



Guaranteed Asset Protection (GAP) Addendum

Please complete the form, print, sign, and date where indicated, and mail to:
GAP Program, Alaska USA Federal Credit Union, P.O. Box 196100, Anchorage, Alaska 99519-6100

Date: _____

Member Name: _____ Account #: _____ Loan Suffix: L _____

Year: _____ Make: _____ Model: _____ VIN # (Last six): _____

- Automobile/ Truck
 Motor Home, Pickup-Camper, Fifth Wheel Trailer, etc.
 Value: <\$25,000 >\$25,001
 Boat/ Vessel
 Motorcycle, All-Terrain Vehicle (ATV), Snowmobile, Golf Cart, or Personal Water Craft

Yes! I want GAP.

I have read this addendum in its entirety, including the Exclusions and Limitations and Definitions on page 2 below, fully understand its contents, and acknowledge retaining a copy thereof. I understand that my election of this GAP Addendum is voluntary and optional, is not required in order to obtain financing or to purchase the Vehicle, and is not a condition of the installment loan. I understand that this addendum is not an offer of insurance coverage. I also acknowledge that if I decide to cancel within 60 days from the date of GAP purchase I will receive full reimbursement of the enrollment fee. After 60 days the fee is fully earned and nonrefundable. In the event of a Loss or Unrecovered Theft of the Vehicle, the enrollment fee will be deemed as fully earned and, therefore, no refund will be due.

By participating in this GAP Addendum, Alaska USA Federal Credit Union agrees to cancel my liability in the event of a Loss or Unrecovered Theft for the GAP Amount, subject to the provisions and exclusions identified on page 2 of this form. I understand the maximum term for this addendum shall not exceed 84 months.

The one-time enrollment fee of \$_____ includes a \$1,000 Refinancing Incentive.

I agree that the enrollment fee will be added to my installment loan, which will extend the term of my installment loan.

Borrower's Signature: _____ Date: _____

Co-Borrower's Signature: _____ Date: _____

PRINT AND RETAIN A COPY OF THIS GAP ADDENDUM (2 PAGES) FOR YOUR RECORDS.

EXCLUSIONS AND LIMITATIONS

This GAP Addendum does not apply when the Loss or Unrecovered Theft is: (1) resulting directly or indirectly from forgery or any dishonest, fraudulent, or criminal act by you; (2) caused intentionally by you; (3) to a vehicle that is part of a fleet that is intended for use as a public or livery conveyance.

The amount cancelled shall not exceed \$50,000 in total. Our maximum cancellation shall be the GAP Amount including, if the Vehicle is protected by Primary Insurance, up to \$1,000 for the primary insurance deductible. The deductible is reimbursed as part of the deficiency balance and is therefore only reimbursed if there is a "gap" on the loan. If the Vehicle is not protected by Primary Insurance, we will cancel only the GAP Amount obtained by subtracting the Actual Cash Value of the Vehicle. For autos, vans, pickups, and light trucks, we will not cancel that portion of the Unpaid Net Balance attributable to the original installment loan amount exceeding 150% of the Manufacturer's Suggested Retail Price (MSRP) on new vehicles or 150% of the average retail book value on used vehicles. For all other Vehicles, our cancellation amount will be based upon 125% of MSRP (new) or 125% of the average retail book value (used). The GAP Amount shall not include any refundable additions to amount financed; finance charges, fees, funds, or interest accrued or added after the date of Loss; late charges; delinquent payments; uncollected service charges; refundable prepaid taxes and fees. It shall not include proceeds you can duly recover by canceling insurance coverages, service contracts, or warranties, nor disposition fees, termination fees, or penalty fees; other items, charges, fees, or funds built into or added to the initial installment loan; any indebtedness of the Member arising prior to the effective date of this GAP Addendum and which is included in the installment loan; or any deductions made by primary insurance carrier for salvage purchase or for prior damage that has already been paid to you.

DEFINITIONS

"We", "us", and "our" refer to Alaska USA Federal Credit Union; "you" and "your" mean the Member/borrower shown on page 1 of this form.

For the purposes of this GAP Addendum, the following words are defined and their meanings will be as follows:

"Vehicle" can include:

- Private Passenger vehicles not used for commercial purposes: four-wheeled autos, vans, pickups, or light trucks not to exceed one-ton load capacity. Vehicles used for taxi, limousine, or "shuttle" service are excluded.
- Miscellaneous vehicles not used for commercial purposes and not to exceed a retail value of \$50,000, including: any motorcycles, all-terrain vehicles (ATVs), snowmobiles, golf carts, or jet skis.
- Travel Trailers not used for commercial purposes and not to exceed a retail value of \$125,000, including: conventional trailers from 12 to a maximum of 35 feet in length, fifth-wheel travel trailers, folding camping trailers, or truck camper units.
- Watercraft not used for commercial purposes and not to exceed a retail value of \$125,000, including: inflatables or boats, houseboats, sailboats (including trailer) all from 7 to a maximum of 50 feet in length, whether inboard, outboard, jet drive, or stern drive.
- Motor Homes not used for commercial purposes and not to exceed a retail value of \$125,000.

"GAP Amount" means the difference between the primary insurance carrier's physical damage insurance payment for a Loss or Unrecovered Theft or, if uninsured, the Vehicle's Actual Cash Value, and the Unpaid Net Balance of the installment loan. If you are entitled to collect the same from others, including, but not limited to, primary and other insurance, or salvage sale, that portion of the payment will not be included in the GAP settlement.

"Loss" means a loss where the cost to repair or replace the Vehicle would exceed the Actual Cash Value, as determined by the primary insurance carrier or designated appraiser.

"Unrecovered Theft" means the Vehicle has been reported as stolen by you to both the police and primary insurance carrier, who have made every effort, yet have failed, to find and return the Vehicle.

"Actual Cash Value" means the amount determined by the primary insurance carrier at the time of the Loss or Unrecovered Theft. However, if there is no Primary Insurance at the time of a Loss or Unrecovered Theft, Actual Cash Value shall mean the retail value of the Vehicle using the National Automobile Dealer's Association (NADA) Official Used Car Guide with appropriate adjustments for mileage or optional equipment.

"Primary Insurance" means in force insurance coverage, required by us and carried by you, to protect the Vehicle from collision and comprehensive loss, naming us as Lienholder.

"Unpaid Net Balance" means the amount owed by you to clear the outstanding amount of the installment loan upon the date of Loss.

"Delinquent Payments" means any payment, as described in the installment loan instrument, which remains unpaid for a period of more than sixty (60) days after the due date stated in the installment loan instrument.

Refinancing Incentive: In the event of a Loss or Unrecovered Theft to your Vehicle, you may be eligible to receive an additional credit from us of \$1,000. In order for you to receive this additional credit, you must finance a replacement vehicle with us within ninety (90) days from the date the Vehicle is determined to be a Loss or Unrecovered Theft. The Refinancing Incentive has no cash value and will only be paid by us in the form of a credit towards the amount financed of your replacement vehicle.

NOTICE OF LOSS

You must notify us at 272-6611, (800) 525-9094 outside Anchorage, within 30 days of receiving final settlement from the primary or third party insurance carrier and provide the following: (a) copy of the insurance settlement, (b) verification of the insurance deductible, (c) copy of police report in the case of an Unrecovered Theft.