

Totaled Vehicle? Here's What to Do Next

If you think your vehicle is a total loss, or if it has been declared a total loss due to an accident, weather, theft or other covered event, we're here to help guide you through what to do next. Here are steps to follow so you know what to do with your insurance and what to look out for next with your vehicle loan!



STEP 1: Contact Your Insurance Company

Your insurance company should be your very first call as you'll need to start your insurance claim before we can start any steps for your loan. Your insurance company will::

- Open and manage the claim
- Determine whether the vehicle is a total loss
- Calculate the settlement amount



STEP 2: Insurance Company Reviews the Claim

Your insurance provider will:

- Evaluate the damage or loss
- Determine the value of the vehicle
- Approve and issue a settlement for the claim
- Work directly with us at Summit Credit Union if there's a required Letter of Guarantee saying we will release the title after we receive the insurance payment.



STEP 3: Insurance Payment Is Sent

Once the claim is settled, the insurance company typically sends payment directly to us at Summit Credit Union as the lienholder and funds go right to your loan balance.



STEP 4: Loan Balance Is Resolved

- **If your insurance payment is more than your loan balance:** Any remaining funds will get to you by being deposited into your share savings account.
- **If your insurance payment is less than your loan balance:** You're responsible for the remaining balance, unless you have GAP coverage on the vehicle. GAP covers the "gap" between your car's actual cash value and up to the remaining balance on your loan, depending on the terms of your contract.

Please note: All insurance payments are final once posted. If you're keeping your salvaged vehicle (also known as an owner-retained total loss), the payment goes right to your loan's principal balance.



STEP 5 (If Applicable): GAP Coverage

If you purchased GAP coverage for your vehicle, a claim can be filed after the insurance settlement amount has been determined.



STEP 6: Loan Is Closed

Once all payments are received, your loan will be paid in full, and any required title or lien updates (including release) will be completed.

If you have any questions throughout the process, reach out to us at 800-236-5560!

Please note: The settlement process may take up to 8 weeks to complete. **You will be responsible for making payments on time during the process,** until the loan balance is paid in full.

