Automotive Financial Services

Driving Growth with Legal Precision

Operating in the dynamic automotive finance sector requires deep knowledge of commercial, consumer, and ancillary products. Hinshaw can help.

We provide state-of-the-art representation to automotive finance clients nationwide. With a deep understanding of the distinct issues facing stakeholders in this sector, we help clients manage risk and navigate the complex regulatory landscape in which they operate.

Our team has decades of firsthand experience advising industry-leading businesses on the full range of transactional, regulatory, compliance, and litigation matters impacting the automotive finance industry. At Hinshaw, we deliver strategic counsel backed by decades of experience serving captive automotive finance companies, independent automotive finance companies, banks and credit unions, online and retail vehicle marketplaces, fintechs, ancillary product providers, and private equity investors.

We advise clients at every step, including licensing, advertising, lending operations, product design, loan structure and documentation, collections, bankruptcies and workouts, loan-level litigation, compliance management systems, and third-party relationship management.

Whether you are structuring a new loan product, navigating licensing and compliance issues, acquiring a portfolio, or developing an e-commerce platform, our team understands the operational realities of your business and provides practical legal solutions to support growth and manage risk.

Industry Immersion, Regulatory Agility: Our team brings decades of experience advising clients across the automotive finance ecosystem—helping them adapt to new regulations, design new products, defend against enforcement actions, and scale with confidence. We understand the operational complexity behind every credit decision, dealer partnership, and risk decision.

Cross-Sector Perspective, Integrated Counsel: We advise not just lenders and servicers, but also marketplaces, digital platforms, warranty providers, and investors, offering a 360-degree view of the legal landscape that spans both commercial and consumer finance. We also routinely defend clients against consumer protection and lender liability claims and in bankruptcy proceedings nationwide.

Practical Guidance Built for Scale: Whether you're managing a national dealer network, integrating a new portfolio into your servicing platform, or preparing for a licensing audit in multiple states, we deliver scalable legal solutions tailored to your growth strategy and compliance obligations.

Areas of Focus

Automotive Floorplan Lending

We regularly guide financial institutions and lenders in high-volume, asset-based, or floorplan commercial loan transactions regarding structures, documentation, negotiations, closings, and best practices. Our cross-disciplinary team also provides proactive—and often preemptive—counsel regarding loan-level litigation, workouts, out of court loan restructuring, and other atypical resolutions involving troubled dealers and assets.

We also regularly advise floor plan lenders on:

- Due diligence and risk analysis
- Reviews of document suites
- Subordination and intercreditor agreements
- Real estate loans in the context of floor plan lending
- Negotiation and closing of new floorplan loans and affiliated loan packages
- Structured termination of floor plan relationships with dealers

Consumer Retail Installment Sales, Leases & Loans

We routinely advise clients on each aspect of the automotive financing process, from licensing to the initial credit application to retail installment sales contract, loan and lease agreement documentation, through servicing, collections and repossession. We develop policies and procedures, compliance management systems, consumer correspondence, and quality assurance and quality control programs. We also represent clients in state, CFPB and OCC supervision matters and defending enforcement actions brought by the FTC, CFPB, OCC, Department of Justice and multiple state regulators and Attorneys General.

Examples of our recent experience include:

- Advising automotive finance companies on developing fair lending disparate impact self-assessments and related policies and procedures
- Advising automotive finance companies serving limited English proficiency (LEP) borrowers, including providing Spanish translations of websites and other servicing correspondence
- Advising automotive finance companies in connection with state and CFPB supervisory examinations
- Representing automotive finance companies in connection with civil investigative demands by state Attorneys General
- Creating and updating the full suite of nationwide repossession notices and accompanying policies and procedures, including specific notices for use when the borrower is protected by a bankruptcy proceeding

- Licensing a leading global investment business in its purchase of portfolios of consumer motor vehicle secured retail installment contracts
- Conducting due diligence on numerous samples of consumer motor vehicle secured retail installment contracts for bulk portfolio acquisitions and commercial credit extensions
- Developing and updating surveys of state laws extending benefits and protections to servicemembers beyond the Servicemembers Civil Relief Act (SCRA) for automotive finance companies
- Advising a leading e-commerce platform for automobile dealers on federal and state law compliance
- Representing automobile dealers on state licensing and structural issues related to e-commerce platforms and the development of sales and financing documentation

Ancillary Products

Understanding the complexities of ancillary products is key to every automotive finance client. The combination of our insurance and consumer financial services regulatory and compliance teams provides deep experience on federal and state law issues impacting the structure, documentation, licensing, sale, and financing of ancillary products, including credit insurance products, debt cancellation agreements (GAP insurance and waivers), service contracts, and warranties. We frequently advise clients throughout the industry on these issues.

We provide regulatory and compliance guidance on the full lifecycle of ancillary products, including:

- GAP waivers and debt cancellation agreements
- Vehicle service contracts and extended warranties
- Credit insurance
- Licensing, documentation, and marketing compliance across jurisdictions

Financial Services Litigation

We have a proven track record of defending financial services clients in litigation matters nationwide. We have successfully defended clients against individual and consumer class actions, arbitrations, and in multidistrict litigation, often serving as national coordinating counsel. In addition to account-level litigation, contentious troubled-dealer matters, bankruptcies, foreclosures, and complicated workouts, we have extensive experience in lien priority, repossession, title, consumer protection, and other disputes. In fact, we have been recognized by Lex Machina as one of the top five firms nationwide in defending FDCPA, FCRA and TCPA and other consumer protection claims.

Learn More ›

Regulatory Insight. Operational Confidence.

At Hinshaw, we understand the unique legal and operational challenges facing the automotive finance industry. From dealership networks and vehicle financing structures to compliance with evolving consumer protection laws, we bring decades of hands-on experience advising companies across the auto finance lifecycle. Whether you're launching a new digital retail platform, navigating floorplan lending risk, managing a multistate regulatory exam, or defending against consumer litigation, we provide practical, business-minded counsel to keep your operations running smoothly and your business on the road to success.

Insights

Press Release
May 28, 2025

Michael Guerrero Elected to the Governing Committee of the Conference on Consumer Finance Law (CCFL)

Event
May 1, 2025

Third Annual Driving Ahead Auto Finance Seminar: Insights from Industry Leaders

To Find Out More Contact

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Related Capabilities

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Consumer Financial Services

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Financial Services

Financial Services Litigation

Financial Services Regulatory & Compliance

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