

LENDING PRODUCTS
AND PAYMENT SECURITY

Guaranteed Asset Protection

Protect more members



YOUR MEMBERS MIGHT THINK THEIR AUTO INSURANCE PROVIDES ALL THE PROTECTION THEY NEED IF THEIR VEHICLE IS STOLEN OR DAMAGED BEYOND REPAIR. They could be in for an unpleasant surprise.

While auto insurance covers the replacement value of the vehicle, your members remain liable for the difference between the insurance payment and the remaining loan balance - which can amount to thousands of dollars.

And with vehicle loan durations typically extending, the chance that a "gap" will occur between the outstanding loan balance and insurance payment is greater than ever.

STRENGTHEN YOUR BOTTOM LINE

GAP is designed to cancel the difference between the primary insurance payment and the member's remaining loan balance. If the member couldn't pay this difference without GAP, this may help manage your credit union's risk by reducing charge-offs, delinquencies and collection fees while generating valuable non-interest income.

EFFICIENCY

GAP can help improve your operational efficiency by protecting more loans without adding to your expense footprint.

GREATER PROTECTION FOR YOUR CREDIT UNION

Protection is customizable* and based on the terms and features you and your members want. By offering GAP, you position your credit union as a full-service provider concerned about the financial well-being of your members.

** Customized options available to your credit union may vary by state*

A new car **loses**  up to **20%** of its **value** the **1st year*** 



* Source: <http://www.carsdirect.com/used-car-prices/why-does-a-new-car-lose-value-after-its-driven-off-the-lot> Nov. 2013



Enhance your vehicle lending program with protection that picks up where auto insurance may leave a remaining loan balance.

BUILD CUSTOMER LOYALTY

We develop our GAP products to allow you to select a program that best complements your member's lending profile. Program features include:*

- Up to 150% loan-to-value ratio
- A 90-day trial period
- No deductions for wear and tear, prior damage or excess mileage
- No time limit to file a claim

You can assure consistent vehicle value by selecting the same data source for eligibility as you do for lending - either the business retail value from the National Automobile Dealers Association (NADA) or Kelley Blue Book.

Unlike the standard 30 or 60 day claim window most providers require after receiving final settlement from the primary or third-party insurance carrier, CUNA Mutual Group has no filing deadline for claims, allowing members more time to submit their claims.

MORE GAP ENHANCEMENT OPPORTUNITIES

As your commitment and sales increase more features may be available to your credit union. These additional features may increase opportunities to protect more members and strengthen your financial results. Some of the additional features include:*

- More skipped payment options
- Balloon loan and leasing options
- Up to a 120 month waiver
- More GAP Plus benefit options

For more information on what may be available, talk with your CUNA Mutual Group Sales Executive.

LENDING RESOURCE CENTER:

We're committed to providing your credit union with the resources needed to support your GAP product. Exclusive online resource that houses important product information - from product basics to compliance best practices, product administration, member-facing marketing materials, live and on-demand training, job aids and more.

DRIVE MORE NON-INTEREST INCOME FOR YOUR CREDIT UNION

Our GAP product can help contain your expenses while adding valuable non-interest fee income.

**Features may vary by state*

For more information call **800.356.2644**



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