

GUARANTEED ASSET PROTECTION WAIVER ACT (EXCERPT)
Act 229 of 2009

***** 492.27.new THIS NEW SECTION IS EFFECTIVE JULY 7, 2010 *****

492.27.new Disclosure; contents.

Sec. 7. A guaranteed asset protection waiver must disclose, in writing and in clear, understandable language that is easy to read, all of the following, if applicable:

(a) The name and address of the initial creditor and the borrower at the time of sale, and the identity of any administrator if different from the creditor.

(b) The purchase price and the terms of the guaranteed asset protection waiver, including, but not limited to, the requirements for protection, conditions, or exclusions associated with the guaranteed asset protection waiver.

(c) That the borrower may cancel the guaranteed asset protection waiver during the free look period specified in the waiver; and is entitled to a full refund of the purchase price if the borrower has not received benefits under the waiver, or to any full or partial refund included in the waiver if the borrower has received benefits under the waiver.

(d) The procedure the borrower must follow, if any, to obtain guaranteed asset protection waiver benefits under the terms and conditions of the waiver, and a telephone number and address where the borrower may apply for waiver benefits.

(e) Whether or not the borrower may cancel the guaranteed asset protection waiver after the free look period; if so, the conditions under which the borrower may cancel or terminate that waiver; and the procedure the borrower must follow to request any refund due.

(f) That in order to receive any refund due for the cancellation of the guaranteed asset protection waiver, or the early termination of the finance agreement after the free look period, the borrower must provide a written request for a refund to the creditor, administrator, or other party named in the waiver within 90 days after the cancellation of the guaranteed asset protection waiver or the occurrence of the event terminating the finance agreement.

(g) The methodology for calculating any refund of the unearned purchase price of a guaranteed asset protection waiver due to a borrower for the cancellation of a guaranteed asset protection waiver or early termination of the finance agreement.

(h) That a creditor may not condition an extension of credit, the terms of that credit, or the terms of the related finance agreement on the purchase of a guaranteed asset protection waiver.

History: 2009, Act 229, Eff. July 7, 2010.