. We ask that three to four weeks be allowed for processing. The general rule of thumb is, follow up if nothing has been received a month after sending it to us.

GETTING A QUOTE

All dealers with internet access are encouraged to utilize the IAS website, www.iasdirect.com, to obtain cancellation quotes prior to sending in their cancellation requests. The "Cancellation Calculator" located under the "Dealer Services" menu will provide a refund percentage based on the cancellation date entered by the dealer. These quotes will pull the contract data from our office system and conveniently print out all the information on a cancellation request form. Nothing has to be filled out by hand!

For dealers without internet access, or if preferred, quotes can also be obtained over the phone by calling Customer Service at 1-800-346-6469 extension 8002.

CANCELLATION REQUEST FORMS

We do accept cancellation requests on other company's and generic cancellation request forms but, for obvious reasons, we prefer all cancellation requests on the current IAS "Cancellation Request Form" and recommend the dealer use one form for each contract to be cancelled. The forms are available in a variety of ways depending on the dealer's preference.

The most convenient and most recommended source for a cancellation request form would be printing the quote from the IAS website, see "Getting a Quote" above. The quote and all required information prints directly onto a cancellation request form. If a quote is not required, there are cancellation request forms under the "Printable Forms" menu at www.iasdirect.com that can be filled out electronically and printed, or printed and filled out by hand. Cancellation request forms can be faxed, or three page carbon versions of the form can be mailed to the dealer by calling Customer Service at 1-800-346-6469 extension 8002, or select prompt #5 then prompt #4.

REQUESTING A CANCELLATION

We recommend all cancellation requests be mailed to IAS, attention Cancellations Department. Although we are not returning requests because they are received over the fax, many times the faxed copy of the contract or support documentation is illegible and has to be returned to the dealership delaying the refund process. Documentation is required to complete the cancellation. Cancellation requests missing the required support documentation will be returned to the dealer unprocessed, delaying the refund and possibly decreasing the dealer's refund amount.

Repossession

Repossession letter from the financial institution must be attached, no exceptions.

Refinanced

Proof of refinancing or customer signature indicating refinance must be provided.

Contract Payoff

Payoff letter from the financial institution is preferred but a customer signature or any type of proof of payoff is accepted.

Trade In

Proof of trade, odometer disclosure statement or customer signature is accepted.

Customer Request

A letter of intent to cancel from the customer or the customer's "Original Signature". "Original Signature" is supposed to be mailed but is loosely enforced. Faxed Customer Requests are discouraged but accepted at this time.

Total Loss

Any document stating the vehicle has been totaled or the customer's signature.

*** Note – Total Loss can not be used as a reason to cancel GAP unless a claim was denied. The lien must be paid in full by the insurance company or the customer must indicate there's no claim to be filed. ***

Void

A copy of the original contract with "Void" written on it is recommended.

*** Note – Voided Polyshield contracts will include an \$8.00 or \$25.00 fee if the single, or multi-product kit has already been shipped to the Customer from IAS. ***

Other

"Other" is only to be used if none of the other reasons apply. Owner Deceased, Chapter 13, and Contract Rewritten are good reasons to use "Other".

THE CANCELLATION DATE

IAS has a 30 day policy to promote timely cancellation requests from the dealer. A cancellation request must be received in our office within 30 days of the requested cancellation date to use that date to calculate our refund to the dealer. If the requested cancellation date is outside 30 days, we will use the date that is the furthest back within a 30 day window. The refund percentage on the cancellation report is the percentage we are refunding the dealer and is based on the cancellation date we used. This refund percentage may, or may not be the same percentage the dealer wants to use to refund the customer or lien holder if the requested cancellation date was not used.

General progression rules by cancellation type to determine cancellation date:

Repossession

Repossession Date, Quote Date, Repossession Letter Date, Cancellation Request Date, Check Issue Date, Date Signed, Date Received.

Refinanced

Refinance Date, Quote Date, Payoff Date, Payoff Letter Date, Cancellation Request Date, Date Signed, Date Received.

Contract Payoff

Payoff Date, Quote Date, Payoff Letter Date, Cancellation Request Date, Date Signed, Date Received.

Trade In

Trade in Date, Date on Odometer Statement, Quote Date, Cancellation Request Date, Date Signed, Date Received.

Customer Request

Cancellation Request Date, Quote Date, Customer Letter Date, Date Signed, Date Received.

Total Loss

Date of Loss, Quote Date, Payoff Date, Payoff Letter Date, Cancellation Request Date, Date Signed, Date Received.

Void

Contract Start Date, Quote Date, Cancellation Request Date, Date Signed, Date Received.

*** Note – The cancellation date for a duplicate contract, or a contract that has been replaced, is the start date of the new contract. A voided contract with a cancellation date beyond 30 days of the contract start date will not be a “Flat Cancel” and the refund will be pro-rated. ***

Other

Document Date, Quote Date, Cancellation Request Date, Date Signed, Date Received.

THE REFUND PROCESS

A pro-rated refund percentage will be calculated based on the cancellation rules outlined on the contract. Any applicable fees or paid claims will be subtracted from the refund amount and a check will be sent to the selling dealer for a refund based on what IAS received from the dealer. The dealer is responsible for the refund to the customer or lien holder based on the retail price the customer paid the dealer for the contract.

DEALER OUT OF BUSINESS AND OTHER UPDATES

IAS needs to know when dealerships go out of business, change locations, get bought out, have a new phone number, etc. Please notify Customer Service in regards to any dealership changes as you become aware of them. When a dealership goes out of business and no forwarding address has been provided for cancellation refunds, unless the cancellation is due to repossession, we will send the dealer’s refund check to the agent. Repossession cancellation refunds will be sent directly to the lien holder.

CONTACTING CUSTOMER SERVICE

The Cancellations Customer Service Department is available to Dealers, Agents, Lien Holders & Customers and can be reached Monday thru Friday, 8am - 5pm CST by calling 1-800-346-6469 extension 8002 or by selecting prompt #5 then prompt #4. Please contact us with any issues or questions regarding cancellations, quotes and warranty transfers.

Great News for Dealers!!!

IAS has an on-line Cancellation Calculator Available 24/7, no log-on or password required

We now have a quick and easy way to provide cancellation quotes and they print directly onto completed Cancellation Request Forms.

- ~ Go to www.iasdirect.com, click on dealer services and cancellation calculator.
- ~ Enter the first initial of the customer's first name.
- ~ Enter the first initial of the customer's last name.
- ~ Enter the form type, normally located on the bottom right corner of the form.
(Ex: IN1, G1, G1GM, TDWR, etc...)
- ~ Enter the contract number, which is a combination of the form type plus the stamped numbers with no spaces or dashes.
- ~ Enter the contract start date.
- ~ Enter the cancellation date.
A cancellation date can be back dated up to 30 days.
- ~ Select a reason and click submit.
The completed cancellation form will pull up on another screen.
- ~ Calculate the refund by multiplying the cost by the percentage rate and subtracting the cancellation fee.
- ~ Print the form, attach the backup, and mail it in for processing.
*****Refunds are mailed less than 10 days from receipt*****

Quotes expire after 30 days and still need to be mailed to IAS to be canceled. Please contact Customer Service if you need assistance or have any questions.

1-800-346-6469 ext 8002

**MAIL REQUEST TO: IAS L.P. ADMINISTRATOR
ATTN: CANCELLATIONS DEPT
12800 ANGEL SIDE DRIVE
LEANDER, TEXAS 78641**



CANCELLATION REQUEST FORM

**ALL CANCELLATIONS ARE FINAL.
COVERAGE CANNOT BE REINSTATED FOR ANY REASON.
SELLING DEALER IS RESPONSIBLE FOR ALL REFUNDS.**

Contract Number: _____

Cancellation Date: _____ Contract Date: _____

Year & Model: _____ V.I.N.: _____

PROGRAM:

- GAP I GAP II INTIRE MULTI-SHIELD OTHER

REASON FOR CANCELLATION:

- Customer Request Voided Sale Repossession Total Loss
 Contract Payoff Trade Other _____

Dealer/Lessor Name: _____

Buyer/Lessee Name: _____ Address: _____

City: _____ State: _____ Zip: _____ Phone: () _____

Buyer/Lessee Signature Date Dealer/Lessor Signature Date

By signing this cancellation request I indicate that I have read and understand this termination policy: I hereby request termination of the program in accordance with the cancellation terms and conditions. I understand I relinquish all rights and provisions and release IAS of any, and all financial responsibility regarding this agreement. All cancellations are final and coverage cannot be reinstated for any reason per the insurance company.

- INSTRUCTIONS:**
1. Complete all information. (Incomplete forms will be returned unprocessed).
 2. Copy of warranty contract and/or warranty card must be attached for cancellation.
 3. Include all support documentation for payoff, refinancing, voided sale, trade, repossession, etc.
 4. **Send to:**
IAS L.P. Administrator
Cancellations Department
12800 Angel Side Drive
Leander, TX 78641
 5. A \$25.00 cancellation processing fee will be assessed on all GAP cancellations.
 6. Allow three to four weeks for processing.

White – IAS Administrator

Canary – Dealer/Finance Company

Pink – Customer

CANCELLATION PROCEDURES

A cancellation request must be received in our office within 30 days of the requested cancellation date to be processed without penalty. All incomplete requests, missing information or support documentation, will be returned unprocessed and will delay refund. All cancellation requests should be mailed from the dealer and will be processed in order by date received. A \$25.00 cancellation processing fee will be assessed on all GAP cancellations. All refunds are sent to the dealership unless the dealership is out of business.

Cancellation quotes are strongly recommended prior to mailing in a cancellation request. Please use the Cancellation Calculator under the Dealer Services menu at www.iasdirect.com or call 1-800-346-6469 ext. 8002 to get a cancellation quote.

CANCELLATION QUOTES AND FORMS AVAILABLE AT WWW.IASDIRECT.COM

All cancellation requests require the following:

1. A legible enrollment form (contract) with the enrollment price, the terms in months and contract number.
2. A completed cancellation request form.
3. If the cancellation is due to:

Customer Request - We must have the customers "Original signature" or a letter from the customer requesting cancellation. The signed document can be a cancellation request form and must be mailed, it can not be faxed.

Contract Payoff - A copy of the payoff letter issued by the lienholder to the customer indicating that the account has been paid in full must be provided. **(Only valid for GAP)**

Total Loss - Any document from the primary insurance company or lien holder stating total loss, or customer signature. **(Not valid for GAP.)**

Repossession - A copy of the repossession letter from the lienholder is required.

Vehicle Trade - An odometer statement or a cancellation request signed by the customer. A customer's signature must be original and must be mailed, not faxed.

Voided Sale - A voided contract may be mailed or faxed with "VOID" written on the contract. We will void the contract and issue a full refund as long as the request is received within 30 days of the contract start date.

Mail all correspondence to:

**IAS L.P. Administrator
Cancellations Department
12800 Angel Side Drive
Leander, TX 78641**

PLEASE ALLOW 3 TO 4 WEEKS PROCESSING TIME.