



Westlake Financial Services®

PROGRAM GUIDELINES

July 2019



Titanium Guidelines

The Titanium Program offers lower rates and dealership fees for customers with strong credit. Customers with credit score 750+ fall into the Titanium Program tier. Benefits of this program include:

- A.P.R.s as low as 2.99%
- Low dealer discounts
- No minimum amount financed
- No minimum income
- No minimum job or residence time
- No maximum vehicle mileage
- Up to 72 month term
- Minimal stip requirements
- No maximum vehicle age
- Up to 2% dealer participation on qualifying deals with no chargebacks. Up to 65/35 split of marked up APR (split may vary by state) for up to 60 months. No participation on TMU vehicles with more than 150K miles. *Other exclusions may apply, use Rehash to see participation paid (if any).*

Program Requirements	
Credit Score:	750+
PTI:	
Bureau Time:	No Min
Good Trades:	
Max Term:	42-72
Rates:	2.99% - 8.99%
Down Payment:	5% or \$750
Max LTV:	150%
Min Discount:	\$100
Vehicle Age:	No Max
Stipulation Requirements	
• Driver License	• 4 References
• Agreement to Provide Insurance	• Completed/Signed Credit Application
• Proof of Income <i>*Thick files exempt</i>	• Proof of Residence <i>*Thick files exempt</i>

Customers who are considered "Thick File":

- Minimum 2 years on bureau
- Minimum 3 good trade lines
- 1 paid auto OR minimum high good amount of \$5000

For Independents: Max Amount Financed starts at \$20,000

For Franchises: Max Amount Financed starts at \$25,000

***** MUST MEET WESTLAKE POLICIES (see Westlake policies) *****

***** STIPS CANNOT BE OLDER THAN 30 DAYS FROM THE CONTRACT DATE*****

Policies and stipulations can change without warning. We reserve the right to negate any deal for any reason; please use common sense when submitting a deal. We firmly believe in the "Win, Win" philosophy. Thank you!



Platinum Guidelines

The Platinum Program offers lower rates and dealership fees for customers with strong credit. Customers with credit score 700-749 fall into the Platinum Program tier. Benefits of this program include:

- A.P.R.s as low as 5.99%
- Low dealer discounts
- No minimum amount financed
- No minimum income
- No minimum job or residence time
- No maximum vehicle mileage
- Up to 72 month term
- Minimal stip requirements
- No maximum vehicle age
- Bankruptcies OK (see BK Policy)
- Up to 2% dealer participation on qualifying deals with no chargebacks. Up to 65/35 split of marked up APR (split may vary by state) for up to 60 months. No participation on TMU vehicles with more than 150K miles. *Other exclusions may apply, use Rehash to see participation paid (if any).*

Program Requirements	
Credit Score:	700-749
PTI:	
Bureau Time:	No Min
Good Trades:	
Max Term:	42-72
Rates:	5.99% - 20.99%
Down Payment:	5% or \$750
Max LTV:	150%
Min Discount:	\$100
Vehicle Age:	No Max
Stipulation Requirements	
• Driver License	• 4 References
• Agreement to Provide Insurance	• Completed/Signed Credit Application
• Proof of Income <i>*Thick files exempt</i>	• Proof of Residence <i>*Thick files exempt</i>

Customers who are considered "Thick File":
 -Minimum 2 years on bureau - Minimum 3 good trade lines
 -1 paid auto OR minimum high good amount of \$5000

For Independents: Max Amount Financed starts at \$20,000
For Franchises: Max Amount Financed starts at \$25,000

***** MUST MEET WESTLAKE POLICIES (see Westlake policies) *****
***** STIPS CANNOT BE OLDER THAN 30 DAYS FROM THE CONTRACT DATE*****

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Gold Program Guidelines

Westlake’s Gold Program offers competitive rates and terms for customers with established credit history. Customers with credit score 600-699 fall into the Gold Program tier. Benefits include:

- A.P.R.s as low as 9.99%
- No maximum vehicle mileage
- No minimum amount financed
- No minimum income
- No minimum job time
- No minimum residence time
- Up to 72 month term
- Low dealer discounts
- No maximum vehicle age
- Bankruptcies OK (see BK Policy)
- Up to 2% dealer participation on qualifying deals with no chargebacks. Up to 65/35 split of marked up APR (split may by state) for up to 60 months. No participation on TMU or vehicles with more than 150K miles. *Other exclusions may apply, use Rehash to see participation paid (if any).*

Program Requirements	
Credit Score:	600-699
PTI:	
Bureau Time:	No Min
Good Trades:	
Max Term:	42-72
Rates:	9.99% - 24.99%
Down Payment:	7.5% or \$1500
Max LTV:	150%
Min Discount:	\$50
Vehicle Age:	No Max
Stipulation Requirements	
• Proof of Income	• 6 References
• Proof of Insurance	• Proof of Residence
• Driver License	• Landline/Cell Phone Bill
• Completed/Signed Credit Application	

For Independents: Max Amount Financed starts at \$20,000

For Franchises: Max Amount Financed starts at \$25,000

***** MUST MEET WESTLAKE POLICIES (see Westlake policies) *****

***** STIPS CANNOT BE OLDER THAN 30 DAYS FROM THE CONTRACT DATE*****

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Standard Program Guidelines

The Standard Program is Westlake’s most popular program. Dealers rely on this program as the backbone of their sub-prime finance business. Customers with credit score 0-599 fall into the Standard Program tier. Benefits include:

- On-the-spot approval
- No minimum credit score
- No minimum amount financed
- No minimum income
- No minimum job time
- No minimum residence time
- Hard-to-prove incomes accepted
- Previous repossessions – no problem!
- No maximum vehicle age
- Bankruptcies OK (see BK Policy)
- No maximum vehicle mileage

Program Requirements	
Credit Score:	599 & Below
PTI:	
Bureau Time:	No Min
Good Trades:	
Max Term:	42-72
Rates:	Up to max state usury
Down Payment:	10%
Max LTV:	140%
Min Discount:	\$75
Vehicle Age:	No Max
Stipulation Requirements	
• Proof of Income	• 10 References
• Proof of Insurance	• Proof of Residence
• Driver License	• Landline/Cell Phone Bill
• Completed/Signed Credit Application	

For Independents: Max Amount Financed starts at \$20,000
For Franchises: Max Amount Financed starts at \$25,000

***** MUST MEET WESTLAKE POLICIES (see Westlake policies) *****
***** STIPS CANNOT BE OLDER THAN 30 DAYS FROM THE CONTRACT DATE*****

Policies and stipulations can change without warning. We reserve the right to negate any deal for any reason; please use common sense when submitting a deal. We firmly believe in the "Win, Win" philosophy. Thank you!



AAA Guidelines

‘AAA’ any Titanium, Platinum, Gold or Standard program deal and receive lower APRs and dealer discounts. AAA deals must be structured to meet the deal requirements listed below. ‘AAA’ deals are available on vehicles of any age and mileage. Dealers may add up to 2% participation with no chargebacks (Gold, Platinum, and Titanium only).

<u>Credit Score Range</u>	<u>Tier</u>	<u>Min. Payment</u>	<u>Min. Down Payment</u>	<u>Max LTV</u>	<u>A.P.R.</u>	<u>Discount</u>
780+	1	\$300	10%	110%	5.99%	\$250
	2	\$300	10%	120%	7.99%	\$450
	3	\$300	10%	125%	9.99%	\$500
725-779	1	\$300	20%	100%	7.99%	\$400
	2	\$300	15%	110%	9.99%	\$600
	3	\$300	10%	115%	11.99%	\$700
680-724	1	\$275	25%	90%	9.99%	\$500
	2	\$275	15%	100%	11.99%	\$700
	3	\$275	10%	105%	13.99%	\$800
625-679	1	\$275	30%	80%	12.99%	\$700
	2	\$275	20%	90%	14.99%	\$800
	3	\$275	15%	95%	15.99%	\$900
575-624	1	\$250	35%	75%	15.99%	\$800
	2	\$250	25%	80%	16.99%	\$900
	3	\$250	20%	85%	18.99%	\$1,000
525-574	1	\$250	40%	65%	22.99%	\$1,250
	2	\$250	40%	70%	22.99%	\$1,500
	3	\$250	40%	75%	22.99%	\$1,750
300-524	1	\$250	45%	60%	24.99%	\$1,500
	2	\$250	45%	65%	24.99%	\$1,750
	3	\$250	45%	70%	24.99%	\$2,000
0	1	\$250	35%	75%	15.99%	\$800
	2	\$250	30%	85%	16.99%	\$900
	3	\$250	25%	90%	18.99%	\$1,000
Default	1	\$250	35%	60%	24.99%	\$1,500
	2	\$250	30%	65%	24.99%	\$1,750
	3	\$250	25%	70%	24.99%	\$2,000

Factors that can default a deal to the lowest (default) tier	
<ul style="list-style-type: none"> • Good to Bad ratio is less than 40% • Less than 3 total trades 	<ul style="list-style-type: none"> • High Good amount is less than 50% of amount financed and finance amount is less than \$10,000
Factors that can prevent a deal from being AAA	
<ul style="list-style-type: none"> • No good credit items and 10 or more derogatory items • Less than 3 years on credit bureau • Less than 3 good trades • Minimum income less than \$1,750 (total for signer / co-signer) 	<ul style="list-style-type: none"> • More than 1 repossession • 2 or more delinquent accounts • Income Type is Job Letter, Handwritten Paystub, Unemployment Insurance or Dealer Employee • High Good amount is less than 50% of amount financed and finance amount is more than \$10,000

Stipulation Requirements – Follow stip requirements for appropriate credit tier, i.e. Standard, Gold, Platinum and/or Titanium.

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***** STIPS CANNOT BE OLDER THAN 30 DAYS FROM THE CONTRACT DATE *****

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Income Types

Income Types

<p>Computerized Paystub w/YTD: Normal paycheck stub with breakdown of taxes and full YTD breakdown of income (i.e. Paychecks, etc.). Prior to Pay Period Ending April 1 of the current year, O.T. income may not be counted as income unless there is an accompanying W2 from prior year to support the O.T. income scoring. OT Income will also not be counted for customers with 3 months or less job time. YTD Monthly Income = (YTD Income/Days in YTD Period) x (365/12) EX: Pay Period End Date = 1/31/2019; YTD Income = \$5000; Days in YTD Period = 31; Monthly Income = (5000/31) * 365/12 = \$4905</p>	<p>Self Employed-Business: Self-employed customers with a business statement IN THEIR BUSINESS NAME, or proof that the business is in their name. All deposits are not counted as income, a reasonable profit margin will be allowed for the type of business. Ending balances must average out to at least the payment amount on the deal. Suitable proof of income would be 3 recent bank statements.</p>
<p>Printed Paystub- No YTD: Paycheck stub from company with tax deductions, or a computer generated stub with no YTD breakdown.</p>	<p>Self Employed-Personal Stmt: Self-employed customer with personal bank statements. Three recent/complete bank statements with transaction detail and address must be submitted. All deposits are not counted as income, a reasonable profit margin will be allowed for the type of business. Ending balances must average out to at least the payment amount on the deal.</p>
<p>Handwritten Paystub: All handwritten stubs with tax deductions. Personal/Business handwritten checks will not be accepted without copies of canceled checks (front and back).</p>	<p>Job Letter: Company should be listed, and proof of business, such as a business license, must be provided along with a phone number to contact the employer. Business cards do not qualify as valid proof. Must be typed or written on a company letterhead. Will not be accepted for customers working within a family owned business. Additional documents may be required, depending on the customer's profession.</p>
<p>Social Security Benefits & SSI (Supplemental Security Income): Federal programs that provide retirement and disability benefits. Both programs are administered by the Social Security Administration. Appropriate proof of income is a recent award letter (dated within the last 30 days) 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.</p>	<p>Student Income (Financial Aid): Student grant money may be counted. (Job time is 0). Proper proof of income would be a letter from their Financial Aid Office or the State they reside in disclosing how much they receive each quarter/semester. Total student income will be calculated over 9 months. Student loans may not be counted as student income, grants only.</p>
<p>Child Support/Foster Care: Any income received for purposes of child support or foster care. Bank statements or other proof showing that the customer is actually RECEIVING the funds must be provided. We will not accept a notice from the court showing the customer has simply been awarded the child support. Must have proof that the funds are actually being RECEIVED.</p>	<p>Home Care: Different from SSI, this is money received by the customer as a result of them caring for an individual in their home. In order to count, a copy of paystub must be included with deal and we must be able to contact the government agency who pays the customer. This income will state the benefactors name on the benefit letter.</p>
<p>Military Income: Must be on active duty and provide an LES statement. Military Pension must be scored as SSI.</p>	<p>Trust/Annuity Income: Any monies from a trust or annuity, which will be received longer than the term of the loan.</p>
<p>Perm Disability/Ins: Income coming solely from an insurance company for dependent income.</p>	<p>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 would be an SSI letter or bank statements. The bank statement should disclose deposits from the US Treasury.</p>
<p>Passive Income: Income derived from sources other than employment or above classified income types.</p>	
<p>Dealer Employee: Any applicant employed by a car dealership.</p>	<p>Short-Term Disability: Workman's compensation.</p>
<p>Rideshare: Income from Uber or Lyft. Must provide last 3 months of Bank Statements showing consistent deposits.</p>	

NOTE: If your customer's income type is not listed above, please contact your Westlake Representative.



Westlake Policies

AAA- Access to the AAA program is granted on a month-to-month basis. In order to have access to the AAA program, a dealer must meet one of the following requirements: 1) Be a new Westlake Dealer or 2) Westlake Dealer must have a dealer grade of A, B, or C AND must have funded a non-AAA deal the previous month to qualify for the current month. *Ex: Westlake dealer must fund a non-AAA deal in September in order to have access to the AAA program in October.*

Bankruptcy- Discharged or dismissed bankruptcies are okay. Open bankruptcies require additional steps. Open Chapter 7 bankruptcies must provide proof that the "341 Meeting of the Creditors" has been completed. Open Chapter 13 bankruptcies must provide a signed letter from their trustee authorizing them to incur more debt.

Booksheet- We will add or deduct for mileage. Do not add for the following: Premium sound, Premium Wheels, Phone, Vinyl tops, Custom Bumper, 2 tone paint, Oversize tires, Tow package, Winch, Snow Plow, Custom Hydraulics, Commercial Truck adds, and any item not in working order. Commercial vehicles (i.e. taxis, limos, police interceptors, etc.) are not eligible to finance with Westlake. If working a new car deal, please refer to the *New Car Financing Policy*. Kelley Wholesale is used in the following states: CA, OR, WA, NV, UT, AZ, NM, HI. For all other states, please use NADA Clean Trade. If no value exists, deal must be submitted for pre-check via your Account Manager.

Branded Vehicles- Westlake may finance branded vehicles if approved by the Buy Program. The Buy Program must include a statement waiving the prohibition against branded vehicles. Income types on branded vehicle deals are limited to Comp Paystub w/ YTD, Self Emp-Bus/Pers Bank Stmt, or SSI Buyer. Acceptable brands/events are as follows: collision, flood damage, hail damage, insurance theft claim, junk, lemon, major damage, NHSTA crash test vehicle, rebuilt, salvage, vandalism, water damage, weather damage. Pictures of the vehicle are required (exceptions may apply). A disclosure form signed by the customer will be required based on the states and brands/events reported on the history of the vehicle. GAP and VSC are not allowed (exceptions may apply). Program is available in all states except MA, NY and PR.

Contract Limitations- Contracts must be simple interest only. Contracts sent to Westlake 21+ days past contract date will result in \$300 fee. Re-contracting is required if the contract is received after 30+ days or within 5 days of payment due date.

Co-signers- Co-signers can have no more than 1 open auto. Select appropriate relationship. Parent relationship must be scored as "parent." If choosing "co-habitant," both signers must reside at the same address and proof of such must be provided. Any one of the following items are accepted as proof:

- 1 piece of hard POR that has the names of both signers
- Common trade lines on the credit report
- Minimum 1 year of common reporting addresses on the credit report

If the appropriate proof cannot be provided, in all other instances, the relationship must be scored as "other."

Delinquent Mortgages- If less than 60 days delinquent, proof of the delinquent account being paid current prior to applying for the new loan will be required.

Down/Deferred Payments- Maximum of down payment deferred is 25% of the total down, up to \$500. Last deferred payment is due no later than 14 days prior to 1st payment due date. Examples: \$1000 total down, max deferred = \$250; \$3000 total down, max deferred = \$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) on any deal or copy of 8300 form.

Government-issued Identification- Westlake only accepts government-issued identification that is current (non-expired). The following are acceptable forms of ID:

- State Driver's License or ID card
 - U.S. Passports are not accepted (U.S. citizens should have state-issued Driver's License or Identification Card)
- Foreign ID (passports, matriculas, consular IDs)
 - Texas will not accept matriculas or consular IDs
 - "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

Note: If the accepted identification provided by the customer is not a Driver's License issued by the state in which the customer resides, a \$200 fee will be added to the discount at the time of funding (\$300 fee in TX only; these fees exclude active military personnel). We will not finance customers that have a suspended or revoked driver's license. All deals with an amount financed of \$15,000.00 or higher (For Franchise: 20,000.00 or higher) where the customer lives more than 150 miles from the dealership must be pre-checked, regardless of driver's license state of issuance. Customers with an out-of-state DL living within 150 mile radius of the dealership where the vehicle was purchased may be excluded from the \$200 fee if proof of such is provided.

Gross Monthly Income- Please refer to Income Types for appropriate calculations and explanations.

Hard Proof of Residence (POR) - Defined as:

- 1) A pre-existing utility bill to customer's name and home address (gas, electric, water, cable, and satellite TV)
- 2) Landline phone bill in customer's name and home address
- 3) Cell phone bill with full call details in customer's name and home address
- 4) Checking account statement in customer's name and home address
- 5) Major credit card statement in customer's name and home address.

Statement cannot be past due. In addition, a past due amount on a bill used as POR cannot be greater than the new car payment.

Incoming Deals- Sending complete deals is essential for verification of the deal. Westlake has the right to return any deal at any time; dealer will be notified regarding the reason for turn-down.

Ineligible Customers- Westlake will not finance auto collectors or repo/towing employees. Customers with a previous Westlake Financial, Wilshire Consumer Credit, Western Funding or ALPS repossession are ineligible. Customers who reside at a commercial property will not be financed (EX: hotel/motel, trailer/RV parks, group home, etc.).

Insurance- The customer must provide proof of comp and collision with \$500 deductibles with a minimum policy of six months and list Westlake Financial as lienholder.

Landline/Cell Phone Bill- No phone, no loan! Acceptable forms of phone bill are:

- 1) Landline phone bill to customer's home address.
- 2) Cell phone bill in customer's name and address
- 3) Cell phone bill not in customer's name accompanied with hard POR
- 4) New phone service with hard POR
- 5) Prepaid phone service with hard POR

In addition, a past due phone bill amount cannot be greater than the new car payment.

Mileage- Use mileage on odometer for booking and approval purposes. TMU requires customer acknowledgement of title brand status. Exempt vehicles or vehicles 10 years old or older will require odometer representation signed by the dealer and customer.

New Car Valuation- Vehicles must be prior-year or current-year models and have less than 200 miles to be considered new. Enter manufacturer invoice as book value. The Buy Program will apply a percent adjustment to the invoice based on vehicle make and year.

Non-Financeable Vehicles- Westlake will not finance non-approved commercial vehicles, taxis, police units (including police interceptors). Westlake may consider certain cargo vans eligible for finance.

Number of Repossessions/Auto Losses- Count all repossessions- Voluntary surrender, redeemed repos, paid repos, charged-off autos, BK LIQ autos, insurance deficiency autos, and any other autos (or installment loans from an auto lender) that appear to have ever been repossessed, skipped or resulted in any form of a loss to a creditor. All past due autos and repossessions must be accurately reflected on the bureau, subject to final review by Credit Analyst.

Open Auto Loans- Westlake may approve a second auto loan for an individual signer who has one existing open auto. The Buy Program will parse for LTV, FICO, PTI and other credit factors (i.e. repos, derogatory accounts, aging on existing auto loan) to determine eligibility for second auto. Co-signers can have no more than 1 open auto. If open auto is a total loss or being paid by someone else, additional documentation (i.e. proof of paid-in-full from previous lender, insurance letter for total losses including proof of Gap if applicable, or 3 months of cancelled checks/bank statements for someone else paying) will be required. If an open auto is delinquent, proof that the auto was paid current must be reflected in the bureau.

Present or Prior Westlake Accounts- Westlake may allow a second account for existing customers who have made at least 9 consecutive on-time payments on their current account. For active Westlake customers, the deal must be pre-checked.

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

Resubmitted Deals- A deal with the same customer can only be resubmitted once.

Returned Deals- Deals missing two or more major stips (Proof of Residence, Proof of Income, Credit Application, etc.) are subject to being turned down regardless of the deal's age.

Stipulations- Complete deals are rewarded with faster funding. Deals missing two or more major stips will be returned to dealers and will require resubmission. Stips must be dated within the last 30 days of contract date.

Warranty- All ancillary products (EX: Gap waivers, Extended Service Contracts, etc.) must be activated within 30 days of installment contract date. KMIS related products are excluded from this requirement. Service contract/warranty must cover at least half the term unless Westlake's Secure One service contract is used. Maximum Anti-Theft amount is capped at \$1000. Listed below are the maximum warranty prices and advances for our Buy Program:

Independent Dealers	Westlake Product	Max Warranty Price
	Standard	\$995
	Gold	\$1,295
	Platinum/Titanium	\$1,495

Franchise Dealers	Book Value	Max Warranty Price
	<\$10,000	\$1750
	\$10,000 - \$14,999	\$2,250
	\$15,000 - \$19,999	\$2,750
	\$20,000 - \$24,999	\$3,000
\$25,000+	\$3,250	

Presidential & Prime Program	Book Value	Franchise	Independent
	<\$10,000	\$2,500	\$1,500
	\$10,000 - \$14,999	\$2,750	\$2,000
	\$15,000 - \$19,999	\$3,250	\$2,000
	\$20,000 - \$24,999	\$3,500	\$2,000
\$25,000+	\$4,000	\$2,000	

Warranties less than \$995.00 must cover a minimum of 6 months.
Warranty advance (per grid) cannot exceed price of warranty or 10% of amount financed.

Any deviation from Westlake Financial Services' stated policies may result in delayed funding, increased discount, 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.