

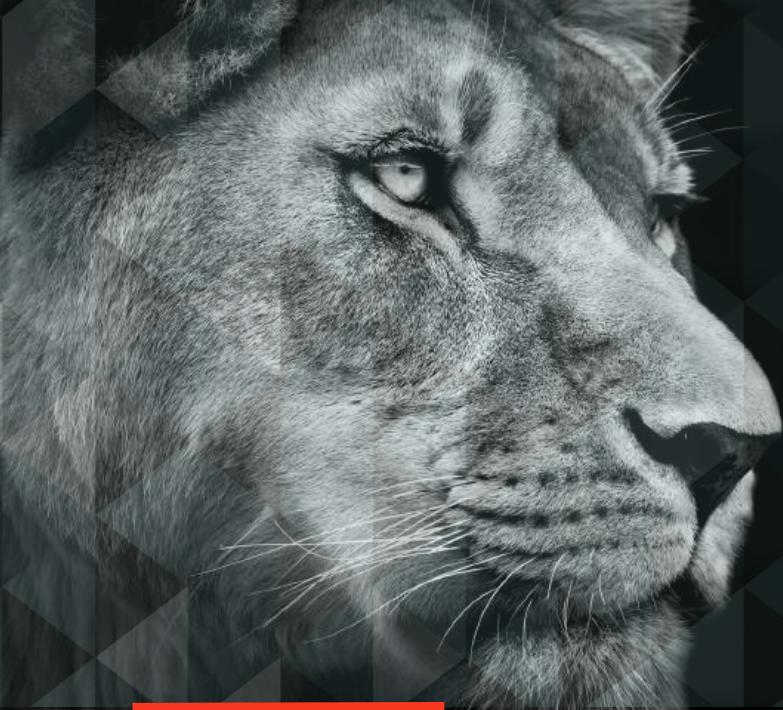


# Managed Cancellations

## Tech-Enabled Solution Overview

*Refund with Confidence*





PROVEN

**1.75M**

CANCELLATIONS  
PROCESSED ANNUALLY

**100<sup>+</sup>**

CONNECTIONS TO  
PRODUCT COMPANY  
SYSTEMS

TRUSTED BY

**100<sup>+</sup>**

AUTO LENDERS

**600<sup>+</sup>**

F&I PRODUCT  
ADMINISTRATORS

**F&I SENTINEL**

# Managed Cancellations

*Engineered for Accuracy. Built for Oversight.*

## The F&I Product Refund Challenge

Disparate third-party systems and data silos, along with a markedly more complex landscape with a patchwork of state-specific refund rules, make many aspects of the F&I product cancellation process manual, error-prone and inefficient.

With the number of accounts that lenders must process—60 percent of indirect auto loans have at

least one F&I product, and approximately 70 percent of loans are terminated early—the cancellation and refund process is made even more onerous, exposing lenders, dealers and product companies, alike, to reputational, business, financial, compliance and legal risks.

**60%**

INDIRECT AUTO LOANS  
WITH ONE F&I PRODUCT

**70%**

AUTO LOANS THAT  
TERMINATE EARLY

## Common Issues

- Missing administrator information
- Incomplete F&I product form data
- Delayed dealer-initiated cancellation
- Lender and product company data mis-match
- Product company responsiveness

## F&I Sentinel Managed Cancellations

As a pioneer in F&I product cancellations, we know that no two lenders' requirements are alike and offer two cancellation solution options to meet lenders where they are on their refund journey.

### 1 Tech-Enabled

- Direct-to-product company cancellation and refund process
- Supports all F&I product types
- Built-in compliance with state refund rules
- System of record with audit logs

### 2 Fully Automated

- Leverages the FAIRRCalc refund quote engine to provide form-specific refund calculations
- Real-time refund quotes
- Support for GAP waiver and CLAH
- System of record for applicable F&I product types with audit logs

# F&I SENTINEL | Managed Cancellations

## 1 Tech-Enabled Solution

Our tech-enabled Managed Cancellations solution connects lenders, dealers, and product companies to automate, validate, and process F&I product cancellations in full regulatory compliance. More than 100 lenders leverage our solution to improve data transparency, operational efficiencies and preserve brand reputation across the full spectrum of termination events: prepaid, total loss, repossession, charge-off, etc.

### Core Capabilities

#### UNIFIED CANCELLATION INTERFACE

- Manages all cancellation and refund activity across product companies in one system
- Account entry via user interface and automated file uploads e.g. xls, csv, txt formats

#### CANCELLATION PROCESSING & NOTIFICATION

- Intakes cancellations via user-interface, SFTP or API
- Sends dealer and product company cancellation notice via fax or email, with failsafe capability
  - Reminders configurable by frequency and interval

- NEW** • Sends consumer notification letters with refund amount due

#### INTEGRATED REFUND QUOTE

- Intakes refund data from product companies via API and user interface
- Tracks refund variances and highlights potential compliance issues
- Proactive alerts for out-of-tolerance refund variances

#### REFUND TRACKING AND RECONCILIATION

- Tracks refund due, fee charged, net refund and payment status
- Full audit history of every action taken per account

#### COMPLIANCE ENGINE

- Configure cancellation fees by state and product type
- Setup free-look parameters for no-fee cancellations within designated timeframes
- Establish refund variance parameters
- Proactive alerts on state rule mismatches

#### DEALER MANAGEMENT TOOL

- Streamlines dealer record administration to ensure accurate communications
- Bulk dealer record creation, field-level overrides
- Full audit history

#### SMARTFORM WORKFLOWS

- Enter and edit consumer account, vehicle and F&I product data in one interface
- Auto-calculates refund timelines and eligibility
- NEW** • Support for all product types including bundles

#### **NEW**

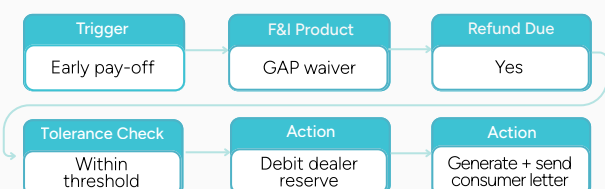
##### DYNAMIC DECISION ENGINE

The Dynamic Decision Engine automates and ensures refund rules are applied consistently while logging actions and changes for audit readiness.

It supports the application of refund rules based on a multitude of scenarios using variables including:

- Account data, e.g. product type, cancel type
- Dealer status
- Product company provided refund response

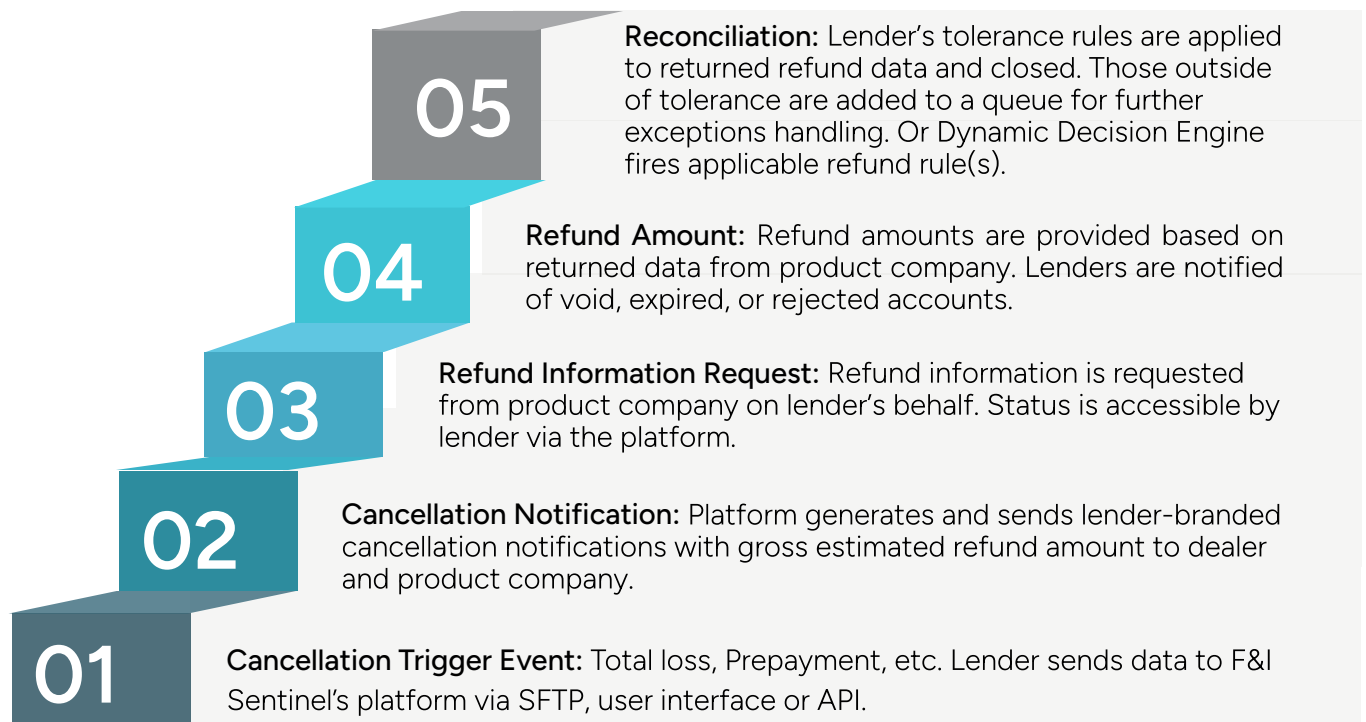
##### Sample Scenario



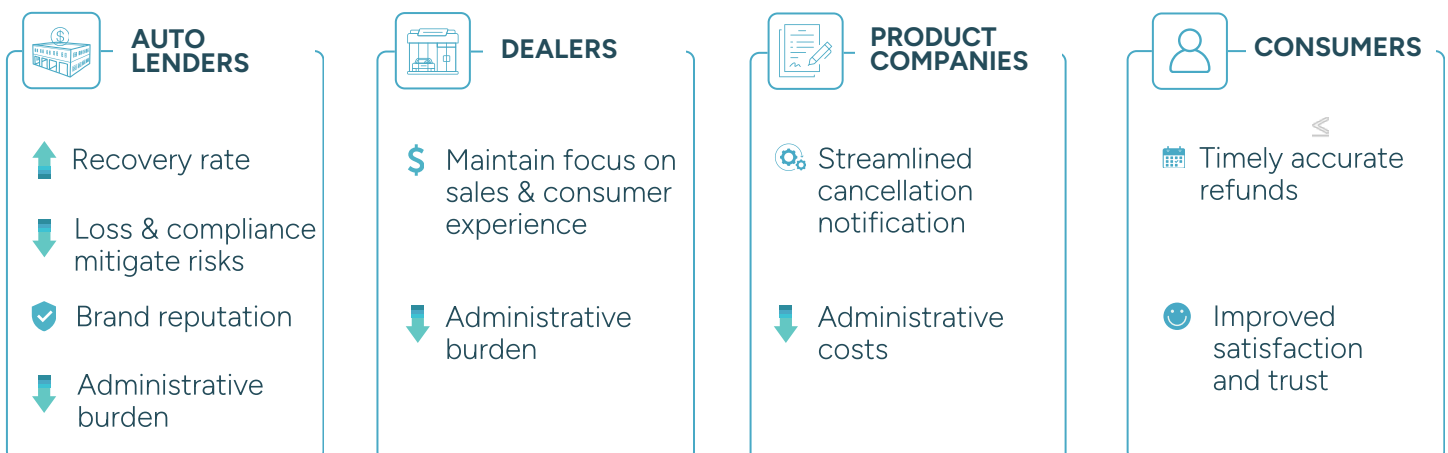
# F&I SENTINEL | Managed Cancellations

## 1 Tech-Enabled Solution

### 5-STEP PROCESS



## Benefits for all stakeholders





# F&I SENTINEL | Managed Cancellations

## 1 Tech-Enabled Solution



### ESTABLISHED PRODUCT COMPANY RELATIONSHIPS

As the leader, we interact regularly with more than 600 F&I product administrators and bring those relationships to bear on behalf of our lender customers for timely product company responses and exceptions processing scenarios.



### PEER BENCHMARKING

As we manage F&I product cancellation processes for over 100 lenders in total, all lender partners benefit from insights into these industry-leading best practices.



### UNPARALLED INSIGHTS

Lender partners stay ahead of news and legislative developments impacting F&I product compliance management with the most relevant updates curated by our Concierge Compliance Team delivered each month to their inbox.



### 3<sup>RD</sup> PARTY INTEGRATION

Platform API enables integration with product company contract administration systems where available reducing response times while maintaining data integrity and audit history.



### OPEX COST SAVINGS

Reduce direct expenses and mitigate financial, reputational and legal risks. Outsource the highly specialized and people-intensive function to the only provider with the regulatory experience and technology automation capabilities.



### OPTIMIZE DEALER / PRODUCT COMPANY RELATIONS

We liaise directly with dealers and product companies on the lender's behalf for all F&I product-related matters, enabling lenders to focus on value creation interactions with dealers.

## Mission

Create a compliant, transparent and efficient F&I product marketplace for automotive lenders, dealers and product companies.

### Year Founded

2018

### Number of Employees

100+

### Accolades



2023, 2024, 2025



### Contact

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Source for F&I product attachment statistics: [Katcher, Bradley, Geng Li, Alvaro Mezza, and Steve Ramos \(2024\). "One Month Longer, One Month Later? Prepayments in the Auto Loan Market." Finance and Economics Discussion Series 2024-056, Washington: Board of Governors of the Federal Reserve System.](#)