



CARS GAP Program

Program Guidelines

Contact Your Dealer Development Representative Today



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[For customer service or more information, please call 1-888-335-6838](tel:1-888-335-6838)

Overview

This product may be retailed to customers. Your dealer rates are outlined below:

Auto		
Waiver States	CARS GAP 150%	CARS GAP BHPH 125%
Loan Term		
1-36	\$124.00	\$171.00
37-48	\$147.00	\$193.00
49-60	\$161.00	\$235.00
61-72	\$224.00	\$289.00
73-84	\$305.00	N/A
Optional Surcharges		
GAP Plus	\$35.00	
Wear & Tear	\$25.00	

Please refer to your lender or state limitations for maximum retail pricing. The GAP Waiver Term **MUST** equal the loan term.

GAP Waivers are never a condition of approval, and CARS recognizes customers have various choices regarding their GAP carrier.

Features and Benefits

- Waives GAP Amounts up to \$50,000 (\$10,000 BHPH)
- Pays a customer’s deductible up to \$1,000, If a GAP benefit is paid (\$250 BHPH)
- Protects the customer’s creditworthiness.
- Offers coverage for up to 84 months.
- May be cancelled as long as no benefit has been paid.
- Is available for vehicles up to \$75,000 MSRP/NADA Retail (\$25,000 BHPH).
- Helps increase dealer profits and customer satisfaction.
- Has no upfront costs to the dealer.
- Allows the dealership to easily sell a replacement vehicle since the customer is debt-free on the original totaled vehicle*

Program Guidelines

In the event of a total loss to the covered vehicle, the GAP Program will cover the difference between the net payoff, as of the date of loss, and the primary insurance carrier settlement**.

Products Available

The program being offered is a GAP Waiver Product. State and lender specific regulations can change at any time. For updated information regarding state and lender regulations, as well as product specifications for a particular state, please contact our Customer Service Department at 1-888-335-6838.

Surcharges

GAP Plus – If the customer returns to the original selling dealer to finance their replacement vehicle after a Covered Constructive Total Loss, they will receive an additional \$1,000 credit towards the new purchase, provided there is a difference between your Net Payoff and the Primary Carrier's settlement on the Date of Loss, and a benefit has been made. The credit is paid directly to the original selling dealer and must be disclosed as a portion of the customers downpayment. (Program is not available in Alaska, Arkansas, Florida, Georgia, Illinois, Kansas, Maine, Michigan, Nebraska, Nevada, North Dakota, Oregon, Rhode Island, Tennessee, Texas, Vermont, Virginia, and West Virginia).

Wear and Tear - No deduction will be deducted from the GAP Benefit for excessive wear and tear, including excessive miles and condition adjustments, deducted by the Primary Insurance carrier. Excessive Wear and Tear does not cover pre-existing mileage or wear and tear prior to purchase. Wear and Tear does not cover deductions made for prior damage, towing, salvage value, additional premiums and other deductions made by the customers Primary Carrier. (Program is not available in Colorado, Louisiana, Maryland and Texas.)

State Specific Surcharge – If the dealer resides in Alabama, Colorado, Louisiana, Maryland, or Texas a \$15 dollar mandatory surcharge will apply.

Deductible Coverage

All programs cover the primary insurance deductible up to \$1,000 if a GAP Benefit is paid. (\$250 BHPH)

Maximum Term up to 84 Months

Please refer to the rate chart on page 3 for term band rating.

Lender Approvals

The Program is approved with most major lenders including F&I Sentinel Lenders, Ally, Chase, Ford Motor Credit and Wells Fargo. Lender approvals can change at any time and it is up to the lenders to advise the dealers of their approved GAP programs. CARS will be happy to assist with lender approvals. If assistance is needed, please call customer service at 1-888-335-6838.

State Approvals

Some states have specific requirements for GAP waiver products. This requires that an insurance carrier underwrite those products. Using wrong forms and/or retail rates could result in the rejection of a GAP waiver in those states.

Branded Titles - No coverage is provided for Branded Titles including but not limited to Salvage, Lemon Law, and Gray Market Titles.

Underwriting Guidelines

- Complete customer information, including name and address.
- Dealer rates are determined by CARS and disclosed on page 3 of the Program Guidelines.
- All applicable information **MUST** be included on the GAP Waiver form, including but not limited to:
 - Amount Financed – The dollar amount of the customer’s loan.
 - Charge to Customer – The price charged for the GAP Program to the customer by the dealership.
 - Original date of Loan Contract – This date **MUST** match the finance contract. If for any reason you need to resign a finance contract, **MAKE SURE YOU RUN A NEW GAP WAIVER FORM** to match the loan contract.
 - Financial Institution information.
 - Proper disclosures on the finance contracts, including the itemization of the GAP Waiver.

Covered Vehicles

Any four-wheeled private passenger automobile, van or light duty truck that is used on the road for personal use and matched the vehicle description and VIN number on the finance contract.

Exceptions: Any vehicle with an MSRP/NADA Retail value equal to or greater than \$75,000 is not eligible. The following vehicles are excluded from coverage: Aston Martin, Bentley, Lamborghini, Lotus, Maserati, Ferrari, Rolls Royce, Any vehicle with a GVW rating in excess of 15,000 Lbs. (FMC 12,500Lbs) RVs, Motorcycles, Powersports (ATVs, scooters, personal watercraft, snowmobiles), watercraft (boats), trailers and commercial vehicles.

**In some circumstances (such as past due payments, insurance deductibles in excess of \$1,000, a delayed insurance settlement, prior damage, or limitations to the plan), GAP Protection may not take care of the entire GAP. For a complete list of the limitations, see the GAP Waiver Addendum.*

****"Total Loss" is determined by the primary insurance carrier or TASA, if no primary carrier exists.*

Termination of Addendum

- Date the loan contract is prepaid or refinanced (The GAP waiver does not transfer to the next loan).
- Cancellation by the customer or lender
- Upon payment in full of the financing contract

Sample Claim Payment

Loan Amount:	\$25,000
Term:	60 Months
Loss Date:	36 Months
Loan/Lease Payoff	\$15,000
Insurance Settlement**	\$12,000
Balance Owed	\$ 3,000
Insurance Deductible	(\$1,000)
Potential Customer Out of Pocket	\$ 4,000
GAP Benefit Paid to Lender	\$ 4,000
Customer Out of Pocket With GAP*	\$ 0



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***"Total Loss" is determined by the primary insurance carrier or TASA, if not primary carrier exists.*

Claim Requirements

Include but are not limited to***:

- Dealership
 - Copy of remitted GAP waiver.
 - Finance contract.
 - Cancellation documentation of refundable items.
- Lender
 - Payment History and payoff quote as of the date of loss.
- Primary Insurance Carrier
 - Proof of primary insurance payment.
 - Primary insurance settlement breakdown, including valuation report.
- Customer
 - Police Report

****Any other reasonable documents, such as bill of sale, book out sheet or dealer invoice.*

ALL losses MUST be reported within 90 days of primary insurance settlement. Payments may not be paid if all needed documentation is not received within the time frame stated above. It is the customer's responsibility for collection and verification of all documents received.

Cancellations

The GAP Waiver may be cancelled at any time, provided a loss has not occurred. All cancellations are required to be initiated by the selling dealer or assignee.

- Cancellations occurring within the first 30 (thirty) days of purchase will be flat-cancelled and receive a FULL refund.
- Cancellations occurring after 30 (thirty) days from the purchase date will be cancelled using the Pro-Rata Refund Method, or by the refund method as may be required by state or federal law or assignee requirements (*A \$50 cancellation fee will apply in most states*).

A copy of a cancellation form is included at the end of this Program Guidelines.

Transfers

The GAP Program is not transferable.

Renewals

The GAP Program is not renewable.

Program Materials and Information

Please contact your dealer representative for any supplies or questions you may have about the program. For additional program information, cancellation information or claim information please contact our administrator, CARS GAP, at 1-888-335-6838.