



AT A GLANCE

WHAT IS GAP+?

If your vehicle is **written off** as a total loss, or if it is **stolen and not recovered**, Guaranteed Asset Protection Plus (GAP+) covers you, in whole or in part, for the potential **balance shortfall** owed to your financial institution at that time.

WHO IS ELIGIBLE?

You are eligible to purchase GAP+ if:

- You are a resident of Canada (except for the province of Quebec).
- Your loan or lease is equal to or less than \$100,000.
- Your vehicle is 9 model years old or newer.
- You have primary vehicle insurance coverage that includes vehicle damage insurance (e.g. Collision or Comprehensive).
- Your vehicle will NOT be used for commercial purposes or is NOT listed by your insurance company as a commercial vehicle.

REASONS TO CONSIDER GAP+

There are many reasons you might consider GAP+. Here are a few:

- You are financing or leasing for a long period of time and/or you have a high interest rate.
- You are adding outstanding debt from another loan or lease to your new loan or lease.
- You are particularly worried about exposure in the early years of financing.

WHEN DO I MAKE A CLAIM?

You may make a claim if:

- Your vehicle has been **written off** by your primary insurer as a total loss or **stolen and not recovered**; and
- You have a **payable claim** with your primary auto insurer.

WHAT DO I GET IF MY CLAIM IS PAYABLE?

If your claim is payable, GAP+ will pay:

- The difference between the outstanding loan or lease balance at the time of loss, and the amount settled by your primary insurance company before applying any deductible (subject to limitations in the Policy).
- A reimbursement of your primary insurance deductible, up to \$1,000.
- A \$500.00 loyalty credit against the cost of a replacement vehicle, but only if you buy from your original selling dealer.

EXAMPLE OF HOW GAP+ WORKS

<u>At time of Purchase</u>		<u>At Time of Loss</u>	
Price of Vehicle.....	\$18,000	Balance of Loan.....	\$23,000
Negative Equity from previous Loan.....	\$6,000	Primary Insurance Settlement.....	(\$16,000)
Taxes and Fees.....	\$3,000	Balance Shortfall	\$7,000
		Benefit from GAP+	(\$7,000)
Total Loan	\$27,000	Net Amount Owing	\$0

- Imagine you buy a vehicle as shown above, and you finance for 84 months.
- After 1 year, you are in an accident, and your vehicle is written off.
- You have an outstanding balance of \$23,000, but your primary auto insurer only settles for \$16,000, the depreciated value of the vehicle only.
- Your balance shortfall is \$7,000, and GAP+ will pay this to your financial institution to clear the loan.
- In addition, if you buy a replacement vehicle from your original selling dealer (within 60 days of providing eligible proof of loss), you will receive a \$500.00 loyalty credit from GAP+.

ARE THERE EXCLUSIONS AND LIMITATIONS?

Yes. Please read your policy of insurance for a complete list, but here are a few limitations and exclusions:

- The maximum payout is limited to \$50,000 in total.
- If your loan or lease was in excess of 150% of the purchase price, GAP+ will not cover amounts related to the excess.
- If your vehicle is repossessed, you are no longer covered.
- Additional costs such as liens and other charges registered against your vehicle, delinquent or deferred payments on your loan or lease, or any costs incurred by you in making a claim, are not covered by GAP+
- GAP+ does not cover claims resulting from the commission of an illegal act, willful misconduct, material misrepresentation, or fraud.
- Policies must take effect on the same effective date as the loan or lease agreement.

WHAT ABOUT WAIVER OF DEPRECIATION?

Unlike GAP+, standard Waiver of Depreciation has limitations:

- Negative equity is not covered, and it is not available on used vehicles.
- Typical coverage expires in 24 to 30 months, and premiums can increase over time.