



## ENHANCE YOUR AUTO COVERAGE

Guaranteed Asset Protection Advantage (GAP Advantage) is a voluntary, non-insurance product that protects members whose vehicles are declared a total loss after an accident or when stolen. This supplemental benefit is offered for \$295 for new or used vehicles that are financed or leased. It protects the "gap" between the amount you owe on your car and the vehicle's actual value, up to a maximum loan-to-value of 135% for Autos, Trucks and Vans and 125% for other collateral.<sup>1</sup>

### WHAT'S THE NEXT STEP?

Talk to your Member Consultant to receive additional details about the options you have to protect your family and your finances with BECU Loan Payment Protection or GAP. Or call us at **800-233-2328** for more information.

### STAY IN THE DRIVER'S SEAT WITH GAP ADVANTAGE

GAP Advantage also provides you with a \$1,000 credit towards financing of a replacement vehicle if financed or leased with the same financial institution.

GAP Advantage can be useful in these situations:

- It may protect you from paying out-of-pocket when you owe more money on your car than what it's actually worth
- When you owe money on a car and will be paying it off more slowly than its value will depreciate

Since most insurance companies base their claim payments on the **current** value of your vehicle, your loan or lease balance could be higher than the value of your vehicle when it's declared a loss. This means you could be left owing a large amount you'd likely have to pay out-of-pocket.



## HOW IT WORKS

Say your financed vehicle is totaled beyond repair, and:

- Your loan balance is **\$15,000**
- Your insurance company settlement is **\$10,000**
  - (Based on your vehicle's market value of **\$11,000**)
  - (Less your deductible of **\$1,000**)
- Amounts exceeding the loan-to-value maximum
- Loan balance remaining without GAP: \$5,000
- Loan balance remaining with GAP Advantage: \$0

GAP Advantage can also be useful whether you opt to purchase a new or used vehicle, including<sup>2</sup>:

- Cars
- Vans
- Light trucks

- Motorcycles
- Boats
- Trailers
- RVs
- Jet skis
- Snowmobiles

What GAP **does not** cover<sup>3</sup>:

- Any interest charged by the lender
- Late fees on missed payments
- Insurance deductibles if there is no gap between payoff and proceeds of the insurance claim.

Ask a member consultant about getting GAP through Allied. GAP is typically of the most benefit during the first 18 months of the loan, since the value of the vehicle rapidly decreases during that time thus subjecting the member to the greatest loss. After 18 months into the loan, we can weigh the benefit with you.

Deductible waiver is available in most, but not all states. Please consult your financing representative of the availability of this benefit.

GAP Advantage is subject to limitations and exclusions, please consult our financing representative to determine if your vehicle is eligible for GAP Advantage.

This product is optional. GAP Advantage is a loan/lease deficiency waiver and is not offered as insurance coverage. Whether or not you purchase GAP Advantage will not affect your application for credit or the terms of any existing credit agreement you have with us.

We will give you additional information before you are required to pay for the program. This information will include your cost and a copy of the contract, containing the terms and conditions of the program.

There are eligibility requirements, conditions, limitations and exclusions that could prevent you from receiving benefits under the program. You should carefully read the GAP Waiver Addendum for a full explanation of the terms and conditions of the program.

<sup>1</sup> Less delinquent payments, late charges, refundable service warranty contracts and other Insurance related charges

<sup>2</sup> If the replacement vehicle is financed or leased with the financial institution that the totaled/stolen vehicle was financed or leased through.

<sup>3</sup> Subject to other applicable exclusions and limitations