



GAP ADDENDUM

150SGTX

This Guaranteed Automobile Protection (GAP) Contract Addendum ("Contract") amends the Financial Agreement. This Contract is between the Buyer ("I", "You", "Your" or "Consumer") and the Seller ("We"), or if assigned with the assignee.

BUYER			SELLER			SELLER NUMBER					
ADDRESS						ADDRESS					
CITY		STATE		ZIP		CITY		STATE		ZIP	
HOME PHONE			WORK PHONE			CONTACT			PHONE		
YEAR	MAKE	MODEL	VIN NUMBER	APR %	PRIMARY INSURANCE DEDUCTIBLE \$						
FINANCIAL AGREEMENT DATE			FINANCIAL AGREEMENT TERM			FINANCIAL INSTITUTION			FINANCIAL AGREEMENT NUMBER		
MSRP/NADA \$			AMOUNT FINANCED \$			ADDRESS					
VEHICLE PURCHASE PRICE \$			YOUR CHARGE FOR GAP ADDENDUM \$			CITY		STATE		ZIP	
<input type="checkbox"/> NEW <input type="checkbox"/> USED		ADDENDUM TERM Months			CONTACT			PHONE			
SURCHARGE: <input type="checkbox"/> COMMERCIAL USAGE (available only for <i>Motor Vehicles</i> up to 15,000 GVWR) (Check if Applicable)											

I hereby acknowledge that this Guaranteed Asset Protection (GAP) Contract 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 CONTRACT. Although I am not required to do so, I have elected to purchase this Contract for an additional charge, which is shown above. I acknowledge that the cost of the above described Contract 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 a GAP Contract from anyone I choose that is acceptable to the Financial Institution, and that GAP benefits may decrease over the term of the Financial Agreement. This Contract includes a binding arbitration clause.

WARNING: THIS CONTRACT 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. Please carefully read this Contract in its entirety for additional information on eligibility, conditions, limitations and exclusions that could prevent you from receiving benefits under this Contract. You are responsible for maintaining collision and comprehensive insurance on the Vehicle.

WE WILL CANCEL CERTAIN AMOUNTS YOU OWE UNDER THIS CONTRACT IN THE CASE OF A TOTAL LOSS OR THEFT OF THE VEHICLE AS STATED IN THE CONTRACT. In the event of a Total Loss, a deficiency will be considered which will be subject to the terms and conditions of this Contract. This deficiency shall not exceed \$50,000.00. This Contract 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 Contract.

GAP AGREEMENT

The Buyer and the Seller named above hereby agree to amend the provisions of the Financial Agreement for the Vehicle referenced above as follows: If the Vehicle is deemed a Total Loss by the Primary Insurance carrier for the Vehicle, the Seller agrees to waive the difference between:

- (a) The Outstanding Balance of the Financial Agreement on the Date of Loss as detailed in the Outstanding Balance definition and
- (b) The Actual Cash Value of the Vehicle as stated in the Actual Cash Value definition. Up to \$1,000.00 of the Buyer's physical damage insurance deductible, if applicable, is also waived under the Contract. There shall be no coverage for any benefits under this Contract unless there is a Deficiency Benefit provided.

LIMITATION

No coverage is provided for 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 and will be deducted from the payable Outstanding Balance. This Contract is only available for purchase on the date of the Financial Agreement and provides coverage during the term of the Financial Agreement. This Contract does not provide coverage, and will automatically terminate if the Financial Agreement is refinanced. This Contract is not transferable to any other Vehicle or Financial Agreement. Enrollment is available only at the time the Financial Agreement is originally executed.

VEHICLE TYPE AND PROGRAM ELIGIBILITY

Coverage extends only to the Vehicle and Vehicle accessories included in the original Financial Agreement. In addition, the following limitations, exclusions, and eligibility requirements apply:

- (1) MOTOR VEHICLE, AUTOMOBILE, VAN, or LIGHT TRUCK: Includes Vehicles used for personal and/or Commercial Usage that are less than 15,000 pounds gross vehicle weight (GVW) with a market value and/or amount financed less than \$100,000.00 as of the date of this Contract. The maximum term of the Financial Agreement shall be for no more than eighty-four (84) months.
- (2) LEASES: The maximum term of any lease shall be no more than eighty-four (84) months. A Financial Agreement that is a lease with a term greater than eighty-four (84) months is excluded from coverage.
- (3) A Financial Agreement that does not use the Equal Monthly Installment Method is excluded from coverage.

If loss is excluded for any of these reasons, this Contract is void and You will receive a full refund of the cost of this Contract.

YES, I ELECT TO PURCHASE THIS GAP ADDENDUM CONTRACT AND ACCEPT ITS TERMS, LIMITATIONS, AND CONDITIONS.
 BUYER(S) _____ SELLER _____

 BUYER SIGNATURE _____ DATE _____ BY SELLER _____ DATE _____

 CO-BUYER SIGNATURE _____ DATE _____ TITLE _____

CANCELLATION

You may cancel this Contract at any time prior to the occurrence of a Total Loss by mailing written notice of cancellation request to the Program Administrator. The Program Administrator must receive cancellation requests within thirty (30) days of the requested cancellation date, otherwise the cancellation date will be the date received. If this Contract is cancelled within thirty (30) days of the date of purchase, You will receive a full refund. If this Contract is cancelled after thirty (30) days from the date of this Contract, the refund will be calculated using the pro rata refund method, less a \$50.00 cancellation fee. The Financial Institution will be named as payee on any refund of this Contract unless Program Administrator is provided with written documentation stating the Financial Agreement has been paid in full. This Contract will not be reinstated after a cancellation has been processed. If we cancel, we will calculate Your refund pro rata. Notice of cancellation will state the effective date of cancellation. The Contract period will end on that date. The refund may be rounded to the nearest whole dollar. Any refund less than \$5 will not be paid. The pro rata refund will be based on the earliest date of: 1. the prepayment of the Financial Agreement; 2. a demand of the Financial Institution or their assignee for payment in full of the Outstanding Balance or acceleration; 3. a request by You for cancellation of this Contract; or 4. the total denial of Deficiency Benefit payment based on one of the exclusions listed in the Exclusions section. In the event of a Total Loss and notwithstanding the collection of the documents outlined above, We reserve the right to inspect the Vehicle upon reasonable advance notice to You.

PROGRAM ADMINISTRATOR: FINANCIAL GAP ADMINISTRATOR
1670 FENPARK DRIVE • FENTON, MO 63026 • Phone: (888) 427-2037 • Fax: (636) 349-3169 • Email: LossReport@GapAdmin.com

Original: Administrator Yellow: Financial Institution Pink: Seller White: Buyer
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ASSIGNMENT

The GAP Addendum will follow the Financial Agreement with no subrogation rights against the Buyer if the Financial Agreement is sold or assigned by the Seller.

CONTRACT EXPIRATION

This Contract expires upon the earliest of (1) the original termination date of the Financial Agreement, (2) the early termination of the Financial Agreement, (3) the waiving of an Outstanding Balance after the occurrence of a Total Loss, (4) date of repossession of the Vehicle, (5) eighty-four (84) months after the date of this Contract, or (6) any term limitation as set forth in the Vehicle Type And Program Eligibility section hereof. The maximum term of this Contract for which a deficiency may be waived will not exceed eighty-four (84) months.

DEFINITIONS

As used in this Contract, the following terms shall have the meanings set forth below:

Actual Cash Value, at the Date of Loss means, (1) the Actual Cash Value established by the Primary Insurance company, (2) in the absence of Primary Insurance, the retail value of the Vehicle (per NADA or equivalent market evaluation manual). In the absence of Primary Insurance the terms of this Contract will remain the same. Adjustments will be made for prior unrepaired damage, mileage, usage, condition, applicable taxes or fees, and documented Vehicle options and accessories purchased at the time the Financial Agreement was executed. If it is determined that Your Primary Insurance company did not pay a fair Actual Cash Value and we provide You with evidence obtained in our research, You may be required to contact Your Primary Insurance carrier and request a higher payment.

Buyer, as identified on page 1, means the purchaser or lessee.

Commercial Usage means utilization of the Vehicle for any commercial purpose. An automobile, van, or light truck utilized for any commercial purpose is excluded unless the Commercial Usage surcharge option has been purchased. A Vehicle registered as commercial or to a business shall be deemed commercial. Vehicles used for livery, delivery services, hire, rental, or as taxicabs are not eligible for coverage here under. Trailers, special commercial usage optional equipment, accessories, and body components are not covered.

Contract means this Addendum to the Financial Agreement.

Customized Vehicle means a vehicle that has been altered or modified in any manner with non-manufacturer parts after date of purchase, and as such would void the original manufacturer's warranty on the Vehicle.

Date of Loss means the date on which the Total Loss occurred.

Deficiency Benefit means benefits provided by this GAP Addendum.

Delinquent Payment means any amount as required by the original terms of the Financial Agreement that, as of the Date of Loss, has remained unpaid after the due date.

Equal Monthly Installment Method means the presumption of equal monthly installments beginning no more than forty-five (45) days from the purchase date of the Vehicle and amortized over not more than eighty-four (84) months.

Financial Agreement means the retail installment sales contract or lease document(s) evidencing Your purchase or lease of the Vehicle with a period of not more than forty-five (45) days from the date of purchase to the first payment.

Financial Institution means the dealer, assignee, lienholder or lessor.

Outstanding Balance means the amount in U.S. currency required to satisfy the Financial Agreement payoff as of the Date of Loss. The Outstanding Balance shall be determined based only on the amount You originally financed to purchase the Vehicle. Amounts added subsequent to the purchase of the Vehicle, such as but not limited to collateral protection insurance, unearned finance charge, taxes, Delinquent Payments, past due amounts, late charges, extensions of maturity, salvage, repo expense, towing and storage are not included. The Outstanding Balance shall be reduced by any proceeds that could be recovered from the cancelling of any items, such as a service contract, credit insurance, or other similar items, that were included in the Financial Agreement. In the absence of Primary Insurance, the Outstanding Balance shall be reduced by any costs incurred in obtaining appraisal or value of the Vehicle. The Outstanding Balance, at the Date of Loss, shall be determined by the Financial Agreement original payment schedule. If additional collateral is secured under the Financial Agreement, the described Vehicle shall bear a proportionate share of the total Outstanding Balance (in proportion to the amortized amount of Your original Financial Agreement).

Primary Insurance means comprehensive and collision insurance coverage as required under the terms and conditions of the Financial Agreement or any third party insurance responsible for damage to the covered Vehicle.

Seller means the entity from which You purchased this GAP Contract or their assignee.

Territory means the United States of America, its territories or possessions, and Canada.

Total Loss means that the Vehicle is deemed a Total Loss by the Primary Insurance company due to an insured peril. In the absence of Primary Insurance and upon reasonable advance notice to You, the covered Vehicle must be available for the Program Administrator's inspection or appraisal to determine if the covered Vehicle is a constructive Total Loss with repairs greater than the Actual Cash Value of the Vehicle immediately prior to the Date of Loss. If the covered Vehicle is not available for inspection or appraisal, except in the case of an unrecovered theft loss, no benefit will be provided.

Vehicle means the motor vehicle described on Page 1 of this Contract. The Vehicle must be garaged and used only in the Territory.

You, Your, Consumer means the Buyer, purchaser or lessee.

We means the Seller or Financial Institution.

EXCLUSIONS

No deficiency benefit will be waived under this Contract respecting a Total Loss,

- (1) from damage to the Vehicle before the purchase of this Contract;
- (2) occurring after the original maturity date or date of Your acceleration of the Financial Agreement;
- (3) resulting from an intentional act, forgery or any criminal or dishonest, fraudulent, illegal, intentional, willful, reckless, gross negligent or wanton act committed by any authorized driver whether acting alone or in collusion with others;
- (4) involving conversion, embezzlement, or concealment by any person in lawful possession of the Vehicle;
- (5) on any Vehicle used for emergency services or for any Customized Vehicle customized subsequent to purchase;
- (6) due to lawful confiscation, forfeiture, seizure, or destruction of the Vehicle by any governmental authority or public official;
- (7) if the Primary Insurance company settlement is equal to or greater than the Outstanding Balance;
- (8) resulting from any civil commotion, disturbance, riot, or action taken by any governmental authority in dealing with such;
- (9) resulting from the Vehicle being operated, used, or maintained in any race, speed, or other contest;
- (10) resulting from war, whether or not declared, invasion, insurrection, rebellion, revolution or an act of terrorism;
- (11) due to damage that occurred after the Vehicle has been repossessed;
- (12) as a result of damage related to any personal property attached to or within the Vehicle;
- (13) involving damages associated with falsification of documents by any person not associated with the Seller or other person canceling Your obligation;
- (14) involving any unpaid debt resulting from exclusions in Your Primary Insurance coverage not included in this Contract;
- (15) in the case of abandonment of the Vehicle by You if You voluntarily discard, leave behind, or otherwise relinquish possession of the Vehicle to the extent that relinquishment shows intent or for sake and desert the Vehicle so that it may be appropriated by another person;
- (16) that occurs outside of the Territory;
- (17) resulting from nuclear reaction or radiation or radioactive contamination;
- (18) caused by or resulting from normal wear and tear, gradual deterioration, obsolescence, rust, corrosion, latent defect, inherent defect, freezing, overheating, or resulting from any repairing, restoration, or remodeling process, 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;
- (19) for any loss other than a Total Loss.

ARBITRATION

It is understood and agreed that the transaction evidenced by this Contract takes place in and substantially affects interstate commerce. Any controversy or dispute arising out of or relating in any way to this Contract or the sale of this Contract, including for recovery of any claim under this Contract including the applicability of this arbitration clause and the validity of this Contract shall be resolved by neutral binding arbitration on an individual basis without resort to any form of class action or any other collective or representative proceeding by the American Arbitration Association (AAA), under the Commercial Arbitration Rules in effect at the time the claim is filed. All preliminary issues of arbitration will be decided by the arbitrator.

- 1.) The arbitration shall take place in the county of residence of the Buyer unless another location is mutually agreed upon by the parties. The arbitration shall take place before a single arbitrator selected in accordance with the AAA Commercial Arbitration Rules. AAA rules and forms may be obtained and all claims shall be filed at www.adr.org or at any AAA office.
- 2.) The cost of the arbitration shall be borne by the Seller except that each party must bear the cost of filing and the cost of its own attorneys, experts and witness fees and expenses. You may seek a waiver of the filing fee under the applicable AAA rules. If the arbitrator holds that a party has raised a dispute without substantial justification, the arbitrator shall have the authority to order that the cost of the arbitration proceedings be borne by that party.
- 3.) It is understood and agreed that the arbitration shall be binding upon the parties, that the parties are waiving their right to seek remedies in court, including the right to a jury trial. You will not be able to participate as a representative or member of any class of claimants. An arbitration award may not be set aside in later litigation except upon the limited circumstances set forth in the Federal Arbitration Act. An award in arbitration will be enforceable under the Federal Arbitration Act by any court having jurisdiction.
- 4.) All statutes of limitations that would otherwise be applicable shall apply to any arbitration proceedings.

If any portion of this arbitration provision is deemed invalid or unenforceable, the remaining portions of this arbitration provision shall nevertheless remain valid and in force. In the event of a conflict or inconsistency between this arbitration provision and the other provisions of this Contract or any prior agreement, this arbitration provision shall govern.

FRAUD AND MISREPRESENTATION

This Contract is issued in reliance upon the truth of all representations made by You. This Contract shall be void where you: 1. Intentionally concealed or misrepresented any material fact; 2. Engaged in fraudulent conduct; or 3. Made a materially false statement relating to submitting a claim. If You have concealed or misrepresented any material fact(s) concerning this coverage, or in case of fraud, attempted fraud, or the false swearing by affecting any matter relating to this coverage, whether before or after Total Loss, this Contract may be voided and all charges will be returned, less a \$50.00 processing fee.

REPORTING A DEFICIENCY

In the event of a Total Loss, it is Your responsibility to keep Your account current until any deficiency is determined and waived. You shall provide the following documentation to the Program Administrator at the address shown below. All copies must be complete and legible. This documentation must be submitted within ninety (90) days from the date of the Primary Insurance company settlement or, in the absence of Primary Insurance, ninety (90) days from the Date of Loss.

1. A copy of the Primary Insurance company claim settlement check(s), settlement worksheet and Actual Cash Value evaluation.
2. A copy of the police report.
3. Proof of proceeds recovered from cancellation of refundable items, such as a service contract, credit insurance or other similar items.
4. A copy of the Financial Agreement.
5. Documentation from the Financial Institution detailing the payoff as of the Date of Loss.
6. A copy of the bill of sale if provided to the Buyer.
7. A copy of the complete history of the Financial Agreement showing all payments and transactions.
8. GAP Claim Reporting Form (provided by the Program Administrator).
9. Vehicle Options Form completed by the Buyer (provided by the Program Administrator).

Documentation not described above is not required to substantiate the loss or determine the amount of debt to be cancelled. You may direct all inquiries regarding this Contract to the Program Administrator shown below.

IMPORTANT NOTICE

A complaint regarding this Contract may be submitted to the Office of Consumer Credit Commissioner, 2601 North Lamar Boulevard, Austin, TX 78705, 800-538-1579, www.occc.state.tx.us. This Contract applies to a lease only if the lease is considered a retail installment contract under §348.002 of the Texas Finance Code.

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