



GMI Insurance
Lease & Loan Division
P.O. Box 701
Valley Forge, PA 19482
Phone: (800) 722-3229
Fax: (610) 933-4993
www.gmi-insurance.com

GMI
Auto Lease & Loan
INSURANCE PROGRAM

GUARANTEED AUTO PROTECTION

Why purchase GAP?

In the first year of ownership, one in every 110 new car purchasers will end up with a total loss vehicle.

One in three Americans suffers the total loss of a vehicle at some point during their lifetime.

One of nineteen drivers will have a total loss of a new car (under two years old) due to collision.

One in every twenty drivers will experience an unrecovered theft.

50% of the time the Auto Insurance Company will not pay enough to satisfy the loan or lease balance on the totaled cars.

Guaranteed Auto Protection, or “GAP”, offers protection against financial liability for individuals who lease or finance a new or used vehicle.

During the first few years, the lease or loan balance can be higher than the actual value of the car. As the car’s value declines, the lease or loan balance remains significantly higher.

Should a leased or financed vehicle be stolen or damaged beyond repair, you assume the primary insurance will pay the balance owed on the leased or financed vehicle. Suddenly you find there is a “gap” between the primary insurance company settlement and the actual net payoff of the vehicle, which could result in an out of pocket expense.

Basic Form: pays the difference between the outstanding balance and the actual cash value of a covered vehicle (less the primary carrier’s deductible).

Broad Form: pays the difference between the outstanding balance and the actual cash value of a covered vehicle plus reimbursement of the primary carrier’s deductible (not to exceed \$1000).



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GUARANTEED AUTO PROTECTION

INSURANCE PROGRAM APPLICATION

Named Insured: _____
 Street Address: _____
 City / State / Zip: _____
 Contact Name: _____ Phone _____ Fax _____
 Contact E-Mail _____ Effective Date: _____

<i>Loan/Lease Information</i>	<u>New</u>	<u>Used</u>
Number of Loans to be made in the next 12 months:		
Number of Leases to be made in the next 12 months:		
Anticipated GAP sales next 12 months (loans):		
Anticipated GAP sales next 12 months (leases):		
For Leases - Percentage of transactions where capitalized amount exceeds 110% of MSRP or NADA Retail Book:		
For Loans - Percentage of transactions where advance exceeds 120% of MSRP or NADA Retail Book:		
Average loan amount or capitalized cost, as a % of value (MSRP / NADA Retail Book):		
Original loan amounts or capitalized amounts (including add-ons):	AVERAGE	
	RANGE	-
Loan or Lease terms at origination:	AVERAGE	
	RANGE	-
Money factors or interest rates	AVERAGE	
	RANGE	-
Residual Value per above terms (as a % of MSRP or ACV)	AVERAGE	
	RANGE	-

1. Current Collateral Distribution: # of Cars _____ # of Heavy Trucks _____ # of Trailers _____
 # Straight Trucks _____ # Equipment _____ (describe: _____)
2. Type of Coverage Requested (check): Basic: _____ Broad: _____ (includes Deductible Buy-Back)
3. Geographic Distribution: Please provide States/areas of operation and % concentration: _____

4. Credit Quality – What percentage of your sales/leasing base falls into these money factor or interest rate categories:
 Below 8% _____ 8% -12% _____ 12.1% -15% _____ 15.1% -17% _____ Over 17% _____
5. Which of these are included in the original loan amount or capitalized cost?
 Sales tax Warranty (VSC/MBI) Other (Please indicate): _____
6. Do you have a concentration of loans or leasing to a particular type of clientele (owner operator, fleets, etc.)?
 Yes No If Yes, elaborate: _____
7. Is a "Purchase Discount", "Dealer Discount" or any other non-refundable discount or reserve funded from leases or loans to offset deficiencies?
 Yes No If Yes, is reserve payable or refundable to dealer or borrower upon lease payoff? Please elaborate: _____

8. Do you, or Did you previously, have a GAP program? Yes No If Yes, please provide Price, Lending to Value Limit and attach Experience information _____
9. Was the GAP program cancelled by the provider? Yes No If Yes, reason: _____
10. Do you Lease trucks? Yes No
11. If yes, do you specialize in any type of truck, (i.e. Freightliner, Kenworth)? Yes: type _____ No

By signing below I warrant that all answers to questions are true and correct to the best of my knowledge and belief; and shall constitute the basis of the policy should one be issued. I understand the signing of this application does not bind me or the Insurance Company to the insurance, and that additional information may be requested by GMI.

Named Insured Signature: _____ **Date:** _____

Producer: _____ **Contact:** _____

Address: _____

Phone: _____ **Fax:** _____ **Email:** _____