

# CAR DEPOSIT REIMBURSEMENT AGREEMENT

( A CPR FOR CARS PROGRAM )

**The Agreement is between the YOU (You or Your) and the DEALER (We, Us, or Our) or the Financing Contract's assignee.**

YOU			Address			
City		State	Zip	Customer Phone #		
DEALER		Dealer / Account #		Financial Institution / Lender		
Address			Address			
City		State	Zip	City	State	Zip
Year	Make	Model		VIN		
CDR Inception Date		Term of Amount of Protection (60 month/\$10,000.00 max.) Mo/Amt		Amount Financed (not to exceed \$125,000)		CDR Agreement Cost

**Read entire contract for all details of all conditions and exclusions**

Although not required to do so, you elect to purchase this Agreement for an additional charge which is shown above. You may as an alternative to purchasing this Agreement, be able to purchase a similar product from a company of your choice. This Program is not insurance, does not take the place of insurance on the COVERED VEHICLE 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. If you purchase this Agreement from us, you understand that we may retain all or a portion of the charge paid by you.

BY YOUR SIGNATURE BELOW, YOU ACKNOWLEDGE AND AGREE THAT YOUR ACCEPTANCE OF THIS AGREEMENT 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 OF THE COVERED VEHICLE.

You should carefully read the front and back of this Agreement for additional information on conditions, limitations and exclusions that could prevent you from receiving the amount due under a Qualifying Loss attributed to a Constructive Total Loss.

**YOUR RIGHT TO CANCEL:** You have the unconditional right to cancel this optional Agreement for a refund/credit of the unearned portion of the charge for this Agreement at any time. If the Agreement is terminated or cancelled by You within 30 days of the Agreement purchase, you will receive a full refund/credit of the Agreement cost, provided no Constructive Total Loss has occurred. After 30 days, you will receive a refund/credit of the Agreement cost calculated by the Pro Rata refund method, or by the refund method as may be required by state or federal law, less a \$50.00 cancellation fee, where such cancellation fee is permitted by law. To cancel this Agreement and request a refund/credit, you must contact the DEALER, in writing, at the address shown above. If the refund/credit is not received within 60 days of notice of cancellation, contact the Administrator shown below. In the event of a cancellation, the Financial Institution/ Lender will be named as payee on all refunds and sole payee on a repossession refund.

This Agreement has no coverage to any COVERED VEHICLE where: a) the amount financed is greater than the Maximum Amount Financed Limit; and/or b) the Financing Contract term exceeds the Maximum Term stated above.

By your signature below, you acknowledge you have read and understand this Agreement and its conditions, and no other verbal representations have been made to you that differ from these written provisions and that this Agreement is not an insurance policy or part of an insurance policy. You authorize release of financing contract, or any other information required for processing this Agreement or processing of a loss.

YOU Signature	Date	DEALER	Date
Co-YOU Signature	Date	Title	

REPORT A LOSS TO OUR ADMINISTRATOR:  
Administrator: DRIVESMART AUTO CARE, INC ( 877)747 6982

## DEFINITIONS

**Administrator:** DriveSmart Auto Care, Inc. 310 Main Street, Toms River, NJ 08753 (877) 747 6982

**Agreement:** This document outlines the terms, conditions, exclusions, and limitations as they pertain to the coverage provided.

**Commercial Purposes** means the use of the COVERED VEHICLE as a taxicab, public omnibus, jitney or sightseeing conveyance, or for carrying goods or passengers for compensation or hire or the COVERED VEHICLE exceeds 12,500 lbs. (GVWR).

**Constructive Total Loss** means a direct and accidental loss of or damage to the COVERED VEHICLE, which meets one of these criteria: 1.) the total cost to repair the COVERED VEHICLE is greater than or equal to the Actual Cash Value of the COVERED VEHICLE immediately prior to the loss; or 2.) YOUR **Primary Carrier** declares the COVERED VEHICLE a total loss. In the case there is no primary insurance coverage, the COVERED VEHICLE must be available for the Administrator's inspection to determine if the COVERED VEHICLE is a total loss, except in the case of unrecovered theft.

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

**Dealer** – The dealer you originally purchased/financed the COVERED VEHICLE from.

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

**Financial Institution/Lender** means the entity to which your Financing Contract is sold, assigned or transferred.

**Loan** means Financing Contract.

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

**Settlement Date** - the date on which the Primary Carrier issues the settlement check for the COVERED VEHICLE Installment Sales Contract means Financing Contract.

**You** – YOU The natural person(s) or business named in the Financing Contract purchasing this Agreement from the DEALER.

**A Loss must be reported to the Administrator within 90 days from Your Primary Insurance Settlement Date. No amount will be waived for any Loss reported after 90 days. In the event there is no Primary Insurance, YOU have 90 days from the Date of Loss to report a Claim. A Loss will cause this Agreement to terminate and be fully earned and not subject to any cancellation refund.**

**LOSS PROCEDURES:** In the event of a Constructive Total Loss, you must notify and provide the following to the Administrator. Please submit: 1) a copy of the Financing Contract or bill of sale, proof of cash receipt or cashier's check, and any supporting documents disclosing the original cash down payment amount to be protected along with a copy of this signed Agreement, 2) a legible copy of the police report, which must include confirmation of the COVERED VEHICLE shown on this Agreement. If a police report is not available, and the cause of loss to COVERED VEHICLE was NOT due to theft or fire, a signed and notarized brief description of the loss (including confirmation of the COVERED VEHICLE) will be acceptable, 3) a copy of the settlement check, COVERED VEHICLE valuation report and total loss breakdown, color photos and complete total loss package from Primary Carrier and Declarations Page issued by the Primary Carrier, (provided Primary Carrier coverage is in effect on the Date of Loss), 4) 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 vehicle was purchased new). If the vehicle was purchased used, a copy of the bookout sheet, 5) any additional or reasonable documentation requested by the Administrator. The Administrator will not be able to obtain this information for you.

## AGREEMENT TERMS

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In the event of a Total Loss of the COVERED VEHICLE during the term of the Financing Contract, and compliance by the YOU with the Loss Procedures, the DEALER will apply an equal amount of the original down payment for the above COVERED VEHICLE, according to the Financing Contract or bill of sale and any original supporting loan documents, to the new Financing Contract when the YOU finance a replacement COVERED VEHICLE for the above described COVERED VEHICLE with the above named Creditor/Dealer. Only the event of a Total Loss of the COVERED VEHICLE is subject to relief under the Car Deposit Reimbursement Agreement. Partial loss of the COVERED VEHICLE is not subject to relief under the Down Payment Reimbursement .

**IN ORDER TO RECEIVE THE CAR DEPOSIT REIMBURSEMENT, YOU MUST RETURN TO THE ORIGINAL DEALER AND PURCHASE A REPLACEMENT VEHICLE WITHIN 60 DAYS OF REPORTING THE LOSS TO THE ADMINISTRATOR. In the event the YOU do not qualify for financing with the DEALER for the replacement vehicle Financing Contract, the DEALER will refund in full the Agreement cost of this down payment protection plan back to the YOU.**

## CONDITIONS

1. Concealment, Misrepresentation and Fraud: This Agreement may not cover a loss if YOU intentionally conceal or misrepresent any material fact relating to this Agreement.

2. You are responsible for making at least the minimum payment under the terms of the Financing Contract for each payment due scheduled after the Date of Loss until the request for a Loss has been processed.

3. Should you not have collectible automobile physical damage insurance on the Date of Loss, it is your responsibility to advise the Administrator within 90 days from the Date of Loss and have the COVERED VEHICLE available for inspection by the Administrator (inspection will be paid by the Administrator). The Administrator will calculate the Actual Cash Value of the COVERED VEHICLE immediately prior to the loss.

4. This coverage applies only to a Loss sustained while the COVERED VEHICLE is within the United States of America (USA), its territories or possessions, Canada, or being transported between any parts thereof.

5. The DEALER will submit a copy of this form to the administrator obligor by way of our portal or fax.

## MITIGATION OF LOSS

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

## EXCLUSIONS

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

- A. occurring prior to the effective date of this Agreement.
- B. occurring prior to the Financing Contract inception date shown in the schedule.
- C. due to confiscation of the COVERED VEHICLE by a government body or public official.
- D. all down payment amounts applied from factory incentive programs or dealer cash support programs.

- E. caused by theft, unless a police report is filed.
- F. due to normal wear and tear, freezing, mechanical or electrical breakdown or failure.
- G. Total loss of COVERED VEHICLE resulting from abandonment of the COVERED VEHICLE by the YOU only when COVERED VEHICLE has been voluntarily discarded, or left behind, or otherwise relinquishes possession of COVERED VEHICLE to the extent that the relinquishment shows intent to forsake and desert the COVERED VEHICLE so that the COVERED VEHICLE may be appropriated by any other person.
- H. resulting from the COVERED VEHICLE being operated, used, or maintained in any race, speed contest, or other contest.
- I. to the COVERED VEHICLE held as security under any wholesale, floor plan, field warehouse, or any type of financing made to a dealership or its employees.
- J. to the COVERED VEHICLE, while used for Commercial Purposes.
- K. occurring after the COVERED VEHICLE has been repossessed by the Financial Institution/Lender or placed in their possession or in the possession of their employees or agents.
- L. to COVERED VEHICLE with a Financing Contract in which the Amount Financed for COVERED VEHICLE exceeds the Maximum Amount Financed Limit shown on the front of this Agreement at the inception date of the Financing Contract.
- M. to COVERED VEHICLE with a Financing Contract where the contract term exceeds the Maximum Term as shown on the front of this Agreement.
- N. to the following vehicles which are excluded from coverage: Daewoo and Yugo.
- O. attributable to other than the standard or optional equipment available from the manufacturer of the COVERED VEHICLE, including but not limited to: special carpeting, furniture, bars, audio, video, or data equipment, cooking and sleeping facilities, customized paint, or any equipment installed to overcome a physical handicap. Factory approved conversion packages and dealer installed options usually included in used car value guidebooks are not excluded.
- P. to the COVERED VEHICLE with a salvage or rebuilt due to Lemon Law or rebuilt title at the time of sale or for which title has been changed or re-issued as salvage or rebuilt prior to the Date of Loss.
- Q. resulting directly or indirectly from any dishonest, fraudulent, criminal, or illegal act or arising from an intentional act committed by you or a person covered under the policy underwritten by your Primary Carrier.
- R. due to war, whether or not declared, invasion, civil war, insurrection, rebellion, or revolution.

#### TERMINATION OF AGREEMENT

This Agreement will terminate on the earlier date that one of the following events occurs: 1. the date your Financing Contract is scheduled to terminate; 2. upon payment in full of the Financing Contract; 3. expiration of any redemption period following the repossession or surrender of the COVERED VEHICLE; 4. in the event of a Constructive Total Loss or theft of the COVERED VEHICLE; or 5. the date the Financing Contract is prepaid or the Financing Contract if refinanced. 6. The term of this Agreement has expired

#### STATE PROVISIONS

Colorado, Kansas, Indiana, Louisiana, Massachusetts, Missouri, New Mexico, Vermont, and Wisconsin: The cancellation fee is not applicable.

THIS IS NOT A VEHICLE LIABILITY INSURANCE CONTRACT. THIS NOT AN AUTOMOBILE PHYSICAL DAMAGE INSURANCE CONTRACT. THE PURPOSE OF THIS CONTRACT IS NOT REQUIRED TO PURCHASE YOUR COVERED VEHICLE OR TO OBTAIN FINANCING. IN ORDER FOR THIS CONTRACT TO BECOME EFFECTIVE IT MUST AND IS REQUIRED TO BE REGISTERED WITH THE PROGRAM ADMINISTRATOR, DRIVESMART AUTO CARE, INC, 310 MAIN STREET, TOMS RIVER NEW JERSEY (888) 578 3711