

Total Loss Claims

What exactly does "total loss" mean?

A vehicle is declared a Total Loss (or totaled) if any of the following apply:

1. The vehicle cannot be safely repaired.
2. Repairs would cost more than the vehicle's estimated value.
3. The damage meets your state's total loss guidelines.

What you need to do:

1. Contact us: (214) 515-0100 (in the second menu, press 9, then 3), complete [this form](#) or email LoanProcessTeam@citycu.org.
 - a. Be ready to provide us:
 - i. Vehicle insurance name and contact info
 - ii. Your authorization to share loan information with your insurance company
2. You must continue to make on-time loan payments.
3. If you have rental reimbursement coverage, contact your insurance company to initiate a rental car.
4. Don't remove your totaled vehicle from your insurance policy until after City CU has received and applied your insurance company's payoff check to your loan balance. Check with your insurance company if you have questions.

What your insurance company will do:

1. Provide you/us with:
 - a. For a vehicle collision:
 - i. Letter of Guarantee (*includes settlement amount and where to send the title*)
 - ii. Market evaluation
 - iii. Settlement breakdown
 - iv. Cause of Loss letter (for warranty refund purposes)
 - b. For a vehicle theft:
 - v. Items 1-4 above
 - vi. Police report
2. Determine the value of your vehicle, which is what they'll pay.
 - a. If you don't agree with that amount, you can negotiate with your insurance company.
 - b. To keep the claim process from being delayed, it's important you begin negotiating with them as soon as possible. Let us know if you plan to negotiate with them.
3. Send us a Letter of Guarantee (states their payout amount)
4. Request the title to your vehicle (see more on this below)

What City CU will do:

1. After we receive the applicable items above, we'll evaluate your loan for warranty refund and GAP payment eligibility. Valuation for warranty and GAP is based on: mileage, LTV, loan balance and current vehicle value.
2. Facilitate cancellations and prorated refunds from warranty and disability/life payment protection vendors (if applicable).
3. Provide signed Letter of Guarantee to member's insurance.
4. Provide updates on progress of claim.
5. Apply checks and any refunds to loan balance and deposit remaining funds in member's City CU savings account or, if account is closed, issue and mail check to the address we have on file. (City CU has the right of first payment from the insurance company before any payment is made to you.)

Payout scenarios when vehicle declared a Total Loss:

Scenario	Process
Insurance pays loan balance in full	<ul style="list-style-type: none"> • Insurance sends check to us. • We post to loan, satisfying remaining loan balance – any funds remaining go to member’s City CU savings account or, if account is closed, we’ll issue and mail check to address on file. • Warranty issues prorated refund – takes up to 6 weeks.
Insurance pays some + GAP pays balance	<ul style="list-style-type: none"> • Insurance must issue payoff first, then we initiate GAP claim (GAP needs proof of insurance payout). • Both posted to loan, satisfying remaining loan balance – any funds remaining go to member’s City CU savings account or, if account is closed, we’ll issue and mail check to address on file. • Warranty issues prorated refund – takes up to 6 weeks.
Insurance pays some + GAP doesn’t pay OR member doesn’t have GAP	<ul style="list-style-type: none"> • Insurance sends check to us. • We post to loan. • Member is responsible for loan balance: <ul style="list-style-type: none"> ○ Loan must be paid in full within 6 months (we can’t keep a loan on a salvaged title). ○ OR contact our Lending team to move the balance to a personal loan. • Warranty issues prorated refund – takes up to 6 weeks.
Vehicle has Collateral Protection Insurance (CPI) coverage <i>(insurance on the vehicle only – not a replacement for your auto insurance – incurred if you let your auto insurance lapse)</i>	<ul style="list-style-type: none"> • Processed the same as any other insurance provider, with or without gap. • ISI directly. • ISI will reach out to us for paperwork. • ISI Claims <ul style="list-style-type: none"> ○ (865) 306-5920 or claims@isicpi.com ○ Monday – Thursday, 7:30am-5:00 pm and Friday – 8:30am-3:30 pm
Vehicle was in a collision but not declared a Total Loss	<ul style="list-style-type: none"> • Your insurance company: <ul style="list-style-type: none"> ○ Determines vehicle is repairable and not a Total Loss. ○ Provides you with an estimate of repair cost and what insurance will pay. ○ Mails repairs check to member or directly to City CU. ○ If mailed to you, take the check to a City CU branch to be deposited, endorsing as payable to City CU (since we are the lienholder) and member. Funds will be posted to member’s savings account with a hold. • You take the vehicle to a licensed repair facility and request an invoice with the total cost of repairs and submit it to City CU Collections department for approval. • After Collections approves the invoice, City CU will issue a check payable to the repair business. • No refunds on warranty, GAP or life/disability coverage.

Scenario	Process
	<p>Note: the amount insurance pays depends on the value of the vehicle, loan balance and what insurance determines repair cost would be. If the repairs cost is more than the Actual Cash Value (ACV) of what the vehicle is worth, insurance may pay the ACV instead of totaling the vehicle. If this occurs, City CU asks the member if they want to keep the vehicle and make the repairs, pay off loan balance or surrender the vehicle.</p>

Things to know about GAP coverage:

<p>What makes your loan ineligible for GAP coverage?</p>	<ul style="list-style-type: none"> • You didn't add GAP coverage when you booked your loan. • More than two delinquent/missed payments per calendar year. • More than one Skip-a-Payment extension per calendar year and no more than two total over term of the loan. • Your vehicle has Collateral Protection Insurance (CPI) coverage (<i>insurance on the vehicle only – not a replacement for your auto insurance – incurred if you let your auto insurance lapse</i>) The cost of one year of CPI coverage is added to your loan balance and, subsequently, added to your monthly payment amount. GAP will not cover the CPI portion of your loan balance; it will be your responsibility to repay that.
<p>What GAP doesn't cover</p>	<ul style="list-style-type: none"> • You can find details in the GAP waiver section of your loan documents. • Examples of what's not covered: interest accrued after date of loss, CPI payment, warranty balance

What happens to your vehicle and title:

1. Vehicles declared a total loss have a "salvaged" title.
2. We must release the title to your insurance company when we receive their Letter of Guarantee.
3. Based on the vehicle condition, the insurance company now can sell your vehicle at auction.
4. If you make arrangements with your insurance company to keep the vehicle, they'll instruct us to send the title to you.
 - a. Paper titles – if we have a physical copy of your title, we'll release the title 10 business days after your loan is paid off, then we'll mail your title and lien release to the address we have on file for you. (*Note: you'll want to make sure we have your current mailing address. Log in to online banking or the mobile app or contact us to verify your address.*)
 - b. Electronic titles – we will release the title 10 business days after your loan is paid. The state then prints your title and mails it to the address we have on file for you. You'll receive your paper title from the State (e.g., Texas Department of Transportation). (*Note: you'll want to make sure we have your current mailing address. Log in to online banking or the mobile app or contact us to verify your address.*)