



UNDERWRITING GUIDELINES

These guidelines are general rules used in determining what Santander Consumer USA / Drive® will approve and purchase. Deal structures must be consistent with these guidelines. Only authorized Drive Financial personnel have the right to make credit decisions. The following provides a summary of the types of customers and deal structures that are acceptable for purchase.

Typical Customer

Our typical customer has credit problems or little to no credit experience. We generally look for stability and ability to pay when there is an absence of acceptable credit history.

Residence Stability

We prefer customers with one year at the current residence. We request a five-year history of residence on each buyer. Each customer must have a phone.

Employment Stability

We prefer a customer have one year with the current employer. Customers must be employed when they sign their contract(s) unless they are on a permanent fixed income. Customers receiving unemployment or temporary disability are ineligible for financing. Any job change automatically revokes the approval and the deal must be underwritten again.

Self-Employed

Generally, self-employed customers are acceptable, provided they can prove their income.

Dealership Employees

Generally, we do not accept applications from dealership employees seeking to purchase vehicles from their employer (i.e. the dealership).

Military Personnel

All military customers need to provide a copy of their current Leave and Earnings Statement, which indicates the dates of service, a valid military identification and a valid state drivers' license. In addition, if a military customer wants to arrange to pay by allotment, we require a completed allotment accompanied by a receipt showing the allotment has been completed, as well as the customer's first payment. We require first payment to compensate for the extra time needed to process allotments.

Ineligible Vehicles

No RVs, van conversions, commercial vehicles, vehicles greater than one ton, vehicles made by defunct manufacturers or "Gray Market" vehicles (salvage or reconditioned titled vehicles).

Down Payment Requirements

1. Down payment required for some programs. Details vary by program. Refer to callback for more information.
2. Hold checks are not acceptable, except in California.

Income Criteria

Minimum income required varies by program.

Bankruptcies

Open bankruptcies (BKs) must have an approval letter from the courts and/or trustee to incur a new debt, and may be assessed higher acquisition fees. We prefer applicants with recently discharged bankruptcies, preferred no major derogatory information reported to the bureaus since the discharge date and/or approval for Chapter 13 bankruptcies to pay outside the plan.

Debt-to-Income / Payment-to-Income

Vary by program.

Insurance

We need the agent's name and phone number to verify coverage. The maximum deductible is \$500 for comprehensive and collision insurance, and insurance must always be full coverage.

Lienholder address for insurance companies:
P.O. Box 47260 | Atlanta, GA 30362-0260

Advance

Loan-to-Value (LTV) varies by program – up to 130 percent of invoice or wholesale NADA/Kelly Blue Book including tax, title, license and back-end.

Maximum Payment

Amount financed and term vary by program.

Multiple Notes

Multiple open autos are not preferred. Exceptions are made on a deal-by-deal basis by a credit analyst.

References

We request two to five references on every deal depending on the program. All references will be checked and are very important to the overall success of each deal.

Funding

A completed checklist, a buyer's order, and stipulations are required for contract funding. Upon receipt of the completed contract package from the dealer, we will verify the application. All verifications will be based on the date of instrument. In other words, all employment, residence and other applicable information on the credit application should be correct as of the day the papers were signed.

Pre-Funding Customer Interview

Customers may be contacted to verify the information submitted in the deal documents.

Contracts

All contracts must be simple interest. Any handwritten changes to the contract should be initialed by the customer. See funding addresses on reverse side (regular or overnight mail) to determine where to send your contract package.

Titles

All titles should be sent to: PO Box 25120 | Lehigh Valley, PA 18002-5120

Back-End

We will finance GAP, credit life, disability and service contracts. See Rate Sheet for limits.

Contracting Errors

Our goal is to correct any error in contracting without having to return the contract to the dealer. Any advance in excess of the approval or back-end cap may be deducted from the dealer proceeds. Interest rate mistakes can also be withheld from dealer proceeds, unless it exceeds the state maximum. Mileage and term errors will be handled on a case-by-case basis. Our goal is to purchase every deal. We reserve the right to return the deal or withhold funds to facilitate the purchase of the contract.

First Payments

The first payment should be submitted if the deal is not received within 15 days of the customer's payment due date. The payment must be made voluntarily by the customer. If the customer will not voluntarily make their first payment early, then the contract will not be purchased until it is received. Dealer checks are not accepted. Please send the first payment (with the APP ID listed on the check or money order) to: 8585 N. Stemmons Freeway Suite 1100-N, Dallas, TX 75247.

Approvals

Contract approvals are valid for 30 days. All approvals are based on the information provided on the credit application and are subject to verification prior to purchasing.

Independents

Contracts from independent dealerships can be accepted with a whiteslip included in the deal package.