Agreement No.:

GAP ADDENDUM

Financing Contract Type: ☐ Installment Sales Contract ☐ Loan ☐ Lease

COVERED COLLATERAL INFORMATION

M.S.R.P./J.D. Power	Original Contract Date:	Term (Months):	APR%:
Year:	Make:	Model:	Mileage:
VIN:		Amount Financed/ Capitalized:	☐ New ☐ Used

DEALER INFORMATION

Name:		Phone:
Address:		
City:	State:	Zip:

ENROLLMENT CHARGE $ _____

LENDER INFORMATION

Name:		Phone:
Address:		
City:	State:	Zip:

CUSTOMER/BORROWER INFORMATION

Last Name:	First Name:	Phone:
Address:		
City:	State:	Zip:

This **Addendum** is entered into between the **Customer/Borrower** (**You** or **Your**) and the Dealer**/Lender** (**We**, **Us**, or **Our**), pursuant to the terms and conditions contained in this **Addendum**.

This **Addendum** amends the **Financing Contract**. In the event of a **Constructive Total Loss** of the **Collateral**, **We** hereby agree to waive **Our** rights against **You** for the amount due under a **Qualifying Loss**. **You** will remain responsible for any past due amounts, payment extensions, or any items listed in EXCLUSIONS. If the **Financing Contract** is sold or assigned by **Us**, this **Addendum** will follow the **Financing Contract** with no subrogation rights against **You.**

Although not required to do so, **You** elect to purchase this **Addendum** for an additional charge which is shown above. As an alternative to purchasing this **Addendum**, **You** may be able to purchase a similar product from a company of **Your** choice. **This GAP Program is not insurance, does not take the place of insurance on the Collateral, and does not afford collision, comprehensive, or any other form of automobile insurance coverage**. **You** are responsible for all communications with **Your Primary Carrier** including notice and claims.

ENROLLMENT IS AVAILABLE ONLY AT THE TIME THE **FINANCING CONTRACT** IS ORIGINALLY EXECUTED. BY **YOUR** SIGNATURE BELOW, **YOU** ACKNOWLEDGE AND AGREE THAT **YOUR** ACCEPTANCE OF THIS **ADDENDUM** IS VOLUNTARY AND IS NOT REQUIRED IN ORDER FOR **YOU** TO OBTAIN CREDIT, DOES NOT IMPACT THE CREDIT TERMS, AND HAS NO EFFECT ON THE TERMS OF THE RELATED SALE, OR LEASE, OF THE **COLLATERAL**.

The coverage under this **Addendum** may decrease over the term of **Your Financing Contract**. **You** should carefully read all pages of this **Addendum** for additional information on conditions, limitations, and exclusions that could prevent **You** from receiving the full amount due.

This **Addendum** has no coverage to any **Collateral** where: a) the amount financed is greater than the Maximum Amount Financed Limit stated on page two; and/or b) the **Financing Contract** term exceeds the Maximum Term stated on page two.

This **Addendum** is not available in CA, NY, and TX.

By **Your** signature below, **You** acknowledge: 1) **You** have read and understand this **Addendum** in its entirety; 2) no other verbal representations have been made to **You** that differ from these written provisions; 3) this **Addendum** is not an insurance policy or part of an insurance policy; and 4) **You** authorize release of the **Financing Contract** and/or any other information required for the processing of a loss.

Customer/Borrower Signature Date Dealer/Lender Date

PROGRAM LIMITS

Maximum Amount Financed-to-Value Ratio (AFVR):	Maximum Term:	Maximum Amount Financed Limit:	Maximum Limit of Coverage:
125% MSRP/J.D. Power	96 Months	$125,000	$50,000

DEFINITIONS

Actual Cash Value (ACV) means the value of the **Collateral** on the **Date of Loss**, as determined by the **Primary Carrier.** In the event that there is no **Primary Carrier** coverage in effect on the **Date of Loss**, the **Primary Carrier** is declared insolvent, or if the **Primary Carrier** policy has a stated value or limit of liability that is less than the value of the **Collateral** on the **Date of Loss**, then **ACV** may be established by determining the average retail value of the **Collateral** using the J.D. Power Official Guide, based on the best information available on the **Collateral's** options, mileage, and condition on the **Date of Loss.**

Addendum means this document, which amends the **Financing Contract**.

Branded Title means any certificate of ownership that is, or has been, officially designated as defective, or anything other than 'clean'. This includes titles branded as salvage, rebuilt, flood or water damaged, odometer rollback, or lemon law or manufacturer buyback.

Collateral means the vehicle described on page one of this **Addendum** and described in the **Financing Contract**, with a Gross Vehicle Weight Rating (GVWR) between 12,501 lbs. and 19,500 lbs. **Collateral** covered under this **Addendum** may not be more than twenty (20) years old.

Constructive Total Loss means a direct and accidental loss of, or damage to, the **Collateral**, which meets one of the following criteria: 1) the **Collateral** is declared a total loss by the **Primary Carrier** or 2) no **Primary Carrier** coverage is in force, and either: a) the **Collateral** is stolen and not recovered within thirty (30) days of the **Date of Loss**, and remains unrecovered at the time of notification of loss (**Unrecovered Theft**) or b) the total cost to repair the **Collateral** as a result of the loss or damage is greater than or equal to its **Actual Cash Value**, as of the **Date of Loss**.

Customer/Borrower means the person(s) or business purchasing this **Addendum**, and named in the **Financing Contract**.

Date of Loss means the date on which the **Collateral** is reported stolen or incurs physical damage that is severe enough to constitute a **Constructive Total Loss**.

Financing Contract means the contract which represents the financing instrument for the purchase or lease of the **Collateral**, which sets forth the terms, conditions, inception date, and expiration date of the financing instrument.

Free Look Period means the first thirty (30) days from the **Addendum** purchase.

Lender means the entity to which **Your Financing Contrac**t is sold, assigned, or transferred.

Net Payoff means the amount, as of the **Date of Loss**, represented by the portion of **Your** unpaid balance, according to the original payment schedule of the **Financing Contract** that is secured by the **Collateral**, subject to the following limitations: the amount does not include: any unearned finance charges or loan charges; past due payments/skipped payments as described in the **Financing Contract**; late charges; uncollected service finance charges; refundable prepaid taxes and fees; disposition fees; termination fees; penalty fees; amounts that are added to the **Financing Contract** balance after the inception date; or the recoverable portion of finance service charges, financed amounts for unearned insurance premiums, or refundable charges (including, but not limited to credit life and vehicle service coverages/warranties) that are owed to **You** on the **Date of Loss**.

Primary Carrier means the insurance company selected by **You** prior to the **Date of Loss** that underwrites a policy of insurance providing physical damage coverage on the **Collateral**, or the insurance company that provides liability coverage to any person who has caused the **Collateral** to incur a **Constructive Total Loss**.

Qualifying Loss means the difference between the **Net Payoff** and the **Actual Cash Value**. The **Qualifying Loss** includes the amount of the **Primary Carrier** deductible on the **Primary Carrier** policy up to $1,000.

Self-Financed means a **Financing Contract** that is funded and retained by the Dealer or any person or entity which is an affiliate of, under common ownership with, or under the direct or indirect control of the Dealer or its owners, shareholders, managers, or executives. This includes any **Financing Contract** from a Dealer offering "Buy Here Pay Here" financing to its customers.

Settlement Date means the date on which the **Primary Carrier** issues the settlement check for the **Collateral.**

Transportation Network Company is an organization offering prearranged transportation services for compensation, using an online application or platform to connect passengers with drivers willing to transport them (Uber, Lyft, etc.).

CONDITIONS

1. This **Addendum** may not cover a **Constructive Total Loss** if **You**, the **Customer/Borrower**, intentionally conceal or misrepresent any material fact relating to this **Addendum**.
2. **You** are responsible for making at least the minimum payment under the terms of the **Financing Contract** for each payment due after the **Date of Loss** until the terms of the **Financing Contract** have been fulfilled.
3. Should **You** not have **Primary Carrier** insurance coverage on the **Date of Loss**, and the type of loss is not **Unrecovered Theft**, it is **Your** responsibility to advise the Administrator within ninety (90) days from the **Date of Loss**, and have the **Collateral** available for inspection (inspection costs are **Your** responsibility) to determine the actual total cost to repair the **Collateral.** The Administrator will use this information to determine if the **Collateral** is a **Constructive Total Loss**.
4. This **Addendum** will provide coverage to the **Collateral** when the AFVR exceeds the Maximum AFVR stated above; however, this **Addendum** will not cover the amount exceeding the Maximum AFVR.
5. The GAP term must be equal to the term of the **Financing Contract.** For **Financing Contracts** with non-monthly payments, the GAP term must be rounded up to the nearest whole month.

MITIGATION OF LOSS

You should do all things reasonable and practical to avoid any loss covered under this **Addendum** and to protect the **Collateral** from any further loss. **You** should also take reasonable measures to ensure that the maximum amount of **Actual Cash Value** of the **Collateral** is paid by **Your Primary Carrier**.

CANCELLATION

You have the unconditional right to cancel this optional **Addendum** for a refund/credit of the unearned portion of the charge for this **Addendum** at any time. If the **Addendum** is terminated, or cancelled by **You**, during the **Free Look Period**, **You** will receive a full refund/credit of the **Addendum** cost, provided no **Qualifying Loss** amount has been waived. After the **Free Look Period**, and provided no **Qualifying Loss** amount has been waived, **You** will receive a refund/credit of the **Addendum** cost calculated by the Pro Rata refund method, based on the number of days remaining in the **Addendum** term, less a $50.00 cancellation fee, where such cancellation fee is permitted by law.

In order to receive any refund due in the event of **Your** cancellation of this GAP **Addendum**, or early termination of the **Financing Contract**, **You**, in accordance with the terms of this **Addendum**, must provide a written request to cancel to the Dealer**/Lender** or Administrator within ninety (90) days of **Your** decision to cancel the **Addendum**, or the occurrence of the event terminating the **Financing Contract**. If the refund/credit is not received within sixty (60) days of notice of cancellation, contact the Administrator shown below.

In the event of a cancellation, the **Lender** will be named as payee on all refunds and sole payee on a repossession refund. Any refund due may be applied by the **Lender** as a reduction of the amount owed under the **Financing Contract**, unless **You** can show that the **Financing Contract** has been paid in full.

TERMINATION OF ADDENDUM

This **Addendum** will terminate on the earliest date that one of the following events occurs: 1) the date **Your Addendum** is cancelled; 2) the date **Your Financing Contract** is scheduled to terminate; 3) upon payment in full of the **Financing Contract**; 4) expiration of any redemption and reinstatement period following the repossession or surrender of the **Collateral**; 5) in the event of a **Constructive Total Loss**, after the **Qualifying Loss** has been waived or it is determined that no **Qualifying Loss** exists; or 6) the date the **Financing Contract** is refinanced.

CONSTRUCTIVE TOTAL LOSS PROCEDURES

A **Constructive Total Loss** must be reported to the Administrator within ninety (90) days from the **Settlement Date**. No amount will be waived for any **Constructive Total Loss** reported after ninety (90) days. In the event there is no **Primary Carrier**, the **Customer/Borrower** has ninety (90) days from the **Date of Loss** to report a **Constructive Total Loss**. Once a **Qualifying Loss** has been waived, this **Addendum** will terminate and be considered fully earned and not subject to any cancellation refund.

In the event of a **Constructive Total Loss**, **You** must notify and provide the following to the Administrator: 1) a copy of the **Financing Contract** and a copy of this signed **Addendum**; 2) a copy of the **Financing Contract** history and pay-off as of the **Date of Loss**; 3) a legible copy of the Police Report, which must include confirmation of the **Collateral** shown on this **Addendum**. If a Police Report is not available, and the cause of loss to **Collateral** was not due to theft, fire, or vandalism, a signed and notarized brief description of the loss (including confirmation of the **Collateral**) will be acceptable; 4) a copy of the settlement check, **Collateral** valuation report, total loss breakdown, and Declarations Page, issued by the **Primary Carrier** (provided **Primary Carrier** coverage is in effect on the **Date of Loss**); 5) a copy of the Bill of Sale (aka Buyer's Order, Purchase Agreement, etc.) as well as the manufacturer's invoice or window sticker (if the **Collateral** was purchased new), or the bookout sheet (if the **Collateral** was purchased used); 6) verification of any other refundable amounts; and 7) any additional or reasonable documentation requested by the Administrator. The Administrator will not be able to obtain this information for **You**.

REPORT A CONSTRUCTIVE TOTAL LOSS TO OUR ADMINISTRATOR:
Comprehensive Auto Resources Company, Inc., P.O. Box 1268, Exton, PA 19341, (877) 902-8790, Fax: (610) 524-8504 Email: Claims@carcogap.com

EXCLUSIONS

In addition to other provisions herein, this **Addendum** does not provide coverage for:

A. any loss occurring prior to the **Financing Contract** inception date shown on page one.
B. any loss occurring after the **Addendum** has been terminated.
C. any loss due to confiscation of the **Collateral** by a government body or public official.
D. any loss resulting from the **Collateral** being operated, used, or maintained in any race, speed contest, or other contest.
E. any loss due to mechanical or electrical breakdown or failure.
F. **Collateral** held as security under any wholesale, floor plan, or field warehouse.
G. any vehicle that does not qualify as **Collateral**, as defined by this **Addendum**.
H. **Collateral** used as an emergency vehicle, for livery, as part of a peer-to-peer car sharing program, as a taxi, or for limousine or shuttle service where compensation is provided for those services.
I. **Collateral** being utilized as part of a **Transportation Network Company**.
J. passenger cars, buses, motorcycles, recreational vehicles, trailers, farming or outdoor equipment, or the following construction vehicles: bulldozers, front loaders, backhoes, graders, trenchers, cranes, loaders, crawler dozers, compactors, excavators, forklifts, conveyors, concrete mixer trucks, or off-highway dump trucks.
K. rare, exotic, unusual, limited production, one-of-a-kind, or customized vehicles.
L. any loss occurring after the **Collateral** has been repossessed by the **Lender** or placed in their possession or in the possession of their employees or agents.
M. any amounts deducted from the **Primary Carrier** settlement for wear and tear, prior damage, unpaid insurance premiums, rebates, towing, storage, and/or salvage.
N. any loss attributable to other than the standard or optional equipment available from the manufacturer of the **Collateral**.
O. **Collateral** with a **Branded Title**.
P. **Collateral** being operated by an unlicensed driver.
Q. any loss resulting directly or indirectly from the keys being left unattended in the **Collateral**.
R. any loss resulting directly or indirectly from any dishonest, fraudulent, or intentional act committed by **You** or **Your** permissive user.
S. any loss that may reasonably be attributable to an unlawful or criminal act by **You** or **Your** permissive user. No **Qualifying Loss** will be waived until the charge has been dismissed or adjudicated not guilty.
T. a **Financing Contract** that does not have uniform scheduled payments after the first payment is made.
U. a **Financing Contract** that is **Self-Financed**.
V. any loss that occurs outside of the United States of America (USA), its territories or possessions, or Canada.
W. **Collateral** with a **Financing Contract** in which the amount financed for the **Collateral** exceeds the Maximum Amount Financed Limit shown on the top of page two.
X. **Collateral** with a **Financing Contract** where the contract term exceeds the Maximum Term as shown on the top of page two.

If a loss is excluded due to any condition contained in this **Addendum**, please refer to the CANCELLATION section for instructions on how to request a refund, and a refund will be provided, in accordance with the correlating terms and conditions.

STATE PROVISIONS

The following state specific requirements are added to and become part of **Your Addendum** and supersede any other provision to the contrary:

Alabama: The GAP Enrollment Charge is not regulated. It is **Your** responsibility to determine whether the cost of the GAP **Addendum** is reasonable in relation to the protection afforded by the GAP **Addendum**. In the event of cancellation of the GAP **Addendum** due to early termination of the **Financing Contract**, the **Lender** shall provide, or cause the Administrator or retail seller to provide, within sixty (60) days of termination, any refund due, without requiring **You** to request cancellation of the **Addendum.**

Alaska: The deductible provision is excluded for GAP **Addendums** sold in Alaska.

Arkansas: The GAP Enrollment Charge is not regulated. It is **Your** responsibility to determine whether the cost of the GAP **Addendum** is reasonable in relation to the protection afforded by the GAP **Addendum**.

Colorado: Before purchasing and signing the GAP **Addendum**, it is required that **You** review the following disclosures:

- **The purchase of a GAP Addendum is not required in order to obtain the credit or any particular or favorable credit terms;**
- **The fee for the GAP Addendum is disclosed on page one of this Addendum;**
- **You may wish to consult an insurance agent to determine whether similar coverage may be obtained through an insurance product and at what cost;**
- **The GAP Addendum benefits may decrease over the term of the Financing Contract;**
- **You may cancel the GAP Addendum for any or no reason within thirty (30) days after the GAP Addendum was purchased and receive a full refund of the Enrollment Charge so long as no loss or event covered by the GAP Addendum has occurred;**
- **This GAP Addendum is not a substitute for collision or property damage insurance.**

Leases are not eligible for coverage; therefore, all references to leases are hereby deleted. If this transaction contains a fee, charge, or premium for the GAP **Addendum**, all holders and assignees of this consumer credit transaction are subject to all claims and defenses that the consumer could assert against the original creditor resulting from the consumer's purchase of the GAP **Addendum**. The DEFINITIONS section is amended as follows: The definition of **Net Payoff** is deleted in its entirety and replaced with the following, "means the deficiency balance owed by **You** as of the **Date of Loss,** calculated in accordance with the terms of the **Financing Contract**, with the exclusion of the following: amounts owed for unpaid payment installments under the **Financing Contract**, including any fees or surcharges imposed as late charges for unpaid installments, legally permitted fees incurred after the effective date of the **Financing Contract**, fees for the return of payment, premium or fees for legally permitted insurance added after the effective date of the **Financing Contract**, refunds owed on cancellable service contracts and other protection products that were financed in the **Financing Contract**, the salvage value of the **Collateral**, as determined by the **Primary Carrier**, if the totaled **Collateral** is retained by **You**, or deductions taken by the **Primary Carrier** for prior unrepaired damage to the **Collateral**. Deductions can only be taken for prior unrepaired damage if the Administrator or **Lender** has documented proof that: 1) **You** submitted an insurance claim related to the prior unrepaired damage or 2) **You** received payment for the prior unrepaired damage." **Qualifying Loss** shall not be reduced by any additional amounts, fees, or charges, other than those listed in the definition of **Net Payoff**. **The CANCELLATION section is deleted in its entirety and replaced with the following: You have the unconditional right to cancel this Addendum for a refund of the unearned portion of the charge for this Addendum at any time. If the Addendum is terminated or cancelled by You during the Free Look Period, You will receive a full refund of the Addendum cost, as long as no loss or event covered by the GAP Addendum has occurred. After the Free Look Period, and provided no loss or event covered by the GAP Addendum has occurred, You will receive a refund of the Addendum cost calculated by the Pro Rata refund method, less a $25.00 cancellation fee. The cancellation fee only applies if the Addendum was cancelled by You. In order to cancel the GAP Addendum, You must send written notice of cancellation to the Administrator at the mailing address provided on the bottom of this page, or to cancellations@carcogap.com. In the event of cancellation due to early termination of the Financing Contract, the Lender shall provide, or cause the Administrator or retail seller to provide, any refund due to You, without requiring You to request cancellation of the Addendum. The Lender must refund You the unearned fee paid for GAP if: 1) the Financing Contract is prepaid prior to maturity or the Vehicle is no longer in the Your possession due to the Lender's lawful repossession and disposition of the Vehicle, and 2) You have not made a claim under the GAP Addendum. In the event of a cancellation, the Lender will be named as payee on all refunds and sole payee on a repossession refund. Any refund due may be applied by the Lender as a reduction of the amount owed under the Financing Contract, unless You can show that the Financing Contract has been paid in full.** The CONSTRUCTIVE TOTAL LOSS PROCEDURES section is amended as follows: A **Constructive Total Loss** must be reported to the Administrator within ninety (90) days from the **Settlement Date** or from the date the **Lender** notifies **You** of any deficiency balance owed, whichever is later. The EXCLUSIONS section is amended as follows: Exclusions M. and N. are deleted in their entirety.

Connecticut: The definition of **Free Look Period** is deleted in its entirety and replaced with the following: **Free Look Period** means the first sixty (60) days from the **Addendum** purchase. The **Lender** shall provide, or shall cause the retail seller to provide, any refund due not later than sixty (60) days after the **Lender** receives **Your** cancellation concerning such refund, without requiring **You** to request the refund.

Illinois: The seller, holder, or any of their affiliates may receive something of value in connection with the purchase of this GAP **Addendum**. In the event the **Financing Contract** is a lease, the definition of **Qualifying Loss** is deleted in its entirety and replaced with the following: **Qualifying Loss** means the difference between the amount owed (or which would be owed in the absence of GAP protection) by the lessee under the consumer lease in the event of a total loss of the **Collateral** prior to the end of the lease term occasioned by its theft, physical damage, or other occurrence as specified in the consumer lease, and the **Actual Cash Value,** or portion of the **Actual Cash Value** of the **Collateral** actually received by the lessor from the insurance company or from any other person. The term **Qualifying Loss** shall not include any deductible amount applicable to an insurance policy maintained by the lessee, or any past due amounts owed by the lessee as of the time of the receipt by the lessor of the insurance proceeds or any other amount due because of the lessee's default.

Indiana: The cancellation fee is not applicable. The sale of this GAP **Addendum** is not permitted if the amount financed, less the cost of the GAP **Addendum**, less the cost of credit insurance, and less the cost of warranties, is less than 80% of MSRP for a new vehicle or 80% of the J.D.Power average retail value for a used vehicle. **You** may be able to obtain GAP coverage from **Your Primary Carrier**. In the event of cancellation of the GAP **Addendum** due to early termination of the **Financing Contract**, the **Lender** shall provide, or cause the Administrator or retail seller to provide, any refund due to **You**, without requiring **You** to request cancellation of the **Addendum**. For Questions or Complaints, **You** may contact the Indiana Department of Financial Institutions at: 30 South Meridian St., Suite 300, Indianapolis Indiana 46204, 1-800-382-4880.

Kansas: The cancellation fee is not applicable. **This GAP Addendum may not cancel or waive the entire amount owing at the time of loss. To report claims for GAP coverage, You may contact the Administrator, Comprehensive Auto Resources Company, Inc., at P.O. Box 1268, Exton, PA 19341, (877) 902-8790, claims@carcogap.com.** For **complaints** regarding **Your** GAP **Addendum**, **You** may contact the Kansas Office of the State Bank Commissioner at 700 SW Jackson, Suite 300, Topeka, KS 66603, http://www.osbckansas.org/.

Louisiana: The cancellation fee is not applicable. The extender of credit hereby agrees, by acceptance of this **Addendum** as an amendment to the **Financing Contract** upon assignment, to waive **Your** liability for the difference between the outstanding balance (excluding past due amounts, payment extensions, insurance or other charges as described in this **Addendum**) under the **Financing Contract** as of the **Date of Loss** and the **Actual Cash Value** of **Your Collateral**. Exclusion M. is deleted in its entirety and is replaced with the following: M. any amounts deducted from the **Primary Carrier** settlement for prior damage, unpaid insurance premiums, rebates, towing, storage, and/or salvage.

Maine: The cancellation fee is not applicable. Leases are not eligible for coverage; therefore, all references to leases are hereby deleted. If **You** are unable to provide the requested claim documentation within the stated time frame, an extension of time will be granted, provided **You** are able to present information to explain or excuse a late filing of a claim. In addition, the deadline will be reasonably extended in the event the Dealer/**Lender** or Administrator request additional documentation. A claim will not be denied for **Your** failure to provide documentation to the Administrator, if that

documentation either 1) can be provided by the Dealer/**Lender**, or 2) is not essential to the adjudication of the claim. Any limitation or exclusion based on a fact or circumstance that was known, or should have been known, by the Dealer at the time of sale of the GAP **Addendum**, is deleted in its entirety.

Maryland: Leases are not eligible for coverage; therefore, all references to leases are hereby deleted. Neither the Maximum AFVR nor the Maximum Limit of Coverage are applicable. The definition of **Actual Cash Value** is deleted in its entirety and replaced with the following: **Actual Cash Value** means the proceeds of any insurance maintained on the **Collateral**, or, if **You** do not have insurance, the **Actual Cash Value** will be determined by the Administrator using the nationally or regionally recognized guide, such as J.D. Power or Kelley Blue Book (KBB), based on the best information available on the **Collateral's** options, mileage, and condition. The definition of **Net Payoff** is deleted in its entirety and replaced with the following: **Net Payoff** means **Your** outstanding balance as of the **Date of Loss**. This does not include delinquent or deferred payments, past due charges, late payment charges, unearned interest, unearned rental payments, the portion of any financed taxes or charges, including charges for credit life insurance, credit health insurance, credit involuntary unemployment insurance and mechanical repair contracts actually refunded to **You** or credited as a reduction to the **Financing Contract** balance, and any Primary Insurance deductible in excess of $1,000. Exclusions M. and N. are deleted in their entirety.

Massachusetts: The cancellation fee is not applicable.

Minnesota: This GAP **Addendum** cannot be sold in conjunction with the sale or lease of any used motor vehicle that is an automobile or truck that is valued at less than $5,000. **THE GAP WAIVER IS OPTIONAL. YOU DO NOT HAVE TO PURCHASE THIS PRODUCT IN ORDER TO BUY OR LEASE THIS MOTOR VEHICLE. YOU ALSO HAVE A LIMITED RIGHT TO CANCEL.**

Nebraska: This **Addendum** is not insurance and is not regulated by the Nebraska Department of Insurance. The **Lender** or Administrator cannot unilaterally modify the terms of the **Addendum** unless the modification is favorable to the **Borrower** and is made without additional charge to the **Borrower**, or the **Borrower** is notified of the proposed modification and has the option to cancel the **Addendum** without penalty.

Nevada: IMPORTANT: A Guaranteed Asset Protection Waiver is not a policy of liability or casualty insurance and does not satisfy the requirement to maintain liability insurance pursuant to NRS 485.185. Failure to make a timely payment under the terms of the finance agreement may void the Guaranteed Asset Protection Waiver. If void, please refer to the CANCELLATION section for instructions on how to request a refund, and a refund will be provided, pursuant to the correlating terms and conditions.

New Hampshire: The cancellation fee is not applicable. The initial Creditor may assign the GAP **Addendum** with the **Financing Contract** to a sales finance company or other assignee. In the event the **Financing Contract** is a lease, the definition of **Qualifying Loss** is deleted in its entirety and replaced with the following: **Qualifying Loss** means the difference between the amount owed (or which would be owed in the absence of GAP protection) by the lessee under the consumer lease in the event of a total loss of the **Collateral** prior to the end of the lease term occasioned by its theft, physical damage, or other occurrence as specified in the consumer lease, and the **Actual Cash Value,** or portion of the **Actual Cash Value** of the **Collateral** actually received by the lessor from the insurance company or from any other person. The term **Qualifying Loss** shall not include any deductible amount applicable to an insurance policy maintained by the lessee, or any past due amounts owed by the lessee as of the time of the receipt by the lessor of the insurance proceeds or any other amount due because of the lessee's default.

New Jersey: In the event of cancellation of the GAP **Addendum**, or early termination of the **Financing Contract**, the **Lender** shall provide, or cause the Administrator or retail seller to provide, any refund due within sixty (60) days of the event terminating the **Financing Contract**, without requiring **You** to request the refund, or within sixty (60) days of the receipt of **Your** cancellation of the GAP **Addendum**.

New Mexico: The cancellation fee is not applicable.

Oregon: The cancellation fee is not applicable. In the event of cancellation of the GAP **Addendum** due to early termination of the **Financing Contract**, the **Lender** shall provide, or cause the Administrator or retail seller to provide, any refund due to **You**, without requiring **You** to request cancellation of the **Addendum.**

Pennsylvania: The seller of this **Addendum** may retain a portion of the charges paid for this **Addendum**.

South Carolina: The cancellation fee is not applicable. This GAP **Addendum** cannot be sold if the amount financed, less the cost of the GAP **Addendum**, the cost of credit insurance, and the cost of service contracts is less than eighty percent (80%) of the Manufacturer's Suggested Retail Price (MSRP) for a new vehicle, or the J.D. Power average retail value for a used vehicle. THIS GAP WAIVER 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.

Tennessee: The cost of the **Addendum** is not regulated and **You** have the responsibility to determine whether the cost of the **Addendum** is reasonable in relation to the coverage afforded by this **Addendum**. The effective date of any cancellation may be no earlier than ninety (90) days prior to the date such written notice is received by the Administrator.

Utah: The **Addendum** is subject to limited regulation by the Utah Insurance Commissioner. Complaints regarding the GAP **Addendum** may be submitted to the offices of the Utah Insurance Commissioner.

Vermont: The cancellation fee is not applicable. The Dealer must assign, sell, or transfer, within fifteen (15) business days, the **Financing Contract** to a **Lender** as defined in subdivision 1110(32) of Title 8 or a credit union or entity licensed under subdivision 2201(a)(1) or (3) of Title 8 or this **Addendum** is void and **You** will receive a full refund of the charges of the **Addendum**.

Washington: Any refund of purchase price for an Addendum that was included in the financing of the Collateral may be applied by the Lender as a reduction of the overall amount owed under the Financing Contract, rather than applying the refund strictly to the purchase price of the Addendum. The **Addendum** is not credit insurance, nor does it eliminate **Your** obligation to insure the **Collateral** as provided by laws of this state. Purchasing an **Addendum** does not eliminate **Your** rights and obligations under the vendor single-interest and collateral protection coverage laws of this state.

West Virginia: Once activation of waiver benefits has been initiated, and until such time as the request for a benefit under the GAP **Addendum** is resolved, the GAP **Addendum** shall not be terminated or cancelled, nor shall a request for a benefit under the GAP **Addendum** be denied, by the **Lender**, Administrator, or other designated party, solely due to **Your** failure to make monthly payments owed for the GAP **Addendum** purchase price.

Wisconsin: The cancellation fee is not applicable. This **Addendum** is between the **Borrower** and Creditor, or if assigned, with the assignee, pursuant to the terms and conditions of this **Addendum**. **You** will not be charged for the cost of any inspection requested by the Administrator. This **Addendum** terminates no later than the earliest of the following events: 1) cancellation by the **Borrower**, 2) payment in full by the **Borrower** of the related credit transaction, 3) expiration of any redemption period after a repossession or surrender of the **Collateral** specified in the **Financing Contract**, or 4) upon total physical damage loss or unrecovered theft of the **Collateral** specified in the **Financing Contract**, after the **Lender** has waived the GAP amount, or it is determined that no GAP amount exists. If this **Addendum** is canceled or terminated during the **Free Look Period**, the **Borrower** is entitled to a full refund/credit of the GAP Enrollment Charge, plus the amount of any applicable finance charges.

Wyoming: The cancellation fee is not applicable.