



ENROLLMENT FORM

Issuing Dealer: Name Address City State Zip

IMPORTANT: TYPE OR PRINT

Purchaser/Lessee: Last Name First Name - Initial Month Day Year

Address: Street City State Zip

Vehicle: Year Make Model Mileage Vehicle Identification No.

Lienholder/Lessor: Name Address City State Zip

Installation Sales Contract, Loan, Lease, Amount Financed/Lease Cap, Monthly Payment, Term in Months, Enrollment Price

NEW VEHICLE:

USED VEHICLE:

Debt Relief Waiver Addendum Provision

I understand that this Debt Relief Waiver Addendum is not an offer of insurance coverage. I understand by accepting the Waiver Addendum for my retail installment or lease that my responsibility for any "Outstanding Deficiency" is waived in the event of the total destruction, unrecovered theft or constructive total loss of the above described vehicle, not to exceed \$50,000. Outstanding Deficiency is defined as the difference between the actual cash value of my automobile and the net installment sales contract/loan/lease payoff as of the date of loss, plus the primary automobile insurance deductible amount where applicable as defined in section (II) "Agreement" on the reverse side of this addendum.

I hereby acknowledge that I have read, understand and accept all of the provisions as printed on both sides of this Addendum, and agree to all of the provisions herein. The purchase of the Debt Relief Waiver Addendum is voluntary and not required by the Lienholder/Lessor to obtain credit.

Purchaser/Lessee Acceptance Dealer Representative

Declination of Debt Relief Addendum

I do not choose to purchase the debt relief waiver addendum. I understand that by not accepting the waiver addendum, I am not entitled to any of the benefits in the event of a total loss of the vehicle.

Customer Decline Date

Contract # TO

## I. Definitions:

1. **Covered Collateral** shall mean the item as described on page 1 of this Agreement which is not used for racing or commercial purposes.
2. **We, Us, Our** shall mean the Administrator named herein.
3. **You, Your** shall mean the Lessee/Borrower as described on page 1 of this Agreement.
4. **Total Loss** shall mean a direct and accidental physical loss of or damage to the **covered collateral**, which meets one or more of the following additional conditions:
  - a) the total cost of repair of the **covered collateral** is greater than or equal to the actual cash value of the **covered collateral**; or
  - b) the **covered collateral** is stolen and is not recovered within 30 days of the date of the loss; or
  - c) Primary Insurance is settled on a **total loss** basis.
5. **Established Retail Guide** means the same retail value guide that was used in determining the retail value of the **covered collateral** as of the date of loan or inception, such as NADA Retail Automobile Guide or Kelley Blue Book or their equivalent.
6. **Lease Agreement/Installment Sale Contract balance** (hereinafter "**balance**") shall mean a monetary amount owed to the **Dealer/Lender/Lessor** by **you** as of the date of loss, but in no event greater than the sum of all outstanding future monthly lease payments or the lease payoff, whichever is less, or the outstanding loan **balance** amortized at the loan term, but such amounts shall not exceed 150% maximum benefit limits as determined by the **Established Retail Guide**, as of the date of the **Lease Agreement/Installment Sale Contract**.
7. **Actual Cash Value** shall mean:
  - a) the value of the **covered collateral** including tax, title and license as determined by **your** primary insurer via **total loss** payment less the primary insurance deductible amount (NOTE: This addendum does not provide coverage for any amounts deducted from the insurer's settlement due to wear and tear, prior damage, mileage, salvage, towing or storage.); or
  - b) if at the time of loss there is no listing for the **covered collateral**, **Actual Cash Value** shall be the amount **we** have determined, based on the best available information substantiating the retail value of the **covered collateral** as of the date of **total loss** less the primary insurance deductible amount.
  - c) if it is determined that **your** primary insurance company did not pay a fair **actual cash value**, and **we** provide **you** evidence obtained in **our** research, **you** may be required to contact **your** primary insurance carrier and request a higher payment.

## II. Agreement:

1. If the **covered collateral** is declared a **total loss** within the term as listed on page 1 of this Agreement, the amount waived shall be the difference between (a) the **balance** which remains payable with respect to the involved **Lease Agreement/Installment Sale Contract** and (b) the **Actual Cash Value** of the **covered collateral**, with such difference then reduced by (c) the sum of any delinquent payments, all past due charges, late payment charges, lease/loan extensions, disposition fees, sales tax, use or rental tax, security deposits, any proceeds that may be recovered by insurance coverages, service contracts, extended warranties or similar items, any collection fees, early termination fees, any charges that may have been added to the outstanding **balance** after the inception of the **Lease Agreement/Installment Sale Contract**, unearned interest/unearned rental payments and any primary insurance deductible(s) assessed over \$1000 at the time of such loss (except Arkansas where it remains the responsibility of the purchaser/lessee and Illinois where it remains the responsibility of the lessee), provided all of the following conditions have been met:
  - a) **You** provide a copy of this Agreement to the Administrator;
  - b) **You** must report the **total loss** if the loss is the result of theft, to law enforcement authorities within twenty-four (24) hours of knowledge of the theft;
  - c) **You** must report **total loss** to your primary insurance carrier within five (5) days of knowledge of the **loss**, and;
  - d) **You** must provide proof of loss including such documents as **we** may require to Administrator within a reasonable period of time, usually within sixty (60) days of the date of primary insurance settlement.
  - e) In the event of a **total loss** it is **your** responsibility to keep **your** account current until any deficiency is determined and paid.

## III. Agreement Limitations:

1. Installment payments must be scheduled for a date that is within 45 days of the Lease/Loan Inception Date. If they are scheduled to start beyond such 45 day period, we will amortize the lease/loan as if the first payment had been paid 45 days after the Lease/Loan Inception Date when determining the balance for loss purposes.
2. Any loss other than **total loss**, and any loss which is due to any fraudulent, deceptive, illegal, or criminal act by **You**, whether acting alone or in collusion with others, is specifically excluded.
3. This Agreement is for the sole benefit of the registered lessee or borrower as described on page 1 of this Agreement, and may not be assigned or transferred to another person, is not renewable, and is cancelable as provided for on page 1 of this Agreement.
4. Any loss resulting from **total loss** to the **covered collateral**, caused by or resulting from wear and tear, gradual deterioration, obsolescence, rust, corrosion, latent defect, inherent defect, freezing, overheating, or resulting from any repairing, restoration or remodeling process, structural, mechanical or electrical breakdown or failure unless fire or other accident ensues, and then only for the physical loss or damage by such ensuing fire or accident are specifically excluded.
5. Any damage occurring to **covered collateral** prior to Lease/Loan Inception Date is specifically excluded.
6. Any loss resulting from **total loss** to the **covered collateral** caused by or resulting from any of the following causes are specifically excluded:
  - a) hostile or warlike action in time of peace or war, including action in hindering, combating, or defending against actual, impending or expected attack;
  - b) any weapon of war employing atomic fission or radioactive force, whether in time of peace or war;
  - c) insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating or defending against such occurrence, seizure or destruction under quarantine or customs regulations, seizure or confiscation by order of any government or public authority, risks of contraband or illegal transportation or trade; or
  - d) occurring after **covered collateral** has been repossessed or placed in repossession.
  - e) occurring outside of the United States or Canada.
7. The Actual Cash Value as determined by your primary insurer must be a fair market value with no deductions permitted.
8. Maximum GAP Waiver Agreement Limits: Any **Lease Agreement/Installment Sale Contract** which exceeds a MSRP or NADA retail value of more than \$75,000, exceeds a term of eighty-four (84) months or limits of liability of \$50,000, is not eligible for the GAP Waiver Agreement. Additionally, the amount waived shall not exceed the **balance** less the value of the **covered collateral** including tax, title and license as determined by **your** primary insurer via **total loss** payment less the primary insurance deductible amount.
9. Any used collateral not listed in the then current **Established Retail Guide** at the time of financing is not eligible for this GAP Waiver Agreement.
10. All coverage terminates at the end of the **Lease Agreement/Installment Sale Contract** term with respect to each **covered collateral** or under any of the following conditions:
  - a) payment of a loss under this Agreement;
  - b) early **Lease Agreement/Installment Sale Contract** payoff or refinancing of original loan;
  - c) sale or transfer of the **covered collateral** to a new registered Lessee/Enrollee or Borrower/Enrollee or;
  - d) date of repossession of the **covered collateral**.

## IV. Termination Provisions:

You may cancel this Agreement within the first thirty (30) days and receive a full refund. Following that, you may cancel this Agreement by returning the original copy to the Administrator with your written statement as to the future date you desire cancellation stated thereon. Your refund will be calculated on a pro-rata basis or as stipulated by the state. Payment will be made within 30 days of receipt of your request. However, in the event of Total Loss to the Covered Vehicle, this Addendum will be deemed as fully earned and no refund will be due or paid to the customer.

To receive a refund for a cancellation, in the event of early termination due to early contract payoff or refinancing of original loan, You must give Us written notice of the early termination of your loan. Notice should be mailed to the Administrator at the address shown on page 1 of this Agreement. We have the right to require proof of the date of termination of loan. If You have questions on how to obtain a refund, call 1-800-346-6469.

## V. Settlement Requirements:

All settlements must be reported in accordance with Section II above to the Administrator.

If you require additional information or have any questions concerning these terms and conditions, please call or write Administrator at the address shown on page 1.