



## The XL Collateral Protection Program

**BROAD COVERAGE\* AFFORDABLY PRICED\* CONVENIENTLY BILLED\***

The XL Collateral Protection Program (“XLP”) provides Auto Physical Damage coverage, exclusively for inventory Dealers finance with XL Funding. XLP is summarized below:

**Property Covered:** All inventory financed by XL Funding.

**Coverage Territory:** USA and its possessions.

**Coverage Term:** Until the interest of XL is satisfied, unit is sold, delivered or otherwise disposed.

**Coverage:** Direct physical loss to covered units resulting from but not limited to the following perils: collision, upset or overturn, theft, vandalism, fire, earthquake, flood, hail and windstorm.

**Limit:** \$500,000 per location and \$50,000 per vehicle.

**Repair Discount:** 25% Parts Discount. 25% Labor discount.

**Deductible:** \$500 per unit with no aggregate limitation for all covered perils but theft, which is subject to an escalating deductible, increasing \$500 per unit with each subsequent “loss” occurrence, maxing at \$1,500 per unit

**Principal Exclusions:**

- Units at assembly plants
- Units rented/leased/ sold
- Units under conditional sale
- Racing or stunt contest losses
- Employee Dishonesty
- Prospective Profit
- Diminution
- Theft by False Pretense
- War or Military Action
- Governmental Seizure
- Nuclear Events.
- Terrorism
- Acid Rain/Rust/Corrosive action
- Mechanical wear and tear
- Financial/Consequential Loss

**Program Charges:** Paid at the time of loan payoff or curtailment

Example of Daily Charge for \$10,000 Balance		
*Rates based on 360 Days* & *Include XL Admin Fee*		
Territory/ State	Daily %	Daily \$
All States	0.0173%	1.73

YES, enroll me in XL Collateral Protection Plan. I understand that by signing this application, I agree to the terms and conditions of XL master policy. **I further understand that this insurance does not over personal injury, nor does it cover loss to vehicles or property of others.**

No, I decline and will provide XL with a Certificate of Insurance per the below:

Dealers that do not enroll in XLP are contractually obligated to provide evidence of insurance showing the following:

- (1) Auto Physical Damage coverage with limits no less than 66% of the dealer’s approved credit line,
- (2) XL Funding LLC c/o DealerGuard 26555 Evergreen Road, Suite 410 Southfield MI 48076 as the loss payee, and
- (3) Coverage in force for the duration of security agreement with XL Funding, LLC.

Signature

Date

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Note: This coverage illustration is not intended to represent or replace the actual policy wording. Coverage may be amended from time to time, and program participants will be so notified.