

# GAP

## Quick Reference Guide

**What Does GAP Cover?** GAP helps cover the difference between the actual cash value of the vehicle (primary insurance company settlement) and the outstanding loan balance at the time of loss.

### What Does GAP NOT Cover?

- Any refundable additions to the loan amount such as Service Contracts and other insurance
- More than 2 delinquent payments
- More than allowed Skip-a-Payments as listed on the GAP Waiver Form
- Late charges, fees, extensions or other money added after loan inception
- Any portion of the loan, at loan inception, that exceeds Max % of MSRP (new vehicles) or Max % of NADA clean retail value (used vehicles) as listed on the next page
- Interest accrued after the date of loss

### Most Commonly Asked Questions:

**Is the deductible covered by GAP?** The primary insurance deductible is waived only to the extent it is part of the GAP Amount. Any portion of the deficiency balance caused by the borrower's deductible will be reimbursed up to \$1,000.

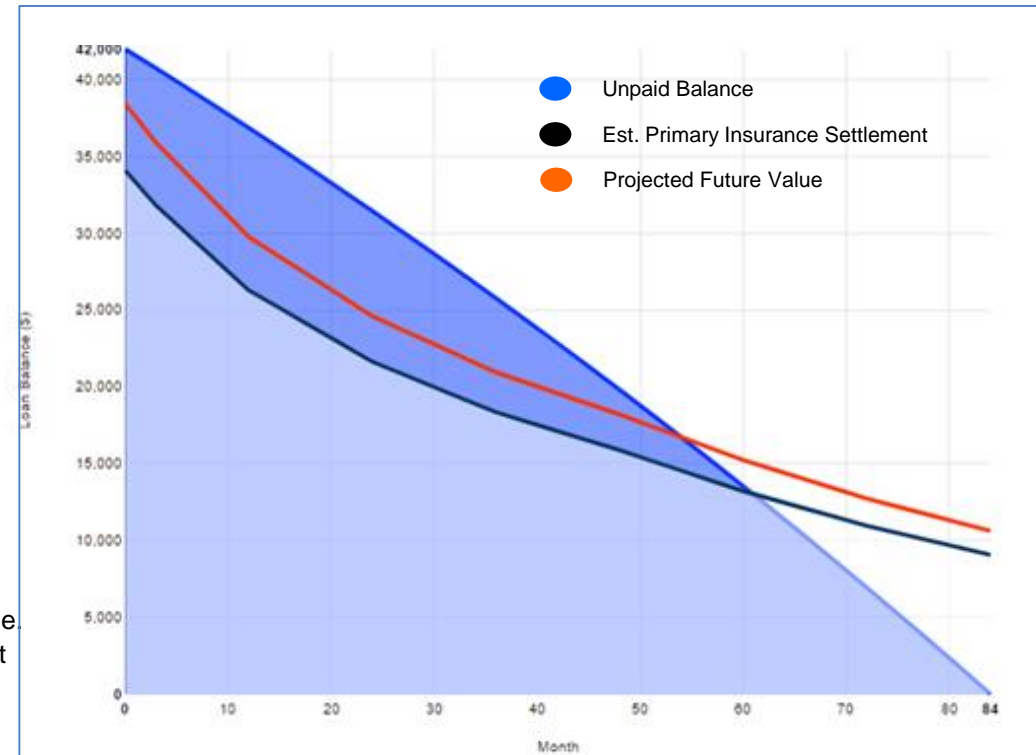
**Can GAP be transferred to a different loan or vehicle?** No, GAP is not transferable. GAP covers the loan and the vehicle that is listed on the loan agreement, and may not be transferred to a new loan or vehicle.

**What if the borrower decides to purchase their totaled vehicle back from the insurance company?** The salvage price will be deducted from their GAP Claim amount.

**If additional funds are added or the term extended will the borrower need to buy a new GAP policy?** Yes, if they would like the additional funds and/or term extensions covered.

**Can GAP be sold on a multiple collateral loan?** We recommend that GAP not be sold on this type of loan. However, if sold and a claim is filed then the claim will be adjusted to the percentage of the loan balance that the totaled vehicle represents.

**Can GAP be purchased after loan origination?** Yes, they can purchase GAP anytime after loan origination as long as they have not experienced a total loss. However, it is not retroactive and the coverage goes into effect the day the GAP is purchased and covers the remaining term and balance.



### Claim Requirements

Claim must be filed within 365 days of the Primary Carrier Insurance Settlement

#### Required Items (additional items may be requested)

- A Copy of the Primary Carrier's Settlement Check
- A Copy of the Primary Carrier's Total Loss Worksheet showing settlement calculations
- Complete Loan History including skips through the date of loss
- Copy of the original loan agreement

#### Variable Items

- Services contract/MBI refund amount
- Credit Life or Disability Refund Amount (for Single Premium only)
- Copy of the police report for thefts and/or no primary insurance only

# Eligible Collateral And Coverage Limitations



Eligible Collateral Types	Maximum Amount Financed Limit	Max % of MSRP/NAD A Clean Retail Limit	Maximum Loan Term Limits (Months)	Max. GAP Coverage Limits (Months)	Maximum Benefit	Max. Primary Carrier Deductible Limit	Borrower Pricing Term 0 – 60 Months	Borrower Pricing Term 61 - 84 Months
Private Passenger Vehicles	\$100,000	150%	84 mos.	84 mos.	\$50,000	\$1,000	\$799	\$830
Motorcycles and Misc. Collateral (ATV's, Snowmobiles, Off-Road Motorcycles)	\$50,000	150%	84 mos.	84 mos.	\$50,000	\$1,000	\$799	\$830
Commercial Vehicles*	\$100,000	135%	84 mos.	84 mos.	\$30,000	\$1,000	\$999	\$1030
Watercraft**								
Tier 1	\$0 to \$30,000	150%	84 mos.	84 mos.	\$50,000	\$1,000	\$799	\$830
Tier 2	\$30,001 to \$100,000	135%	240 mos.	84 mos.	\$50,000	\$1,000	\$949	\$949
RV's								
Tier 1	\$0 to \$50,000	135%	240 mos.	84 mos.	\$50,000	\$1,000	\$949	\$949
Tier 2	\$50,001 to \$100,000	135%	240 mos.	84 mos.	\$50,000	\$1,000	\$999	\$999
Tier 3	\$100,001 to \$150,000	135%	240 mos.	84 mos.	\$50,000	\$1,000	\$1049	\$1049
Tier 4	\$150,001 to \$250,000	135%	240 mos.	84 mos.	\$50,000	\$1,000	\$1254	\$1254

## Ineligible Collateral Types

- Salvage or Branded Titled Vehicles
- Vehicles that can not be found in the regular NADA publication
- Classic/Collectible/Exotic and Muscle Vehicles as defined by NADA
- Commercial Vehicles are ineligible unless you use the Commercial GAP Waiver Form
- Vehicles with equipment or conversions not installed by the manufacturer
- Leases or Loans with a balloon payment (available upon request)

### Coverage for Skip-A-Payments

The borrower will be allowed 1 skip-a-payment per year up to a maximum of 2 per loan term.

### Areas Covered

GAP coverage is for losses that occur within the United States, it's territories or possessions, Canada and Mexico.

\*Please refer to the Commercial Use Guide for our definition of Commercial Vehicles.

\*\*Watercraft with amt. financed <=\$30,000 and terms greater than 84 months are eligible under Tier 2.

### GAP Plus Benefit

The borrower is only eligible for the \$1,000 GAP Plus Benefit if the collateral is deemed a Total Loss and they finance their replacement vehicle with your Financial Institution within 90 days from the GAP claim being paid.

