

Implementation of Digital Identity Verification (IDV)

As fraud within the automotive industry continues to rise, the need for additional measures to combat this threat—both to Santander Consumer Bank (“Santander”) and you, our valued dealer partners — has become increasingly important.

Digital Identity Verification (IDV) solutions can significantly reduce exposure to fraud by validating that government-issued identification has not been altered and by performing a liveness check to confirm that the individual presenting the ID matches the identification provided. In accordance with your dealer agreement, and recent updates to FINTRAC requirements, the responsibility to validate a consumer’s identity rests with your dealership.

Consistent with the terms of your dealer agreement, your failure to appropriately identify a customer in line with applicable requirements may result in funding delays, declined contracts, potential loan unwinds or other far-reaching consequences that Santander may deem fit.

Effective February 15, 2026, Santander will require the use of Digital Identity Verification for all customers prior to funding. Proof of a successful (“Pass”) verification must be retained by the dealership and provided upon request. Any contract for which evidence of a compliant IDV result is not produced upon request will be deemed ineligible for funding.

To ensure appropriate standards, Santander requires that any IDV provider used be a member of the Digital Identification and Authentication Council of Canada (DIACC). A list of DIACC providers is available on their website at www.diacc.ca.

While the choice of IDV provider remains with your dealership, all applicable federal and provincial privacy legislation must be adhered to. Dealers should not submit copies of customer photo identification to Santander unless specifically requested.

Santander will regularly review its dealership partners to ensure their adherence to these requirements.

The use of an IDV solution will help reduce instances of fraud and the potential need for loan unwinds. It will also enhance the integrity of the relationship of the parties and help prevent unnecessary litigation, legal fees or other enforcement costs. We also strongly encourage your dealership to further strengthen your fraud mitigation practices through regular staff training, appropriate policies and procedures, instant bank verification for proof of income, and any other resources available to you.

We appreciate your attention to this important matter and thank you for your continued partnership as we work together to combat fraud.

Samantha Horton
Vice President, Account Acquisition

Santander Consumer Bank

Suite 200, 4245 97 Street NW

Edmonton, Alberta T6E 5Y7

Tel. 780 413 7549 | 888 486 4356 Fax. 780 450 1134 | 888 486 7456

www.santanderconsumer.ca

Dealer FAQ – Digital Identify Verification (IDV)

1. Why is Santander requiring Digital Identity Verification (IDV)?

Fraud, particularly identity-related fraud, continues to increase across the automotive industry. IDV helps confirm that customer identification is authentic and that the individual presenting it is physically present, reducing fraud risk for both dealerships and Santander.

2. When does this requirement take effect?

IDV will be required for all customers **effective February 15, 2026**. IDV must be completed prior to submitting contracts for funding.

3. What happens if IDV is not completed?

Contracts submitted without proof of a successful (**Pass**) IDV result may experience funding delays or may be declined in accordance with the Dealer Agreement.

4. Do dealers need to send customer photo ID to Santander?

No. Dealers should **not** send copies of customer photo identification to Santander unless specifically requested. Dealers must retain proof of a successful IDV result and provide it upon request.

5. Which IDV providers are acceptable?

Dealers may select their own provider, provided the provider is a member of the **Digital Identification and Authentication Council of Canada (DIAACC)** and meets applicable privacy and security standards.

6. Is Santander endorsing specific IDV vendors?

No. Santander does not endorse or recommend specific vendors. Provider selection remains the responsibility of the dealership.

7. How long must IDV records be retained?

Dealers should retain IDV records in accordance with their Dealer Agreement, FINTRAC requirements, and applicable privacy legislation.

8. Does IDV replace existing identification requirements?

No. IDV is an additional control and does not replace existing identification, KYC, or due diligence obligations outlined in the Dealer Agreement.

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9. Will Santander provide training or guidance?

Santander will continue to provide guidance as needed; however, implementation, staff training, and day-to-day usage of IDV solutions remain the responsibility of the dealership.

10. Who can dealers contact with questions?

Dealers should contact their Santander Dealer Relationship Manager for any questions regarding IDV implementation or funding requirements.

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