

No Verification, No Funding.

The new reality of auto lending in Canada

Kole Hicks | Chief Revenue Officer, AutoCorp.ai | Ottawa, Canada



WHAT YOU'LL LEARN

Three Things You'll Leave Knowing

1

The Market Is Softer

Every deal matters more than ever.

2

AI Is a Double-Edged Sword

Your biggest efficiency tool - and your biggest threat.

3

You Must Act Now

You are legally required to comply. The clock started April 1, 2026.

THE MARKET

Canada's Auto Market: Strong Year. Softer Now.

1.9M

2025 Sales

6-year high - but growth slowed to +2%

-4.4%

Q1 2026 vs Q1 2025

Sales are falling now

-37%

Luxury Segment

Drop Q1 2026

\$0

Real-Time Fraud Data

Net new data sharing between lenders

Tariffs arrived, production cut shifts, December fell 7.3%. Inventory and incentives are back - you cannot afford to lose margin to fraud on top of a softening market.

AI: Efficiency Tool & Weapon in the Same Engine

● AI Helping Your Dealership

68% of AI adopters report positive impact (CDK Global)

30% faster revenue growth, 50% wider margins
(CADA/Keyloop)

Lead gen, F&I automation, inventory management 24/7

AI fills roles dealers can't hire - 57% say talent is #1 priority

● Same AI - Weaponized Against You

Fake IDs: AI-generated licenses and paystubs - undetectable

Voice cloning: 3 seconds of audio = 85% match

Deepfakes: Video call "customers" are AI-generated

Synthetic IDs: 1 in 114 auto loan applications is fabricated

#CreditHacks: Loan stacking tutorials on TikTok - free

FRAUD CRISIS

Auto Fraud in Canada: Worse Than You Think

+54%

YoY Fraud Spike

Equifax Canada Q4 2024

\$1.2B

Lost to Theft & Fraud

Autocorp.ai / Industry 2025

372K+

Cloned VINs Active

CARFAX Canada 2025

1 in 5

Canadians Affected

CARFAX Canada Survey 2024

\$638M

Reported Fraud Losses

CAFC 2024 - only 5-10% reported

+300%

Fraud Increase Since 2020

Government of Canada 2025

MEET JACK

How "Jack" Stole \$608,988 in 29 Days

New-to-credit delinquency hit 0.82% vs 0.48% for non-NTC by April 2025.

Phase 1 - The Build (2020-2023)

3 years of clean credit: 2 credit cards, 1 cellphone.
Looks like any normal new-to-Canada consumer.

10 loans in 29 days across 7 lenders

\$81K, \$75K, \$70K, \$40K, \$51K, \$7K, \$86K, \$55K, \$41K, \$36K

Each lender saw only their own deal.

Total loss: \$608,988 - Source: TransUnion Canada

Phase 2 — The Bust (Jan 2025)

DATE	PRODUCT	LENDER	BALANCE
Jan 1	Auto	Captive	\$81K
Jan 14	Auto	Bank	\$75K
Jan 15	Auto	Captive	\$70K
Jan 15	Auto	Bank	\$40K
Jan 16	Auto	Captive	\$51K
Jan 16	Credit Card	Fintech	\$7K
Jan 17	Auto	Alt Lender	\$86K
Jan 20	Auto	Captive	\$55K
Jan 24	Auto	Big Bank	\$41K
Jan 29	Auto	Alt Lender	\$36K

HOW JACK SUCCEEDED

Three Reasons Jack Succeeded - And Will Again Tomorrow

01

Loan Stacking

Open multiple loans across lenders before any can flag activity. Jack: 10 loans, 29 days, 7 lenders. Each lender saw only their own deal.

02

Synthetic ID Packages

AI assembles fake identities from stolen SINS, fabricated names, AI documents, and manufactured credit. 1 in 114 auto applications is a fake person.

03

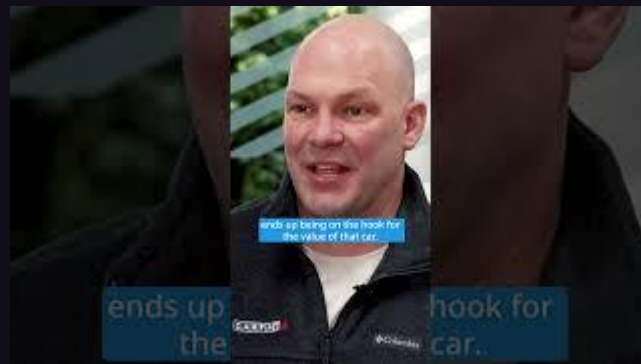
Data Sharing Gap

Lenders don't share fraud intel in real time. A fraudster rejected at one dealership walks to the next. \$0 real-time intel shared today.

VIN CLONING IMPACT

That Stolen Car is Hiding in Your Inventory

Stolen vehicles enter your lot or trade-in pipeline with forged documents and real plates - looking completely legal.



Shawn Vording, President CARFAX Canada explains VIN Fraud Check and the scale of VIN cloning in Canada — April 23, 2025

01

Steal Car

Relay attack or carjacking

02

Copy a VIN

Photograph matching car's dash

03

Clone Plates

Fake VIN plates + forged docs

04

Register It

Gets real plates, looks legal

05

Sell It

Enters your lot or trade-in

372K+

Cloned VINs on Canadian roads
CARFAX Canada 2025

127K

In Ontario alone
CARFAX Canada 2025

8 min

A car stolen in Canada
CARFAX Canada 2025



Government
of Canada

Gouvernement
du Canada

MENU



THE MANDATE

IDV Is No Longer Optional

As of April 1, 2025, dealerships that finance or lease vehicles are reporting entities under the Proceeds of Crime (Money Laundering) and Terrorist Financing Act.

[Canada.ca](#) > [FINTRAC](#) > [Obligations and guidance](#)

Required Now

AML compliance program | Customer identity verification | Report cash over \$10,000 | Suspicious Transaction Reports



Enforcement Begins April 1, 2026

Grace period ends. Penalties up to \$500K today / \$20M under Bill C-2.

Major Lenders Mandating IDV

CIBC, TD, and Scotiabank are already requiring IDV for independent and used vehicle dealers.

HOW TO PROTECT YOURSELF

Using Fraud Prevention Tools

"Fraud is a growing threat and dealerships need to arm themselves. With AVA ID Verified, we are declaring war on fraudsters." - Kole Hicks, CRO, AutoCorp.ai



Biometric Verification

Facial recognition + liveness detection. Deepfakes stopped at the door.



AI Document Scanning

Detects fake, stolen, or AI-generated documents in real time.



15-Second Verification

No hardware. Launch via text or email. In-person and remote deals.



FINTRAC Compliant

Satisfies AML + KYC obligations. 650+ Canadian dealerships trust AVA ID daily.



Thank you.

No verification, no funding. The clock is ticking.

Kole Hicks

Chief Revenue Officer, AutoCorp.ai

[AUTOCORP.AI](#)