

GAP

FREQUENTLY ASKED QUESTIONS



WHAT IS GUARANTEED ASSET PROTECTION (GAP)?

In the event your vehicle is totaled or stolen, your primary insurance company settlement can be significantly less than the outstanding loan or lease balance. This may create a deficiency balance or a “gap” resulting in a serious financial hardship for you. Not only do you need to finance a loan for a replacement vehicle but you would have to pay off the deficiency on your current loan. GAP covers the loan balance that your primary insurance carrier did not cover.

HOW DO I PAY FOR GAP COVERAGE?

Normally, GAP is financed with your loan. You may be able to pay the full GAP fee up front in one payment. Consult with your financial institution to see if this is an available payment option.

WILL I RECEIVE SOMETHING IN THE MAIL AFTER I PURCHASE GAP EXPLAINING THE COVERAGE?

No, the GAP coverage is defined in the GAP Waiver Addendum or GAP certificate given to you at time of purchase.

CAN I BUY THIS SAME TYPE OF COVERAGE THROUGH MY DEALER?

Yes you can! But, you will find GAP rates sold through dealerships are much higher in most cases.

CAN I PURCHASE GAP AFTER LOAN ORIGATION?

Yes, you can purchase GAP any time after loan origination but it is not recommended after 18 months.

I AM REFINANCING MY LOAN. CAN I PURCHASE GAP AT THAT TIME?

Yes, GAP would cover the new loan term and balance.

WHAT ARE THE BENEFITS OF GAP?

1. Low cost protection with a 60-day free look
2. Protection is provided for the term of the loan¹
3. Covers primary insurance deductible up to \$1,000²
4. No model, mileage or year restrictions
5. Eliminates the out-of-pocket expense for the remaining loan balance after loss settlement
6. Helps the borrower avoid financial hardship and afford a replacement vehicle
7. Prevents deficiency balance from being added to new loan
8. Helps protect the borrower's credit rating

¹ Up to 84 months

² Not available in all states, consult with your financial institution