



## NMAC CHARGEBACK POLICY

For All Nissan Dealers

Language Revised

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*The following policy supersedes bulletin 23-1-0104.*

- During a rolling origination scoring period of **three months (quarterly)**, if less than 15% of your retail contracts payoff or close early,\* your chargeback period will remain at **three customer payments**.
- If your retail contract early payoffs or closures are equal to or exceed 15% in a quarterly scoring period (minimum 30 retail originations in a scoring period), your dealership will be issued a notice detailing the excessive early payoffs and closures and will be allowed the successive quarter to reduce the excess.
- If the dealer does not reduce the excess of early payoffs and closures, and remains at or above 15% the next quarter, the chargeback period will expand to **six customer payments**.
- The dealer will remain at a **six customer payment chargeback period** until early payoffs and closures are reduced below 15% in successive quarters.

*\*Paid off before three customer payments. Early payoffs and closures include bankruptcy, vehicle repossession, and charge-offs.*

Your Financial Services Manager will provide you with a monthly report. Any discrepancies should be reported to your FSM as soon as possible.

As a reminder, if a retail contract is paid off during your chargeback period, NMAC may revoke payment. If this results in you owing money to NMAC at the end of any month, you are responsible for paying the negative balance immediately.

If you have questions, please contact your Financial Services Manager.