

LEASE OR LOAN GAP COVERAGE

This coverage is provided for the **covered automobile(s)** shown in the Declarations for which a premium is shown for "Lease or Loan Gap" coverage.

If the **covered automobile** is damaged as a **total loss**, we will pay the difference between:

1. the **actual cash value** of the **covered automobile** immediately prior to the **loss**; and
2. the amount **you** owe resulting from a loan or lease contract in effect at the time of the **loss** for the **covered automobile**, less any:
 - a. charges for excess mileage or wear and tear;
 - b. late payments, late charges, or payments past due;
 - c. finance charges, collection fees, pre-payment fees or refunds of any such charges or fees;
 - d. charges for any insurance, warranties or any refunds of any unused insurance or warranties.
 - e. salvage value, if you retain the salvage.

Conditions

1. This coverage does not apply to a **substitute automobile**. It does not apply to any newly acquired **automobile** that replaces a **covered automobile**, unless Lease or Loan Gap coverage has been purchased for the newly acquired **automobile**.
2. This coverage applies only to the original lease or loan agreement of the **covered automobile** in effect at the time this coverage is added.
3. This coverage will not apply when either Collision or Comprehensive coverage is not maintained for the **covered automobile**.

"Total loss" means a **loss** in which the cost to replace or repair the vehicle to its pre-**loss** condition, plus the salvage value, equals or exceeds the **actual cash value**.

All other provisions of the policy apply except as modified by this endorsement.