

PROGUARD GAP PROTECTION:

(subject to program and state specifics)

- Benefits up to \$50,000
- Protection begins day one/mile one
- Deductible coverage up to \$1,000 as limited by state provisions
- Coverage throughout the term of loan or lease, up to 84 months
- Commercial utilization option available
- Fully insured and backed by the financial strength of an A-rated carrier



Guaranteed
Asset
Protection



GAP coverage must be purchased on the same date as your vehicle. Ask your dealer about a Guardia GAP waiver and avoid getting caught covering the gap.



PROGUARD
AUTOMOTIVE
Vehicle Protection Products

GAP is optional. Your purchase of it will not affect your application for credit or the terms of any existing credit agreement you may have. There are eligibility requirements, conditions and exclusions that could prevent you from receiving benefits under GAP. You should carefully read the contract for a full explanation of the terms.

Administered by Guardia Gap, Inc.

proguardautomotive.com

What is Guaranteed Asset Protection (GAP)?

Not to be a downer, but the minute a car is driven off the lot the financial obligation for your new vehicle passes on to you. If you are in an accident and it is declared a total loss, your insurance company will pay out an amount based on the Actual Cash Value (ACV) of the vehicle. Since cars depreciate quickly, that amount may be far less than what you paid and well below what is owed on the loan or lease. This 'gap' between what insurance will pay and the loan balance is your responsibility and that can leave you on the hook for thousands of dollars!

Not so if you purchase GAP coverage, an optional waiver that covers the difference between what you owe and what the vehicle is worth if it is stolen or totaled. With GAP you don't have to worry about getting stuck with car payments and no car.

An example of how GAP works

Say after only a couple of payments, your car is totaled. You currently owe \$25,000 on your loan or lease at the time of the accident and the insurance company determines that the Actual Cash Value is \$20,000. You have a \$500 deductible so the insurance settlement is \$19,500, which leaves you responsible for the remaining \$5,500 unless you have GAP coverage.

Loan/Lease balance	\$25,000
Less deductible	-\$500
Less Insurance Settlement	<u>-\$19,500</u>
Difference owed	\$5,500
Your responsibility <u>with</u> GAP:	\$0
Your responsibility <u>without</u> GAP:	\$5,500

Do I need GAP for used or leased vehicles?

Guardia GAP is designed for all vehicles, whether new or used, and the cost can be financed with your loan. It may even cover your insurance deductible up to \$1,000 (depending on your state) as part of your settlement.

Who is GAP appropriate for?

GAP is designed to cover you in situations where you owe more than the car is worth. If you finance the vehicle over a longer term (more than 48 months) or put only a small amount down, you should seriously consider GAP.

Is GAP worth the cost?

A GAP waiver costs far less than the out-of-pocket costs (rental car fees, deductible and the cost of a replacement auto) you'll incur if your car is damaged beyond repair. The cost for coverage is very low and you generally need it for just for a few years, until the gap between what you owe and what the car is worth closes.

Am I protected day one?

Yes! With a Guardia GAP waiver you are protected from day one/mile one, without any hidden clauses or waiting periods. It also offers you credit rating protection because falling behind on your loan can harm your rating and make it extremely difficult to get another car loan in the future.

How do I know my claim will be covered?

Guardia GAP is fully insured by A-rated insurance companies who A.M. Best considers excellent in financial strength and their ability to pay claims. We hope that you never have a claim on your waiver, but you'll have the peace of mind that we're there if you do need us.

Can I buy a GAP waiver later?

You must buy GAP at the time of purchase or lease and it goes into effect as soon as you drive off the lot, so it is highly recommended you purchase it from your dealer. They can roll it right into the loan or lease amount for built-in financing.