AUTOSURE GAP COVER – LOAN EQUITY INSURANCE

GAP COVER

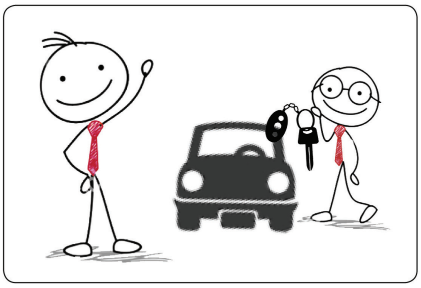
AUTOSURE NEW ZEALAND

What Is GAP – Loan Equity Insurance?

The Gap policy covers some of the difference (the gap) between a total loss payout on your vehicle by your comprehensive insurer and the balance owing under your credit contract. This is called a loan equity shortfall.

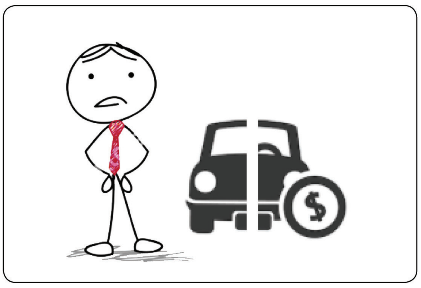
- GAP can only be purchased in conjunction with a credit contract, and in the event of a total loss that credit contract must still be active.
- The vehicle must be comprehensively insured.
- The contract is for a maximum of 60 months or the length of the original credit contact.
- Can only be taken out at the time of vehicle sale.

A GAP Story

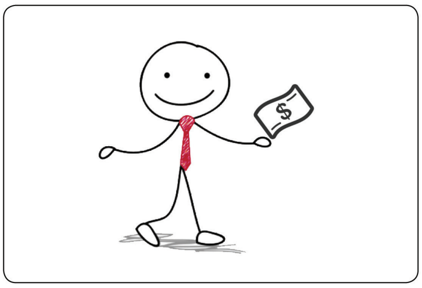


Neil bought a 2014 Holden Commodore SS 6.0L Sedan for $67,000

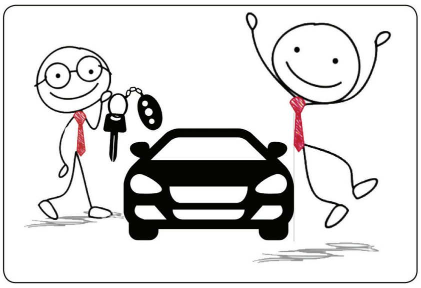
One month later it was stolen and burnt out



Neil had no car, plus he still owed $21,900 on his vehicle loan



Luckily Autosure paid the $20,000 short-fall and $500 excess on his GAP policy, plus a $1,000 deposit for his new car



Neil was very happy with his new Holden HSV Clubsport R8, which he got from the same dealer

* Names and details have been changed to protect privacy.

Example of a GAP Claim

You have an accident in your vehicle and the comprehensive insurer deems the vehicle to be a total loss. The insurer pays out to the financier, leaving a $5000 outstanding balance on your credit contract that you are liable for and which must be paid immediately. If you had GAP Cover, it would provide a payment of the outstanding amount less the comprehensive insurance premium and the original GAP Cover premium saving you potentially thousands*.

Purchasing a replacement vehicle can also be an expensive exercise which is where the additional benefits under options 1, 2 and 3 really help out.

*Example only. There may be other deductions depending on the status of your credit contract.

<u>This is only a summary of cover; please see policy certificate and booklet for full terms, conditions and benefits.</u>