



Westlake Financial[®]

PROGRAM GUIDELINES

2025



Income Types

Computerized Paystub w/YTD: Standardized paycheck stub with breakdown of taxes and full YTD breakdown of income (i.e. Paychecks, etc.). Computerized paystub w/YTD should be dated within sixty (60) days from contract date. . Overtime income cannot be considered on paystubs dated prior to April 1st or for applicants with less than three months of employment history. In addition, prior to pay period ending April 1 of the current year or the first three months of employment, YTD or pay period income calculations may be utilized. The more conservative of the two outputs will be scored as the final income calculation. Use the income calculator provided in DealerCenter or Portal Rehash for the most accurate income calculation.

YTD Monthly Income = (YTD Income/Days in YTD Period) x (365/12) EX: For a Pay Period End Date = 1/31/2025;
YTD Income = \$5000; Days in YTD Period = 31; Monthly Income = (5000/31) * 365/12 = \$4905

Self Employed-Turbo Pass: Self-employed customer with bank statements verified via TurboPass using baseline income. If the average ending balances on a customer's banking statement or TurboPass are lower than the monthly payment amount, but not negative, an additional \$250 surcharge will be added to the dealer's discount. Credit application must indicate type of business.

Self Employed-Business Statement: Self-employed customers with a bank statement **in their business name**, or proof that the business is owned by the customer such as a business license. Suitable proof of income would be 3 recent bank statements. Self-employed income may be calculated by averaging 3 months of deposits from bank statements, contingent on ending balance averaging out to at least the payment amount on the contract. All deposits are not counted as income, such as but not limited to, transfers from savings, brokerage or money market accounts, and one-time deposits such as tax refunds, insurance payouts, etc. Bank statements are required for customers working for family businesses.

Self Employed-Personal Statement: Self-employed customer with personal bank statements. Three recent/complete bank statements with transaction detail and address must be submitted. Self-employed income may be calculated by averaging three (3) months of deposits from bank statements. If the average ending balances on a customer's banking statement or TurboPass are lower than the monthly payment amount, but not negative, an additional \$250 surcharge will be added to the dealer's discount. All deposits are not counted as income, such as but not limited to, transfers from savings, brokerage or money market accounts, and one-time deposits such as tax refunds, insurance payouts, etc. Credit application must indicate type of business.

Printed Paystub- No YTD: Paycheck stub from company with tax deductions, or a computerized paystub with no YTD breakdown. Customer must provide one month of canceled checks as proof.

Dealer Employee: Any applicant employed by a car dealership.

Rideshare: Income from Uber, Lyft, and all independent delivery services, such as but not limited to GrubHub, UberEats, Postmates, DoorDash. Appropriate proof of income must be the last three (3) months of bank statements showing deposits from Uber or Lyft or other rideshare organization. All deposits are not counted as income- rather, ending balances must average out to at least the payment amount on the deal. Credit application must indicate type of business.

Social Security Benefits & SSI (Supplemental Security Income): These are federal programs that provide retirement and disability benefits. Both programs are administered by the Social Security Administration. Acceptable proof of income is a recent award letter (dated within the last twelve [12] months) from SSA or bank statements disclosing U.S. Treasury/SSA deposits. The customer's name should be the only one listed on the award letter. See *Dependent Income* if additional names are listed on the award letter.

Child Support/Foster Care: Any income received for purposes of child support or foster care. Acceptable proof for this type of income must be bank statements or other proof showing that the customer is actually receiving, not sending the funds. We cannot accept a notice from the court showing the customer has simply been awarded the child support. We must have proof that the funds are actually being received.

Home Care: Different from SSI, this is money received by the customer as a result of them caring for an individual in their home. To be scored as Home Care proof of income, acceptable Stips must include a copy of a paystub including the government agency who pays the customer for the home care stating the customer's name.

Dependent Income: All state or government assistance and any other monies coming solely from the existence of a dependent, such as SSI for an underage child or for an individual at that person's residence. Appropriate proof of income must be an SSI award letter or bank statements. The bank statement should disclose deposits from the US Treasury.

Passive Income: Income derived from sources other than employment or the income types classified in this section. Examples include tribal income, alimony paid to the customer, rental income, investment income with documentation of same. Use TurboPass or bank statements as proof of income.

Perm Disability/Ins: Income coming solely from an insurance company for dependent income. A disability award letter or bank statement must be used as proof of income.

Handwritten Paystub: All handwritten stubs with tax deductions listed. Personal/Business handwritten checks will not be accepted without copies of canceled checks (front and back). Three consecutive months of canceled checks will be required.

Trust/Annuity Income: Any monies from a trust or annuity that will be received longer than the term of the loan. Bank statements must be used as proof of income.

Military Income: Must be on active duty and provide a Leave and Earnings Statement (LES). Military Pension must be scored as SSI.

Job Letter: Employer name must be typed or written on the letter, and proof of the existence of the company, such as but not limited to a business license, should be provided along with a phone number to contact the employer. Business cards do not qualify as valid proof of the existence of a business. A job letter will not be accepted for customers working within a family-owned business.

Student Income (Financial Aid): Examples include financial aid and grants. Acceptable proof for this type of income must be a letter from a Financial Aid Office in which the customer is enrolled or the State in which the customer resides that discloses how much the customer receives each quarter/semester. Total student income will be calculated over 9 months. Student loans may not be counted as student income, grants only. GI Bill is classified under Student Income.



Westlake Policies

Ancillary Products- All products (EX: Gap Waivers, Extended Service Contracts, Prepaid Maintenance, Tire & Wheel, etc.) must be activated within 30 days of retail installment contract date. Secure One and KMIS GAP are excluded from this requirement. Service contracts must cover at least half the term unless Westlake's Secure One service contract is used. Maximum Anti-Theft amount is capped at \$1000. See the specific Buy Program® Approval for backend limits.

Additional Products- Fields listed in the Buy Program® where products added to the purchase of a vehicle must be indicated. Excludes service contract/warranty and GAP (Guaranteed Asset Protection), as there are specific fields where the values of service contract/warranty and GAP must be entered.

- **Frontend Products-** taxable products, such as but not limited to, Appearance Package or Anti-Theft.
- **Backend Products-** non-taxable products that require an additional contract, such as but not limited to, Maintenance Plan or Tire & Wheel Plan.

Bankruptcy- Discharged or dismissed bankruptcies are acceptable. However, open bankruptcies require additional stipulations in order to get funded, as noted below:

- Consumers with an open Chapter 7 bankruptcy must provide proof that the "341 Meeting of the Creditors" has been completed.
- Consumers with an open Chapter 13 bankruptcy must provide a signed letter from their Chapter 13 bankruptcy trustee authorizing them to incur more debt.

Book Value- If working a new car deal, please refer to the *New Car Financing Policy*.

- Kelley Blue Book, Wholesale value is used in the following states: CA, OR, WA, NV, UT, AZ, NM, HI.
- For all other states, please use J.D. Power Clean Trade.
- If no value exists, the deal must be submitted for pre-check via your Account Manager (sales rep).

Branded Vehicles- Westlake may finance salvaged, junk, rebuilt, water damaged, storm damaged, lemon and crash test vehicles if approved by the Buy Program®. Westlake may, with exception and in those states where allowed by law, purchase contracts that use police interceptors, limos, and taxis, vehicles with fire damage, grey market, recycled or stripped vehicles as collateral. The Branded Vehicle Program is available in all states except Massachusetts, New York and Puerto Rico. For more information, visit Westlake's Branded Vehicles website:

<https://www.westlakefinancial.com/branded-titles/>

Commercial Vehicles- Non-passenger, utility vehicles used for commercial purposes. For more information, visit Westlake's Commercial Vehicles website: <https://www.westlakefinancial.com/commercial/>

Contract Requirements-

- Contracts must be simple interest only.
- Re-contracting may be required if the contract is received by Westlake for purchase more than thirty (30) days after the contract date or within five (5) days of the first payment due date.

Delinquent Mortgages- If an application is received with evidence of a delinquent mortgage, an additional stipulation will be requested to determine whether or not the delinquent mortgage has been brought current prior to the customer applying for the loan.

Down/Deferred Payments- The maximum allowable amount of deferred down payment is \$500. A down payment cannot be paid with a credit card. Credit Analysts reserve the right to request certified funds (copy of cashier's check or money order) or a copy of an IRS Form 8300 form on any deal.

Government-issued Identification- Westlake accepts government-issued identifications that are current or expired. It is at Credit Analyst or Manager discretion to accept an expired Government-issued identification with additional fee, no fee or in order to decline the deal. The following are acceptable forms of ID:

- State Driver's License or ID card
- Foreign ID (passports, matriculas, consular IDs, except in states where the law prohibits registering the vehicle with these forms of identification) Occupational Licenses
- "International Driver's Licenses" are not accepted as valid identification
- U.S. Military ID card
- Permanent Resident Card (Green Card)
- Dept. of Homeland Security identification document
- Dept. of State Identification document
- If a U.S. Passport is the only form of ID provided, the Originations Department will use best efforts to verify that the applicant has a valid, non-suspended U.S. Driver's License. When a U.S. Passport is submitted in lieu of a Driver's License, this should alert the Credit Analyst that the Driver's License may be suspended. In this case, the Credit Analyst may check state DMV websites, where available, and/or request the Driver's License to proceed with the deal.

NOTE: We will not finance customers that have a suspended or revoked driver's license (in some states, DMV websites enable us to determine the status of the license).

Ineligible Customers- Westlake will not finance:

- Customers with a previous Westlake Financial, Wilshire Consumer Credit, Western Funding or ALPS repossession unless explicitly approved by the Westlake Buy Program.
- Customers who reside at a temporary residence will not be financed (i.e., hotels, motels, group homes, campgrounds).
- Customers who reside in Washington D.C.

Insurance- Westlake will request proof of insurance via a signed and completed Agreement to Provide Insurance ("ATPI") or suitable proof of insurance. Max comprehensive/collision deductibles for autos (non-commercial or RV) is \$1000. If the amount financed is less than or equal to \$6,500, this ATPI requirement will be waived.

Mileage- Westlake must use the mileage listed on the odometer statement for booking and approval purposes. If the true miles are unknown, then the customer's acknowledgement of the true miles being unknown is required, found on the odometer statement.

New Car Valuation- New vehicles must be prior-year or current-year models and have less than 200 miles to be considered new. In order to define the book value, the manufacturer invoice must be entered. The Buy Program® will apply a percentage adjustment to the invoice based on the vehicle's make and year.

Open Auto Loans- The Buy Program® will approve existing open auto loans on a deal-by-deal basis, based upon customer's credit. Any open, non-reporting auto will require precheck. See the specific approval for additional details.

Phone Bill- Acceptable proof of phone is any phone bill with customer's name and phone number. Any phone bill without the customer's name will require a Turbo Pass report.

1. A successful Turbo Pass report is defined as:
 - a. TP Link was texted to customer's phone number on the application, and
 - b. The Financial Institution phone number on the report must match the customer's phone number on the application.
2. If a phone bill is a family plan, the customer's phone number must be listed, a verification call needs to occur on number listed, and POR must be waived by the Buy Program® or the POR stip must be received and cleared. **NOTE:** Past due phone bills will not be accepted.

Powersports – Westlake may approve motorcycles, ATVs, side-by-sides, and personal watercrafts. For more information, visit Westlake's Powersports Program website: <https://www.westlakefinancial.com/powersports/>

Proof of Residence (POR) - POR should be dated within sixty (60) days from the contract date and cannot be past due. Westlake does not accept P.O. Box addresses on credit applications or stips submitted as Proof of Residence. POR is defined as one of the following:

- 1) A pre-existing utility bill in the customer's name and home address (gas, electric, water, cable, and satellite TV)
- 2) Phone bill in customer's name and home address;
- 3) Checking account statement in customer's name and home address;
- 4) TurboPass with name and customer address;
- 5) Major credit card statement in customer's name and home address. Monthly payment on the statement cannot be past due.

Rate – The Buy Program® will determine the "Buy Rate" of a deal. On qualifying deals will credit score 600+, rate can be marked up by dealer up to 2% with no chargebacks. Up to 65/35 split of marked up rate (may vary by state) for up to 60 months. No participation will be given on TMU, other branded vehicles or on vehicles with more than 150k miles. Other exclusions may apply. The ability to buy-down the rate may be available. The rate and fee will vary based on the Buy Program® parameters. Refer to the Buy Program® for rates and fees.

Residence Stability and Job Time- Scoring begins at age 18. Be aware of whether or not the driver license and paperwork conflict with the residence time, including all stips and credit report information. Temporary residences will not be accepted (hotels, motels, group homes, etc.) No documentation can override any conflict with stability. Seasonal and union workers are capped at 2 year job time. For temporary jobs/agencies, Westlake must enter 0.1 years unless time can be verified with the *employer*, not the personnel agency. Self-Employed persons could be more than 2 years, but ample evidence must be provided, such as business license or bank account displaying the opening date. Tax returns to show time on job are *not* considered evidence.

Resubmitted Deals- If a deal with the same customer is resubmitted more than once, deal may be subject to being returned to the dealer.

Returned Deals- Westlake has the right to return any deal, at any time, in accordance with the Dealer Agreement. Dealer will be notified of the reason for return.

Specialty Vehicles- Recreational, Commercial, Classic and Highline/Exotic vehicles. For more information, visit Westlake's Specialty Vehicles website: <https://www.westlakefinancial.com/specialty-vehicles/>

Stipulations ("Stips") - Complete deals, i.e., those that have all stipulations required by the Buy Program®, are rewarded with faster funding. Deals missing Stips may be returned to dealers and will require resubmission. Stips must be dated within the forty-five (45) days of contract date. Stips, such as, phone bills or other billing statements should be in good standing; no past due bills or negative ending balances will be accepted. In the event that Proof of Income has been waived by the final approved Buy Program®, Westlake will still verify employment and income through our verifications process. Waiving POI does not waive verification of employment (VOE).

Any deviation from Westlake Financial's stated policies may result in delayed funding, increased lender fees, or denial of credit to applicant. It is the dealer's primary responsibility to verify the validity of the customer's information as stated on application.