

# **FACT SHEET – Products Eligible For ZERO Plan® Financing**

12-26-16

The Retailer Agreement allows any enrolled ZERO Plan® Retailer to finance products approved by Universal Lenders LLC. Eligible and approved products can be found on the Approved Product List displayed on the ZERO Plan® website. Products that have been screened and not approved for the list can also be found on the Ineligible List published on the ZERO Plan® website.

Universal Lenders will consider any policy for inclusion on the Approved Product list. Retailers or Agents are encouraged to send a full specimen copy of the policy to Universal Lenders LLC for review.

The criterion for approving a product for ZERO Plan® financing are:

- The product must be cancellable with a returned of unused premium based on the pro rata method.
- The product must be reinsured by an insurance company Best Rated B+ or higher.
- The product must protect the lien holder's right to the cancellation refund.
- The cancellation refund or return of unused premium must not be reduced by paid or pending claims.

The most common reason for not approving products for ZERO Plan® financing are:

- Cancellation refunds are based on dealer cost and not calculated from retail sales price.
- Cancellation refunds are reduced by paid or pending claims.
- The product is uninsured

Products that will not be considered for ZERO Plan® financing are:

- GAP or GAP like products.
- Credit Life or Disability Insurance.
- Non-cancellable products issued with a product warranty

## **EXCEPTIONS**

Retailers will be allowed to finance ineligible products when Universal Lenders LLC makes an exception for that retailer. Exceptions are granted based on the following:

- Exceptions are granted for franchised new vehicle or product retailers only.
- Retailer signs the Retailer Exception Acknowledgment form.
- Exceptions can be granted to any enrolled retailer when the specific state legal language of the policy meets the above criterion.