



GAP
(Guaranteed Asset Protection)
Frequently Asked Questions



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General Overview

1. What products will the new GAP program replace?

The new GAP will replace the existing GAP program backed by Protective Property and Casualty Insurance Company. The State National backed GAP, Puerto Rico and Vernon General (VGI) GAP programs will not be revised at this time.

2. Will there be a national rollout of this program and what is the launch date?

The GAP launch is scheduled to start on March 1, 2021. However, all states may not be launched on this date as this will depend on state and lender approvals.

Marketing

3. What marketing materials are available for launch?

- Consumer Brochure
- Slick
- Highlight Sheet
- Consumer Webpage & Video

A webpage and video are available for consumers to learn more about GAP. A dealership can post a link on their website directing consumers to the webpage and video. To utilize the webpage and/or video please contact your Protective representative.

All marketing collateral will be available on F&I Cafe the week of January 4, 2021

Addendum

4. What does the nomenclature mean in the prefix section of the addendum?

Administrator	Product	State	Lender
W = Western Diversified Services	1 = Non-TUC, 150% DTV 2 = Non-TUC, 125% DTV 3 = Non-TUC, no DTV 4 = TUC, 150% DTV 5 = TUC, 125% DTV 6 = TUC, no DTV	Specific States uses standard state abbreviations RC = Rest of country	G = Generic lenders T = Toyota V = Volkswagen N = Nissan

DTV = Debt to Value

5. Will there be new addendums will be offered in conjunction with the launch?

We will offer new addendums for use with Generic lenders including Ally, Chase, Ford, and Wells Fargo. The existing lender specific addendums offered for the following lenders will not be impacted.

- Mazda
- Toyota / Lexus / SETF
- Nissan / Infiniti
- Volkswagen / Audi

These lender specific forms do not allow for term, debt to value or amount financed maximum and were previously updated in conjunction with Lender requirements.

6. Will all new addendums be available for order?

The addendums for GAP products sold by existing dealers will be printed and available to order in January. Some of the state specific TUC versions of the addendums which are not currently sold will be printed on demand in the event of a dealer sign up (two week turnaround). The 125% Non-TUC and TUC addendums will not be printed and only made available on F&I Café, US Dealer Services and through DMS or Menu providers.

The table below outlines the print available by product.

Product	Form Availability
Non-TUC 125% TUC 125%	Electronic forms only (no printing). Available on F&I Café, US Dealer Services and through DMS or Menu providers only.
Non-TUC 150% TUC 150%	Print state specific only where past usage. Previously unordered forms will not be printing until an order is placed (approximate 2 week ETA).

Dealer Sign-Ups

7. Was the Product Information Page (PIP) revised?

The PIP has been revised to allow dealers to select the 125% debt to value maximum or the 150% debt to value maximum program.

8. What materials are required to convert an existing account to the new GAP program for the launch?

All existing accounts will be converted to the new GAP program on the launch date without any action from the dealer, agent or Protective representative. In other words, dealers who offer the current GAP products (i.e. 77-1, 78-1 or state versions of these forms) will automatically have access to the updated versions of these forms on March 1, 2021. Please note, new dealers who elect to offer the 125% debt to value program should indicate the selection on their PIP at sign up. Existing dealers who wish to utilize the new 125% debt to value option should submit a new PIP.

Product Overview

9. What changes are being made to the GAP product?

- New 125% Debt to Value (DTV) product variation
- Increased maximum term to 96 months
- Increased maximum amount financed to \$125,000
- Expanded terms bands for the Independent market

10. How will the GAP program differentiate between the 125% and 150% DTV programs?

We will now offer separate addendums that specify either a 125% DTV maximum or 150% DTV maximum. Dealers will be required to select which program they wish to offer at the time of sign up. Dealer will not be permitted to offer both programs.

11. What are the term bands offered to Franchise dealers?

- 1-60
- 61-72
- 73-84
- 85-96

12. What term bands are offered to Independent dealers?

- 1-12
- 13-24
- 25-36
- 37-48
- 49-60
- 61-72
- 73-84

Rates for Independent stores will not include the 85-96 month term band.

13. Am I able to blend the term bands for Independent stores?

Independent dealers may request to blend term bands prior to the program launch by contacting Sales Support. Requests to blend the bands after the launch should be submitted using the Exception Request form.

14. What impact will the new \$125,000 amounts financed maximum have on the program?

The rate charts will now identify rates based on two amounts financed bands. One for amounts financed between \$1-100,000 and another for amounts financed over \$100,00 up to \$125,000 as shown in the image below. This is available to both Franchise and Independent dealers.

Amount Financed ²	Contract Term Months			
	1-60	61-72	73-84	85-96
\$1 to \$100,000				
\$100,001 to \$125,000				

Administrative Forms

15. Have the administrative forms been revised?

Only the Product Information Page has been revised to include the wrap tier factor. All other existing administration and dealer sign up agreements are unchanged.

F&I Café

16. Where can I obtain additional information about the program changes?

- A web (microsite) is available <https://protectiveassetprotection.com/PVPP/GAP> and at this time is for (internal use only).
- The Auto GAP Coverage eLearning course (available through F&I Café on the Protective Training institute)

17. Will the new addendums be available for laser print?

Laser print versions of the contracts will be available on F&I Café and US Dealer Services websites.



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Procedure Manual

18. Was the procedure manual updated to reflect the revised program?

The procedure manual was revised to reflect the updated vehicle plans for the revised program.

Administrative Addresses

19. Have any addresses changed on the revised program?

Improvements have been made to our mailing processing so the mailing address for the administrative company will flow through Birmingham and has been changed to P.O. Box 830633 Birmingham, AL 35283-0633. This address change was made on the previously released lender specific forms (i.e. Toyota and Volkswagen).