



State of Louisiana
LOUISIANA MOTOR VEHICLE COMMISSION

M. J. "Mike" Foster, Jr.
Governor

Lessie A. House
Executive Director

August 1, 2001

BULLETIN #B-2001-05

TO: Motor Vehicle Dealers & Motor Vehicle Sales Finance Companies

RE: LSA-R.S. 6:969.26 D

In the past legislative session LSA-R.S. 6:969.26 D of the Motor Vehicle Sales Finance Act was amended to read as follows:

D. The **seller shall and the** lender may, in addition, offer the consumer the option of voluntarily purchasing gap coverage protecting the consumer from possible liability as a result of the consumer's property insurance being insufficient to fully pay and satisfy the then unpaid balance under the consumer's contract as a result of a total loss of vehicle. The cost of gap coverage may be financed under the transaction and made subject to loan finance charges or credit service charges, as applicable.

This amendment becomes effective **August 15, 2001**. In that regard, we have enclosed for your use Form LMVC/GAP, **GAP COVERAGE DISCLOSURE**. A copy of this form should be delivered to the consumer and is a permanent part of your finance file.