



ADESA, INC.
and all of its Auction Subsidiaries

ARBITRATION

1. **Announcements.** The following must be announced regardless of which light a vehicle is sold under, **excluding “AS-IS”**:

- (a) vehicles having miles over 100,000, odometer discrepancy, frame damage, flood damage, cracked blocks, diesels and diesel conversions, paint and/or body work (current calendar year and newer models);
- (b) salvage vehicles;
- (c) rebuilt vehicles;
- (d) municipal and commercial vehicles;
- (e) recovered thefts;
- (f) vehicles without air-conditioning;
- (g) vehicles with missing, inoperable or deployed airbags;
- (h) non four-wheel drive sport utility vehicles; and/or
- (i) vehicles not conforming to United States Department of Transportation (“DOT”) or Environmental Protection Agency (“EPA”) or similar state agency regulations or standards; and/or
- (j) vehicles sold “AS-IS” are NOT subject to arbitration. No exceptions for structural damage or flood damage and emission control devices.

All selling announcements shall be made by auctioneers only, and all representations by the seller must be announced through the auctioneer. **It is the seller’s obligation to fairly represent the vehicle and to correct any errors made by the auctioneer as to “announced conditions.”** It is the purchaser’s obligation to watch lights and listen to “announced conditions.”

2. **Complaints.** All complaints and rejections must be handled through the arbitration office within * hour(s) after the vehicle crosses the block. Both buyer and seller must await the decision of the arbitration office before leaving the auction premises.

3. **“AS-IS”.** Vehicles sold “AS IS” are not subject to arbitration except for:

- (a) unannounced salvage title; and
- (b) odometer discrepancies.

The sale of any vehicle that has been arbitrated becomes an “AS IS” transaction. Purchase transactions not occurring at the block also shall be “AS IS” transactions.

4. **Finality of Arbitration.** No future arbitration will be permitted for any reason, with the exception of only the following:

- (a) unannounced frame damage reported within * days (not including structural damage resulting from normal use, and scratches, scrapes, jack lift marks and minor tie down marks not resulting from an accident);
- (b) unannounced flood damage reported within * days;
- (c) unannounced vehicles with a salvage or rebuilt history reported within * days of receipt of title;
- (d) cracked blocks reported within * hours after purchase;
- (e) unannounced odometer discrepancy;
- (f) missing or inoperative EPA or DOT equipment must be reported by 12:00 noon on Friday the week of sale; and/or
- (g) any major deletions or additions to the original or advertised production specifications.

Item (d) is not subject to arbitration for vehicles sold “AS IS.” Items (e) and (g) must be reported by purchaser prior to leaving the auction premises.

5. **Return of Vehicle by Buyer.** If after arbitration the vehicle is returned to the seller for failure to announce one of the conditions listed in (a) through (g) above, seller shall pay seller and buyer fees. Buyer must notify ADESA of its intent to return any vehicle to the auction 24 hours in advance.

6. **Visible Defects.** Visible defects are not subject to arbitration.

7. **Inoperative Gauges.** Vehicles with inoperative gauges or lights, except for odometers as set forth above, are not subject to arbitration.

8. **Arbitration Decisions.** Decisions of management of ADESA will be final on all arbitration.

9. **Payment for Vehicles.** ADESA is not obligated to pay for any vehicle for any reason.

10. **Stolen Vehicles.** Seller shall settle all stolen vehicles sold through the auction at the purchase price less 2% per month for every month from the date of sale.

11. **Window Information.** Mileage and other information printed on the windows of any vehicle is for the convenience of Dealer only. This information is not to be relied upon as complete and/or accurate and is not subject to arbitration.

*** SEE LOCAL AUCTION RULES FOR EXACT DAYS, HOURS AND AMOUNTS**

GENERAL POLICIES

1. While ADESA auctions endeavor to operate according to uniform rules and procedures where possible, local differences prevent “national” or “standard” rules across the chain. For information regarding any blanks appearing in this document, please consult the local Auction rules. In the event of any conflict, the policies and procedures of the auction where a consignment or sale occurs shall govern the transaction[s].

2. The Auction is not open to the public, and Dealer is strictly prohibited from bringing retail customers onto the Auction premises. Violation of this provision will result in immediate and permanent suspension of Dealer’s privilege of conducting business with ADESA.

3. If the seller designates a sale as an “if” sale before bidding begins on a Consigned Vehicle, or if the seller designates the sale as an “if” after bidding is finished with the consent and agreement of the highest bidder, the highest bidder is obligated to purchase such Consigned Vehicle for up to * hour(s) after the bidding is finished. All subsequent offers and counteroffers, once submitted, shall not be revoked within such time period.

4. All Consigned Vehicles must have a gate-pass before leaving the Auction premises and are subject to trunk inspection. ADESA will charge Dealer storage fees for all Consigned Vehicles purchased by Dealer and left on the Auction premises for more than * days.

5. Dealer’s failure to comply with any or all of the Auction Terms and Conditions or Auction Policies may result in the suspension or termination of Dealer’s privilege of transacting business with ADESA and its affiliates, as determined solely in the discretion of ADESA.

6. No one under the age of 18 is permitted on the premises.

7. ADESA reserves the right to refuse to do business with any dealer in the sole discretion of ADESA management.

SELLING LIGHT SYSTEM

“RIDE AND DRIVE”

Guaranteed by the seller not to have any single mechanical defect (excluding radios) costing more than \$ * to repair.

“AUCTION GUARANTEE”

Seller guarantees vehicle to have a sound drive train: Lower Engine—Block, rods, crank; Transmission Automatic, Manual—Clutch; Rear End or Final Drive—CV Joints and Axles.

“DECLARATIONS”

Vehicle is sold with pre-announced declarations which are not subject to arbitration.

“AS IS”

The following vehicles must be announced and sold “AS IS”: Vehicles sold for * or less, vehicles having 100,000 miles or more, salvage vehicles, police cars, cabs, municipal vehicles, motor-cycles, boats, trailers, recreational vehicles, modified and off-road vehicles. Vehicles sold "AS IS" are sold in their existing condition, with all faults, and without modification. Seller and Auction disclaim all implied warranties, and each are relieved from liability for any defects existing in the vehicle.

“TITLE ATTACHED”

Assignable title does not accompany the vehicle at the block. Seller must announce "TITLE ATTACHED" vehicles at the time of sale on the block and assign title to ADESA within * days of the date such vehicle is sold or Buyer shall have the option of returning the vehicle.

**Green
Light**

**White
Light**

**Yellow
Light**

**Red
Light**

**Blue
Light**

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