

APPI Guaranteed Asset Protection (GAP) Addendum to Retail Installment Sales Agreement

APPI-TGW
Last 8 of VIN _____

The purchase of this Debt Cancellation Agreement/Addendum is strictly voluntary. You agree to purchase the protection ("GAP Protection") described in this Agreement for the additional charge set forth above as the "Agreement Purchase Price." GAP Protection is not required in order for You to obtain credit, or to obtain any particular or more favorable terms for credit, vehicle purchase of lease.

| | | | | | | | | | | | |
|--|--------------------------------|----------------------------------|----------------|----------------|-------------------------------|-----------------------|--|-------|----------------------------|-----|--|
| BUYER | | | SELLER | | | SELLER NUMBER | | | | | |
| ADDRESS | | | | | | ADDRESS | | | | | |
| CITY | | STATE | | ZIP | | CITY | | STATE | | ZIP | |
| HOME PHONE | | | BUSINESS PHONE | | | PHONE | | | CONTACT | | |
| YEAR | MAKE | | MODEL | | VEHICLE IDENTIFICATION NUMBER | | | | CURRENT MILEAGE | | |
| FINANCIAL AGREEMENT | | | MSRP/NADA | | | FINANCIAL INSTITUTION | | | FINANCIAL AGREEMENT NUMBER | | |
| DATE | | | \$ | | | | | | | | |
| <input type="checkbox"/> FINANCIAL AGREEMENT | <input type="checkbox"/> LEASE | TERM OF THE FINANCIAL AGREEMENT | | | | ADDRESS | | | | | |
| SALES CONTRACT | IN MONTHS | | | | | | | | | | |
| <input type="checkbox"/> NEW | <input type="checkbox"/> USED | AMOUNT FINANCED / LEASE CAP COST | | | | CITY | | STATE | | ZIP | |
| | | \$ | | | | | | | | | |
| AGREEMENT PURCHASE PRICE | | FINANCE CHARGE | | EFFECTIVE DATE | | PHONE | | | CONTACT | | |
| | | % | | | | | | | | | |

Benefit Provided

In return for the payment of the Agreement Purchase Price, and subject to the terms, limitations, exclusions and conditions of this Agreement. We agree to waive the difference between the Vehicle's Cash Value and Net Payoff in the event of a Total Loss within the United States or Canada, as such terms are defined on the back of this Agreement. GAP Protection is not a substitute for collision or property damage insurance.

The term of this Agreement must equal the original term of Your finance or lease contract. GAP Protection under this Agreement terminates upon payoff or refinancing or Your original finance or lease contract. This Agreement is not transferable unless the original finance or lease contract is assigned. Please retain Your copy of this Agreement. Program details are outlined on the back of this Agreement.

By Your signature below, You acknowledge that You have read and understand both sides of this Agreement, that You have received a completed copy of this Agreement, and that you accept this Agreement.

ACCEPTANCE

I hereby acknowledge that this Guaranteed Asset Protection (GAP) Agreement is STRICTLY VOLUNTARY and NEITHER THE EXTENSION OF CREDIT, THE TERMS OF THE CREDIT, NOR THE TERMS OF THE RELATED MOTOR VEHICLE SALE OR LEASE MAY BE CONDITIONED UPON THE PURCHASE OF THE GAP Agreement. Although I am not required to do so, I have elected to purchase this Agreement for an additional charge, which is shown above. I acknowledge that the cost of the above described Agreement has been disclosed to me and I agree to pay that amount. I understand that I may wish to consult an insurance agent to determine whether similar coverage may be obtained and at what cost. I understand that I may obtain GAP Protection from anyone I choose that is acceptable to the Financial Institution, and that GAP benefits may decrease over the term of the Financial Agreement.

In the event of a Total Loss, a deficiency will be considered which will be subject to the terms and conditions of this Agreement. This Agreement will not cover that portion of a deficiency that results from an original amount financed that exceeds 150% of (1) MSRP for new vehicles or (2) NADA or equivalent for used vehicles. I will always be responsible for (1) all Primary Insurance deductibles over \$1,000.00 and (2) any amounts not covered under the terms and conditions of this Agreement.

WARNING: THIS AGREEMENT DOES NOT PROVIDE AND IS NOT A SUBSTITUTE FOR BODILY INJURY, PROPERTY DAMAGE, LIABILITY, COMPREHENSIVE OR COLLISION INSURANCE AND DOES NOT COMPLY WITH ANY FINANCIAL RESPONSIBILITY LAW OR ANY OTHER LAW MANDATING MOTOR VEHICLE INSURANCE COVERAGE.

| | | | | | |
|---|--|-----------------------|--|------------|--|
| COST: | | EFFECTIVE DATE: | | TERM: | |
| | | | | | |
| I have read and agreed to all the above conditions: | | X _____ | | Date _____ | |
| | | Consumer Signature(s) | | | |

| | | | | | |
|---------|--|---|--|------------|--|
| X _____ | | Title _____ | | Date _____ | |
| | | Seller/Dealer/Lienholder/Lessor Signature | | | |

PROGRAM ADMINISTRATOR - WHITE

LIENHOLDER/LESSOR - YELLOW

SELLER - PINK

CONSUMER - WHITE

Program Administrator
Advanced Protection Products International, Inc.
17732 Highland Rd, Suite G-158, Baton Rouge, LA 70810

Guaranteed Auto Protection Program Debt Cancellation Agreement/Addendum

This Debt Cancellation Agreement/Addendum ("Agreement") is between the Customer and any Co-Buyer or Co-Lessee ("You" or "Your") identified on the front of this Agreement and the Creditor/Lessor ("We", "Us", or "Our") and only provides benefit to the original finance or lease contract.

SECTION 1 – DEFINED TERMS

Whenever used in this Agreement

Cash Value means the value of the Vehicle on the Date of Total Loss, prior to its physical damage or theft, as determined by Your Physical Damage Insurer, plus any amount subtracted from that value due to pre-existing damage to Your Vehicle.

If You do not have Physical Damage Insurance the Cash Value is determined by the vehicle in the National Automobile Dealers Association ("NADA") Official Used Car Guide.

Creditor/Lessor Means the dealer or financial Institution identified on the front of this Agreement that provides the original purchase or lease financing for Your Vehicle, or any person or entity that purchases or accepts assignment of the original finance or lease contract.

Date of Total Loss means the date Your Vehicle is initially damaged or stolen which ultimately results in a Total Loss.

Net Payoff means, subject to the limitations set forth below, the amount due Us as of the Date of Total Loss. Notwithstanding any provision of Your finance or lease contract, Net Payoff shall not include any currently due and unpaid monthly payments, unearned finance charges/interest or lease charges, charges arising from Your failure to perform any term or condition of the finance or lease contract, or any fees or amounts charged in connection with the early termination of the finance or lease contract. Net Payoff shall also be reduced by any other amounts We receive and apply against Your finance or lease contract balance after the Date of Total Loss, such as a refund of unearned credit insurance premiums or refunds on vehicle service or maintenance agreements.

Physical Damage Insurance means a policy of automobile insurance covering Your Vehicle against damage or loss due to any cause including collision and theft.

Physical Damage Insurer means a property and casualty insurer properly licensed to sell and issue Physical Damage Insurance policies.

Program Administrator means Advanced Protection Products International, Inc., also referred to as APPI.

Total Loss means the theft of or accidental damage to Your Vehicle which meets one of the following criteria: 1) Your Vehicle is declared a Total Loss by Your Physical Damage Insurer, 2) no Physical Damage Insurance exists and Your Vehicle is stolen and not recovered within thirty (30) days after the date of theft and remains unrecovered at the time of notification of Total Loss to the Program Administrator, or 3) no Physical Damage Insurance exists and the total cost to repair your Vehicle is greater than or equal to its Cash Value as determined by the Program Administrator using the average retail value for a used vehicle in the NADA Official Used Car Guide, or its equivalent, based on the best information available on Your Vehicle's options, mileage and condition as of the date Your Vehicle is initially damaged.

Vehicle or Your Vehicle means the Vehicle indicated on the front of this Agreement.

SECTION 2 – ASSIGNMENT

The Creditor/Lessor assigns any and all rights under this Agreement to any subsequent assignee of the original finance or lease contract benefited by this Agreement.

SECTION 3 – EXCLUSIONS

This Agreement and GAP Protection do not apply:

1. When the Date of Total Loss occurs prior to the Agreement Effective Date or after the maturity date of the initial term of the original finance or lease contract.
2. When the Date of Total Loss occurs during or after repossession or confiscation of Your Vehicle.
3. To any Total Loss arising from any material misrepresentation of fact, falsification of document(s), or any dishonest, fraudulent, criminal or illegal acts. In addition, You agree that We may rely upon a determination by Your Physical Damage Insurer that any Total Loss arises from such a circumstance.
4. To theft of or damage to your Vehicle that does not constitute a Total Loss.
5. To any farmer's loan, single-pay loan, or other finance or lease contract for which the scheduled payments are made less frequently than bi-monthly.
6. To any finance or lease contract with a term exceeding eighty-four (84) months.
7. To any vehicle over 10,000 pounds Gross Vehicle Weight Rating ("GVWR").
8. To any Total Loss for which the Cash Value exceeds the Net Payoff.

SECTION 4 – LIMITS OF LIABILITY

Our liability under this Agreement shall be as stated under Benefit Provided on the front of this Agreement but in any event shall never exceed 150% of the Manufacturer's Suggested Retail Price (or 150% of the average retail value for a used vehicle in the NADA Official Used Car Guide, or its equivalent) of Your Vehicle at the date of Your original purchase or lease, less the Cash Value.

SECTION 5 – NOTIFICATION OF TOTAL LOSS

If Your Vehicle is damaged or stolen and You potentially have suffered a Total Loss, you have 90 days from the Date of Total Loss to contact the Program Administrator at (866) 366-3774.

You must provide the Program Administrator with the following information:

1. Your Agreement Number.
2. The vehicle identification number of Your Vehicle.
3. The name of the selling dealer.
4. The date your Vehicle was damaged or stolen.
5. The name of Your Physical Damage Insurer, your Physical Damage insurance policy number, and the name and telephone number of Your insurance agent. If You do not have Physical Damage Insurance, please provide a copy of the police report which includes the vehicle identification number of Your Vehicle.

Your debt cancellation request will be processed upon receipt by the Program Administrator of all of the above required information and documentation. All required information and documentation must be submitted to:

Program Administrator
17732 Highland Rd., Ste. G-158
Baton Rouge, LA 70810

The Program Administrator may independently verify any or all of the information provided by You or Your Physical Damage Insurer. You agree to cooperate with the Program Administrator in the verification of any information.

SECTION 6 – CANCELLATION

A. Our Rights to Cancel This Agreement

We have the right to cancel this Agreement for any act of fraud or material breach of the terms and/or conditions of this Agreement by giving You ten (10) days written notice and specifying the reason for cancellation. If You default under Your finance or lease contract, We may cancel this Agreement, and any cancellation refund will be retained by Us and will reduce the balance due on Your finance or lease contract.

B. Your Rights to Cancel This Agreement (if no benefit has been provided under this Agreement).

You have the right to cancel this Agreement at any time and to request a refund, if no benefit has been provided under this Agreement. To cancel this Agreement, You must submit a written request to the Program Administrator at the address shown above. The cancellation will be effective when the Program Administrator receives Your written request.

If this Agreement is canceled within thirty (30) days of the Agreement Effective Date, We will refund the entire Agreement Purchase Price, if no benefit has been provided under this Agreement. If canceled thirty-one (31) days or more from the Agreement Effective Date, We will refund the purchase price pro-rata based on the elapsed time from the Agreement Effective Date to the cancellation date. Any cancellation refund will be retained by Us and will reduce the balance due on Your finance or lease contract, unless Your finance or lease contract balance has been paid in full, and We have released Our lien on the Vehicle, if any.

C. No Reinstatement

You do not have the right to reinstate this Agreement after cancellation. If a Total Loss occurs after cancellation, You will be responsible for the difference, if any, between the Vehicle's Cash Value and Net Payoff.

If You have any questions regarding your Agreement, please contact the Program Administrator at (866) 366-3774.

Advanced Protection Products International, Inc.
PRIVACY DISCLOSURE AND PROTECTION POLICY
The Information We Collect

Advanced Protection Products International, Inc. (sometimes referred to as “APPI,” “we,” “our,” “us”) receives certain non-public personal information from our clients and customers in the performance of our services for them. APPI maintains the confidentiality of such information to the extent required by the Gramm Leach Bliley Act and other privacy laws and regulations applicable to us and our clients and customers.

All of this information comes directly from you in your application for coverage, and it is all the information we receive about you. This information is used to establish the proper price for your vehicle service contract or GAP contract. If we need additional information or want to verify information, we may contact you or the entity that sold you the contract.

What We Do With This Information

We refer to your personal information when issuing and servicing your contract and settling your claims. We do not disclose information without your consent unless disclosure is necessary to conduct our business. Such disclosures may be made to:

- Adjusters, inspectors, investigators and attorneys to investigate or settle a claim.
- Persons or organizations performing a business or professional function for us.
- Organizations established to detect or prevent crimes or fraud.
- Our affiliated companies.

Access to Information

We limit our own employees’ access to customer information. Only those employees who need to know information about you in order to provide products or services are allowed access to your personal information. We maintain physical, electronic and procedural safeguards in accordance with accepted standards and practices to protect your non-public information.