

§ 66-481. Definitions.

The following definitions apply in this Article:

- (1) Administrator. – The person responsible for the administrative or operational functions of vehicle value protection agreements, including, but not limited to, the adjudication of claims or benefit requests by contract holders.
- (2) Commercial. – A transaction wherein the motor vehicle will primarily be used for business purposes rather than personal.
- (3) Contract holder. – A person who is the purchaser or holder of a vehicle value protection agreement.
- (4) Finance agreement. – A loan, retail installment sales contract, or lease for the purchase, refinancing, or lease of a motor vehicle.
- (5) Free-look period. – The period of time from the effective date of the vehicle value protection agreement until the date the vehicle value protection agreement may be canceled without penalty, fees, or costs.
- (6) Insurer. – An insurance company licensed, registered, or otherwise authorized to issue contractual liability insurance under the insurance laws of this State.
- (7) Motor vehicle. – Self-propelled or towed vehicles designed for personal or commercial use, including, but not limited to, automobiles, trucks, motorcycles, recreational vehicles, all-terrain vehicles, snowmobiles, campers, boats, personal watercraft, and related trailers.
- (8) Person. – Includes an individual, company, association, organization, partnership, business trust, corporation, and every form of legal entity.
- (9) Provider. – A person that is obligated to provide a benefit under a vehicle value protection agreement.
- (10) Vehicle value protection agreement. – Includes a contractual agreement that provides a benefit towards either the reduction of some or all of the contract holder's current finance agreement deficiency balance, or towards the purchase or lease of a replacement motor vehicle or purchase of motor vehicle services, upon the occurrence of an adverse event to the motor vehicle, including, but not limited to, a less than total physical damage loss or diminished value or depreciation. An agreement may include related agreements such as trade-in credit agreements, diminished value agreements, depreciation benefit agreements, or other similarly named agreements. The term does not include a guaranteed asset protection waiver as defined in G.S. 66-440(5). (2021-172, s. 3.)