

NADA Releases Model Dealership Voluntary Protection Products Policy

NADA has released the new, optional [NADA/NAMAD/AIADA Model Dealership Voluntary Protection Products Policy](#) to car and light-truck dealer members. This new resource, prepared in consultation with voluntary protection product (VPP) experts throughout the motor vehicle industry, provides franchised dealers an optional policy template they can use to help ensure that their VPPs are marketed and offered to customers in a compliant, professional and consumer-friendly manner. The policy template generally sets forth:

- the dealership's commitment to a transparent and professional VPP process;
- procedures the dealership will adopt to ensure the VPP policy is implemented and maintained; and
- a series of actions the dealership will take throughout the lifecycle of VPPs, including those related to product selection, pricing, advertisement, presentation, sale, cancellation and, when they arise, customer complaints.

The optional policy is not mandated by federal or state law. In addition, some states and localities impose requirements that differ from or supplement certain elements of the policy template, so it's essential that a dealership review communications from its state and metro dealer associations and consult legal counsel to determine appropriate VPP procedures to adopt.

The guide, including an editable MS Word version of the policy template, also is available to NADA members at www.nada.org/voluntaryprotectionproducts.

