

COLLATERAL RISK MANAGEMENT

Supplying you with the knowledge to protect your loan collateral



Growing Need for Standardized Product Cancellation and Refund Process

Ensuring consumers benefit from the financial impact of refundable ancillary products such as GAP, Vehicle Service Contracts, and Credit Life and Health continues to be a focus for regulatory bodies that oversee financial institutions. As a response many lenders have changed, or are in the process of changing, how they handle ancillary product cancellations and obligatory refunds.

In July, a class action lawsuit was filed in Colorado. The lawsuit alleges a failure to refund unearned GAP fees originated and sold by dealers and serviced by financial institutions after the loans were paid off early.

To learn more about the importance of establishing a standardized refund process, visit Allied Insights

[Read the Blog](#)

Allied Solutions regularly monitors the regulatory changes as they occur and is aware of the litigation in Colorado. We have been proactive in monitoring product refund liability requirements for financial institutions operating through dealer channels with indirect lending.

There is a growing need for lenders to control the refund process as they are

being held accountable by Federal and state regulations. These process needs include:

- Shorter process cycle timeframes for refunds
- Improved accuracy of consumer refund amounts
- Improved transparency and audit trail to track consumer refunds
- Proof that a consumer received their refund

For more information on compliance and oversight regarding product refund liability download our whitepaper, “From Afterthought to Strategic Approach: Managing Ancillary Product Refunds”

[Download the Whitepaper](#)

**Click to be notified
of upcoming
webinar events!**

SUBSCRIBE

Stay
Informed



LinkedIn



Twitter



Facebook

This email was sent to:

This email was sent by: Allied Solutions
350 Veterans Way Carmel, IN, 46032

We respect your right to privacy - [view our policy](#)

[Manage Subscriptions](#) | [Update Profile](#) | [Unsubscribe](#)