

# Regulatory Risks in Providing Coronavirus-based Payment Deferrals

April 17, 2020

The coronavirus outbreak has resulted in an economic recession spurred by shelter-in-place orders that have shuttered doors for nonessential businesses, including most car dealerships. Virtually every major auto financier has now implemented some sort of payment relief program that allows consumers to defer payments with or without interest. However, no good deed goes unpunished, and there are many compliance considerations that lenders will have to keep on their radar.

**Mark Edelman** and **Kelly Lipinski** (Cleveland) joined Auto Finance News for a compliance roundtable to address the key issues auto lenders are facing today. From eligibility and proof, to F&I products and servicing implications, Mark and Kelly detailed actionable advice for lenders to mitigate regulatory risks with deferral programs.

“Lenders need to be thoughtful that they are putting in place a program that will be applied in a fair manner, a meaningful manner, and in a consistent manner,” Lipinski advised, noting that auto lenders need to evolve with the changing terrain the coronavirus pandemic has brought on.

[Tune into the exclusive interview here.](#)

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Mark S. Edelman

Kelly Lipinski