

GAP INSURANCE

An automobile insurance option, available in some states, that covers the difference between a car's actual cash value when it is stolen or wrecked and the amount the consumer owes the leasing or finance company.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES/GAAP

Generally accepted accounting principles (GAAP) accounting is used in financial statements that publicly-held companies prepare for the Securities and Exchange Commission.

GENERIC AUTO PARTS

Auto crash parts produced by firms that are not associated with car manufacturers. Insurers consider these parts, when certified, at least as good as those that come from the original equipment manufacturer (OEM). They are often cheaper than the identical part produced by the OEM

GLASS INSURANCE

Coverage for glass breakage caused by all risks; fire and war are sometimes excluded. Insurance can be bought for windows, structural glass, leaded glass, and mirrors. Available with or without a deductible.

GRADUATED DRIVER LICENSES

Licenses for younger drivers that allow them to improve their skills. Regulations vary by state, but often restrict night time driving. Young drivers receive a learner's permit, followed by a provisional license, before they can receive a standard drivers license.

GRAMM-LEACH-BLILEY ACT

Financial services legislation, passed by Congress in 1999, that removed Depression-era prohibitions against the combination of commercial banking and investment-banking activities. It allows insurance companies, banks, and securities firms to engage in each others' activities and own one another.

GROUP INSURANCE

A single policy covering a group of individuals, usually employees of the same company or members of the same association and their dependents. Coverage occurs under a master policy issued to the employer or association.

GUARANTEE PERIOD

Period during which the level of interest specified under a fixed annuity is guaranteed.

GUARANTEED DEATH BENEFIT

Basic death benefits guaranteed under variable annuity contracts.

GUARANTEED INCOME CONTRACT / GIC

Often an option in an employer-sponsored retirement savings plan. Contract between an insurance company and the plan that guarantees a stated rate of return on invested capital over the life of the contract.

GUARANTEED LIVING BENEFIT

A guarantee in a variable annuity that a certain level of annuity payment will be maintained. Serves as a protection against investment risks. Several types exists.

GUARANTEED REPLACEMENT COST COVERAGE

Homeowners policy that pays the full cost of replacing or repairing a damaged or destroyed home, even if it is above the policy limit.

GUN LIABILITY

A new legal concept that holds gun manufacturers liable for the cost of injuries caused by guns. Several cities have filed lawsuits based on this concept.