



Introduction

These policies and procedures form the basic agreement between the buyer, seller, and ABS Auto Auctions. All buyers, sellers, and their representatives who do business through ABS Auto Auctions are deemed to have read, know, understand, are subject to, and bound by these policies and procedures, as they may be amended from time to time. Lack of knowledge concerning these policies and procedures will not release buyers, sellers and their representatives from their obligations to abide by them. ABS Auto Auctions reserves the right to change or amend these policies and procedures as needed, at any time. ABS Auto Auctions also reserves the right to interpret these policies and procedures, and to decide all issues of dispute concerning same; ABS Auto Auction's decisions shall be final and binding.

It shall be the responsibility of all buyers, sellers and their representatives to review and be aware of these policies and procedures, and any other rules of the ABS Auto Auctions program, including any revisions thereto, before doing business with ABS Auto Auctions. Buyers, sellers and their representatives who do not comply with these policies and procedures and other rules of ABS Auto Auctions, may be barred from doing business with ABS Auto Auctions immediately without written notice. These policies and procedures shall be the general policies and procedures of ABS Auto Auctions for all transactions, unless specific vehicles are subject to special programs, in which case the terms of the special program shall control the extent they are different from or additions to these policies and procedures.

ABS AUTO AUCTIONS IS A PRIVATE BUSINESS THAT IS NOT OPEN TO THE GENERAL PUBLIC. ACCESS IS BY INVITATION ONLY. ABS RESERVES THE RIGHT TO REFUSE TO DO BUSINESS WITH ANYONE, AND REFUSE ACCESS TO ANYONE AT ANY TIME.

Registration

The following documents are required to complete the registration process:

1. Completed Dealer Registration
2. Current Dealer's License (must be for the address of the business)
3. One Month's Bank Statement
4. Current Surety Bond
5. Current Seller's Permit (showing sales tax number for address of the business)
6. Completed and signed Resale Certificate
7. Copy of current Driver's License and Social Security Card
8. Title Mailing Method
9. List of authorized buyers and their current salesman license, drivers, transporters and/or title carriers (a dealer who gives an agent authorization to act on their behalf shall assume responsibility for said person's conduct or actions, until written notice of cancellation is received in the corporate office).
10. Provide annually, current copies of dealer's license, bond and updated Registration/Dealer Agreement.
11. For Corporation and LLC:
 - a) List of all officers.
 - b) Articles of Incorporation.
 - c) Personal guaranty.
12. Partnership dealers must provide a list of all owners and partners.

Auction Guidelines

1. Operating Hours:
 - a) Administration Office: 8:30 am – 5:30 pm Mon. – Thurs. 8:30am – 5:00pm Fri.
 - b) Sale Locations: 9:00 am – 5:00 pm Mon. – Thurs. 10:00am - 5:00pm Fri.
2. Buyer and Seller must notify ABS Auto Auctions, in writing, of any changes in authorized representatives or ownership structure. Failure to notify ABS will not release Dealer's obligations. Dealer is responsible for any and all transactions conducted by said representatives.
3. All communication regarding transactions, titles, etc. must be done through the auction unless permission is provided by ABS Auto Auctions. Failure to follow may result in termination of conducting future business with ABS Auto Auctions.
4. All dealers, drivers or porters must check in and show a valid Driver's License before entry at each sale location.
5. Speed limit is 5 mph.
6. No person under 18 years of age is allowed on auction premises.
7. Free copies of ABS Auto Auction's policies and procedures are available online at www.absautoauctions.com, at each sale location or by calling the administrative office to have a copy mailed.
8. All vehicles on the auction premises are subject to search.
9. ABS Auto Auctions will prosecute all persons for tampering, theft or vandalism of vehicles.
10. Any vehicle left on the auction's customer parking lot for more than one week will be subject to tow. Any vehicle left on the property will be subject to tow, if not removed when requested to do so.
11. ABS is not responsible for any theft or damage to vehicles that have not been removed from the auction premises following the sale.
12. Any issue brought to ABS Auto Auctions after the allowed time frame will not be arbitrated. NOEXCEPTIONS!



13. Book sheets and window announcements are provided as a courtesy only. This information is not to be relied upon as complete and/or accurate, and is not subject to arbitration, **except with the Inspection Guarantee program.**
14. All vehicles sold through ABS Auto Auctions are sold "AS IS", unless announced as Powertrain or Frontline Guaranteed or **unless using the Inspection Guarantee.** (*See Inspection Guarantee Policies*).
15. "As is" vehicles may have issues/problems including, but not limited to, motor, transmission, airbags and/or frame/unibody damage.
16. Autocheck and Carfax will be considered, but not necessarily binding for arbitration.
17. All confirmed arbitration will be allowed the following options:
 - a) Agreement of a mutual adjustment between both parties.
 - b) Cancel sale and return vehicle (with allowed expenses outlined in specific areas).

Guarantees/Arbitration

As an accommodation to its customer, ABS provides arbitration services for disputes that may develop between dealers, in connection with undisclosed conditions or breach of guarantees that may exist on vehicles that are sold through ABS Auto Auctions. Such arbitration services shall be performed at the discretion of, and pursuant to the arbitration policies of ABS. In order to enter into arbitration, the buyer must give ABS notice of the undisclosed condition or breach of guarantees within the time specified herein, depending on the type of condition or breach of guarantee. If the buyer fails to give notice within the specified time frame, ABS shall have no duty or obligation to provide arbitration service, and the sale will be final.

General Buyer Responsibility

1. All Sales are Final!
2. Buyer must verify year, make, model, mileage and condition of vehicle (**except when using Inspection Guarantee Program**).
3. Incorrect emblems, window information, book sheets, etc. will not be subject for arbitration, **unless using the Inspection Guarantee Program.** (*See Inspection Guarantee Policies*).
4. All vehicles are considered AS-IS and will only be subject to arbitration for odometer issues (10 years or newer, present and history) and title issues (present and history), unless Inspection Guarantee is used (*see Inspection Guarantee Policies*).
5. Honor bids. Failure to honor bid(s) or pick up car(s) will result in the auction reselling car. Should a balance remain, the dealer will be responsible for any deficit plus \$75 auction fee. If the balance is not paid, ABS Auto Auctions may file against Dealer's bond or pursue other legal means to recover any losses incurred, and Dealer will be barred from ABS Auto Auctions.
6. Pay for and remove vehicles from sale location within 2 business days from first designated pick-up day.
7. All late pick-ups or stored vehicles will be charged a \$25.00 fee per day.
8. Any damage caused to any vehicle by a buyer or his representative in excess of \$250.00 shall result in the purchase of the vehicle(s) in the amount of the lesser of:
 - a) Consignor's dealer cost.
 - b) ACV to be determined by ABS.
9. ABS Auto Auctions assumes no responsibility for lost/stolen radios, equipment or minor damage. This matter will **not** be arbitrated.
10. Speedometers will not be arbitrated.
11. A \$100.00 arbitration fee plus any inspection fees will be charged for all invalid arbitration.
12. Any fraudulent expenses reported will not be paid, and may result in termination of conducting future business with ABS Auto Auctions.
13. All expense receipts must be received within 24 hours of resolution of arbitration and/or unwind.
14. If sale is cancelled, vehicle must be returned to selling branch location within 3 business days.
15. If sale is cancelled, vehicles must be in like or better condition, miles not to exceed 500 from purchased mileage.
16. Any final sale that must be cancelled at seller's request, seller will be responsible for transportation and any reasonable documented expenses to be determined by the auction. Expenses cannot exceed the vehicle purchase price.
17. Vehicles that sell for \$400 or less can only be arbitrated for late title.
18. **Fair and Ethical Sale** - The sales made at an Auction are intended to promote fair and ethical treatment to both the Buyer and Seller. If Auction determines that the transaction is not fair and ethical to either party, the Seller and the Buyer agree that Auction may cancel the sale, at its sole discretion. Federal, State, and Local laws supersede these policies where applicable. This provision also applies to any clerical or administrative error made by Auction. Any arbitration conducted at Auction is subject to the Terms and Conditions of the Auction.
19. **Auction Notice** - The Buyer shall not surrender possession of the vehicle to any claimant, except as required by legal process, nor shall Buyer voluntarily pay or acknowledge the validity of any claim, without the prior approval of Auction. Time is of the essence. Any failure on the part of the Buyer, after becoming aware of said claim, to notify Auction of any claim in a timely manner or failure of the Buyer to cooperate in defending any such claim shall relieve Auction of any liability under this policy.
20. **Fees:** Please visit our website at www.absautoauctions.com to view our buy fees. Fees are subject to change without notice.
21. **Test-Drive Release and Waiver of Liability and Indemnity:** WHEREAS DEALER shall mean the undersigned, its officers, agents or employees; and WHEREAS DEALER wishes as part of its pre-auction inspection to test-drive certain vehicles prior to bidding on them at the auction, and ABS AUTO AUCTIONS is permitting the DEALER to test-drive these certain vehicles prior to bidding on them, the DEALER agrees as follows:
 - a.) **Test Drive:** Dealer shall not test-drive vehicles without permission, and only in areas and under the terms and conditions specified by ABS, including obeying posted speed limits, and driving with seatbelts fastened.



b.) Release: Dealer hereby releases, waives, discharges and covenants not to sue ABS, its officers, agents, employees, or the consignor of the test-driven vehicle, from all liability, for any loss or damage and any claim or demands therefore, on account of injury to the person or property, or resulting in the death of the DEALER, while the DEALER is in, upon, about or outside the premises of AUCTION test-driving vehicles.

c.) Indemnity: DEALER hereby agrees to indemnify and save and hold harmless ABS, its officers, agents, employees and the consignor of the test-driven vehicle and each of them from any loss, liability, damage or cost they may incur due to the DEALER'S test-driving of vehicles in, upon, about or outside the premises of ABS.

d.) Assumption of Risk: DEALER acknowledges that no representatives, express or implied, are given regarding the condition of any vehicle to be test-driven. DEALER hereby assumes full responsibility for, and risk of bodily injury, death or property damage, due to the negligence of others or otherwise, while test-driving vehicles in, upon, about or outside the premises of ABS. Any damage caused to any vehicle by a buyer or his representative in excess of \$250, shall result in the purchase of the vehicle(s) in the amount of the lesser of consignor's cost or Manheim Market Report value.

e.) Security Interest: DEALER hereby grants ABS a security interest in, and right to set-off against, any sums or vehicles held by ABS for DEALER's account, to secure payment for any damages caused by DEALER's test- driving.

f.) Miscellaneous: DEALER further expressly agrees that the foregoing agreement is intended to be as broad and inclusive as is permitted by the laws of the State of California, and that if any portion thereof is held invalid, it is agreed that the balance shall, notwithstanding, continue in full legal force and effect.

General Seller Responsibility

1. If sale is cancelled and vehicle is returned, seller will be charged the purchase price of vehicle and any expenses as outlined in policies.
2. Any final sale that must be cancelled at seller's request, seller will be responsible for transportation and any reasonable documented expenses not to exceed the vehicle price.
3. If a vehicle is entered into arbitration, seller will be given the following options:
 - a) Have vehicle inspected. If complaint is verified, inspection fee will be charged to seller.
 - b) Offer an adjustment.
 - c) Cancel the sale (see specific area for expense reimbursement).

THE FOLLOWING, UNLESS REPRESENTED AS SUCH IN THE ANNOUNCEMENT SECTION ON THE BID SHEET, ARE THE ONLY ITEMS GUARANTEED THAT QUALIFY FOR ARBITRATION:

Title

The following documents are not acceptable, unless announced as such, on the inventory list/bid sheet:

1. Duplicate title applications.
2. Junk or Salvage Bill of Sale.
3. Lien documents and government sale documents.
4. Gray Market vehicles, including Canadian vehicles, or vehicles that do not meet USA standards.
 - a.) If announced as Canadian title, seller **MUST** provide the following documents: Customs Bond showing it has cleared Customs, Smog Certification and VIN Verification that meet BOTH State and Federal Emissions and Safety standards. If any of these items are NOT provided upon sale of the vehicle, the sale will be cancelled.
5. Foreign (non-USA) documents.
6. Paperless title certificates or transfers.
7. Any and all "Title Brands" or discrepancies which may affect a vehicles value must be announced. Some examples include but are not limited to; Salvage, Not Actual Miles (NAM), Police, Taxi, Rental, Kit Car, Lemon Law Buy Back, Theft Recovery, Floor/Fire history. (Reference the NAAA policies)

Seller Responsibility

1. Provide a KSR or current registration, along with title and corresponding paperwork. If KSR or current registration is not provided, ABS Auto Auctions will charge a \$10.00 fee.
2. Title documents from all 50 states are acceptable, providing they are accompanied by documents necessary to register the vehicle in the state of purchase.
3. All penalties and fees associated with expired registration must be paid by seller or fees must be announced. This does not include current year's registration.
4. The Seller guarantees titles provided to ABS Auto Auctions are marketable, free and clear of all liens and encumbrances. For California, all late titles over 60 days are subject to sale being cancelled. For Nevada, Oregon and Arizona, all late titles over 30 days are subject to sale being cancelled.
5. Assignment Title Timeliness for Vehicles Sold Title Attached/Unavailable/Absent (Reference NAAA).
 - a. Seller has 30 calendar days for title to be received by our auction. (Sale day is Day 1).
 - b. In California, after a 60 calendar day period, it is the Buyers option to return the vehicle or wait a reasonable period of time for the title. In Nevada, Oregon, or Arizona, after a 30 calendar day period, it is the Buyers option to return the vehicle or wait a reasonable period of time for the title.



- c. If, after 90 calendar days, Seller has not produced negotiable title and Buyer has not returned the vehicle, this title guarantee shall not apply and Auction shall have no duty to produce the certificate of title to the Buyer and shall have no duty to pay Seller.
6. Late Title
 - a. ABS Auto Auctions will not be responsible for any expenses incurred on vehicles returned for late title. (Reference NAAA)
 - b. Titles received after the maximum time defined in Auction Title Policy, may be subject to a late title fee. All expenses to obtain title will be charged to the Seller.
 - c. The seller will be given a reasonable amount of time to clear title issues arising from DMV clerical errors. The unit cannot be returned unless it is determined that the error(s) will take over 30 days to correct.
7. Unannounced Titles
 - a. If sale is cancelled for an unannounced title issue, i.e. salvage, prior rental, lemon law buyback, NAM, etc., the seller will be responsible for reasonable transportation expenses to and from the Buyer's dealership to Auction and reasonable documented expenses not to exceed the vehicle purchase price.
8. No Title issues – Seller Additional Fees (Reference NAAA)
 - a. If seller requests vehicle back for no title, seller will be responsible for the buy fee, reasonable transportation expenses to and from the Buyer's dealership to Auction, and reasonable documented expenses on vehicles returned for "NoTitle".

Buyer Responsibility (Title – cont.)

1. Late Title begins at 60 days in California and 30 days in Nevada, Oregon, and Arizona from day 1 of the sale date.
 - a. Notify ABS Auto Auctions of intent to cancel sale due to late title. No sooner than 60 days in California or 30 days in Nevada, Oregon, and Arizona from day 1 of the sale date.
 - b. Allow 5 business days from notice, for ABS Auto Auctions to obtain title, before vehicle may be returned. The Seller has until 5pm on the 5th day to provide title. The buyer must return the vehicle to the sale lot no later than 12pm on the 6th day.
2. The Seller/Auction shall not be liable for any vehicle sale or repairs made by the Buyer before the title is received by the Buyer. If the title has been received at ABS corporate offices, Buyer may not return vehicle. Buyer is required to notify Auction in a timely manner consistent with Auction policies before returning vehicles. If a valid negotiable title is presented within the Auction policies notice period, the transaction will stand. (Reference NAAA)
3. In the event a vehicle is being returned for late title and the title is presented free and clear before the unit arrives at ABS Auto Auctions, the vehicle WILL NOT be subject to unwind/arbitration for late title.
4. Late Title – ABS Auto Auctions will not be responsible for any expenses incurred on vehicles returned for late title.
5. ABS Auto Auctions may request a VIN verification from the buyer in order to provide correct title paperwork. It is the buyer's responsibility to provide the verification within 2 weeks of notice. If the VIN verification is not provided in the allotted time frame, the auction will have no responsibility to provide correct paperwork and the buyer will be accepting the paperwork AS-IS.
6. Any and all unannounced title issues must be reported to ABS within 5 business days of receipt of title. Day One begins the day after buyer receives deposit notification.
7. Unannounced Titles -
 - a. If sale is cancelled for an unannounced title issue, i.e. salvage, prior rental, lemon law buyback, NAM, etc., the buyer will receive reasonable transportation expenses to and from our Auction and reasonable documented expenses not to exceed the vehicle purchase price. Buyer must provide verifiable receipts.
8. No Title issues – Seller Additional Fees (Reference NAAA)
 - a. If buyer chooses to return vehicles after the allotted wait time (60 days for California or 30 days for Nevada, Oregon, and Arizona) Buyer will be reimbursed for reasonable transportation expenses to and from our Auction only.
 - b. If seller requests vehicle back because no title can be produced, buyer will be reimbursed for reasonable transportation expenses to and from the Buyer's dealership to Auction and reasonable documented expenses not to exceed the purchase price of vehicle. Buyer must provide verifiable receipts.

Auction Responsibility

1. ABS Auto Auctions will examine all titles. If correct, title will be processed. If incorrect, title will be returned to seller for completion.
2. Seller will be paid within 2 business days of ABS Auto Auctions receiving correct and complete title documentation. Seller fees will be deducted from checks sent by ABS Auto Auctions for purchase price of vehicle.
3. ABS Auto Auctions may, at its discretion, cancel the sale or take the necessary steps to secure title, if seller is unable to produce title within the allowed 60 day time frame (30 day for Nevada, Oregon, and Arizona). All expenses in obtaining the title will be charged to seller.
4. ABS Auto Auctions has the right to Bond a title after 120 days and charge the Seller. No exceptions.

Odometer

Seller Responsibility

1. The seller must make an odometer disclosure that is complete and accurate for each vehicle, by indicating the current odometer reading and announcing one of the following, if applicable; if no announcement is made, the vehicle is assumed to have actual miles, and will be arbitrated as such.



- a) **EXCEEDS MECHANICAL LIMITS (EML)**: Vehicles with mileage in excess of the mechanical limits of the odometer should not be assumed to have any specific mileage.
 - b) **NOT ACTUAL MILEAGE (NAM)**: Vehicles with actual mileage that is different from what is shown on the odometer, or true miles are unknown.
 - c) **BROKEN or INOPERABLE ODOMETER (INOP)**: Broken, inoperable or replaced odometers must be announced, regardless of other announcements. NAM will be marked on the odometer disclosure statement.
2. If sale is cancelled for Not Actual Miles (NAM), the seller will be responsible for reasonable transportation expenses to and from the Buyer's dealership to Auction and reasonable documented expenses not to exceed the vehicle purchase price. Buyer must provide verifiable receipts.

Buyer Responsibility

1. Vehicles 10 years and older are exempt, and will not be arbitrated for mileage issues unless there is proof of odometer rollback.
2. Vehicles found to have a broken or inoperative odometer must be brought to the attention of an ABS Auto Auctions employee, and must be visually confirmed by an ABS Auto Auctions employee. This must be done before vehicle leaves the lot, and never to exceed 3 business days from the first designated pick-up day. **You are strongly encouraged to verify the odometer is in working condition before the vehicle leaves the sale location.**
3. If sale is cancelled and the vehicle is returned for broken/inoperative odometer, no reimbursement is allowed.
4. Vehicles found to be Not Actual Miles (NAM), must be arbitrated within 5 business days from receipt of proof (such as title or KSR indicating a mileage difference). Autochecks and Carfaxes will be considered as a reference, but are not a valid source for arbitrations.

VIN Plates

Seller Responsibility

1. All vehicles must have a visible VIN plate or otherwise announce as missing, altered, replaced or reassigned VIN's.
2. If sale is cancelled for missing or altered VIN, the seller will be charged seller and buyer fees only.
3. If sale is cancelled for a reassigned or replaced VIN's, the seller will be charged seller and buyer fees, and all expenses the buyer has put into the vehicle, not to exceed the sale price of the vehicle.

Buyer Responsibility

1. Must report any missing or altered VIN's before vehicle leaves sale location.
2. If sale is cancelled for missing or altered VIN, no expenses will be reimbursed.
3. Reassigned or replaced VIN's must be arbitrated within 5 business days of receiving proof.
4. If sale is cancelled for reassigned or replaced VIN's, the buyer will be reimbursed for all reasonable and verifiable expenses put into the vehicle, not to exceed the sale price of the vehicle.

Frame/Structural Damage, Flood, Fire, Engine Changes and Fuel Conversions

Seller Responsibility

1. All vehicles that are 5 years old and newer, starting with current model year and have less than 100,000 miles, OR sell for more than \$7,500 regardless of year or mileage, for 7 calendar days from the first designated pick-up day, must be guaranteed. Online buyers – 2 calendar days upon verified receipt, not to exceed 10 calendar days from purchase.
2. If sale is cancelled and the vehicle is returned, the seller will be charged seller and buyer fees, and reasonable one-way transportation.
3. If necessary, vehicles being arbitrated for frame/structural damage may be subject to Third Party Inspection conducted by a facility designated by ABS Auto Auctions. Depending on the outcome, the Seller/Buyer will be responsible of the inspection fee and any associated costs.

Buyer Responsibility

1. The buyer must notify ABS Auto Auctions within 7 calendar days from the first designated pick-up day. Online buyers – 2 calendar days upon verified receipt, not to exceed 10 calendar days from purchase.
2. Buyer may be required to produce qualified frame documentation or return vehicle for inspection within a reasonable amount of time, as determined by ABS Auto Auctions. If necessary, vehicles being arbitrated for frame may be subject to Third Party Inspection conducted by a facility designated by ABS Auto Auctions. Depending on the outcome, the Seller/Buyer will be responsible of the inspection fee and any associated costs.
3. If sale is cancelled and the vehicle is returned, only the inspection fee, if applicable, and reasonable transportation one way, will be reimbursed. No other expenses will be reimbursed.
4. Frame/unibody damage will be defined by ABS Auto Auctions with reference to the NAAA standards. Scrapes, scratches, jack/lift marks, clamp marks, minor corner tie-down marks not resulting from an accident, core support damage, damage in front shock towers on unitized bodies not affecting integrity and if vehicle measures to NAAA standards are non-arbitratable. Access holes (PDR) do not constitute Frame. Bumper and trailer hitches welded to frame are not considered frame damage. Vehicles with altered suspension are not subject to frame arbitration if damage is from alteration.
5. Announced Salvage titles are not eligible for arbitration.



Air Bags

Seller Responsibility

1. The seller must guarantee the airbag on any vehicle that sells for \$5,000 or more, regardless of year or mileage.

Buyer Responsibility

1. The buyer must notify ABS Auto Auctions within 5 business days from the first designated pick-up day.
2. If sale is cancelled and the vehicle is returned, only the inspection fee, if applicable, and reasonable transportation one way will be reimbursed. No other expenses will be reimbursed.
4. Announced Salvage titles are not eligible for arbitration.

Powertrain Guarantee (PTG)

Seller Responsibility

1. Seller agrees (in addition to title, odometer, and VIN items listed above) the following if announced as guaranteed PTG:
 - a) Defects, as determined by ABS Auto Auctions, in the engine ("turbo is considered part of the engine"), transmission and drive train.
 - b) Items excluded: brakes, front end, differential, c.v. joints, fuel system, power steering, air conditioning and engine leaks, unless excessive and causing damage to the vehicle.
2. If sale is cancelled and vehicle is returned, the seller will be charged seller and buyer fees, any reasonable transportation cost, and any inspection fees, as determined by ABS Auto Auctions.

Buyer Responsibility

1. There is a \$250.00 deductible.
2. If arbitrated for engine, transmission or drive line assembly, buyer must return the vehicle to the sale location where purchased and specify complaint within two business days of pick-up, never to exceed 5 days from the first designated pick-up day. If vehicle has registered more than 100 miles, vehicle will no longer be eligible for arbitration.
3. If sale is cancelled, only reasonable transportation one way will be reimbursed. No other expenses will be reimbursed.
4. If complaint cannot be verified, buyer must pick-up car and will be charged \$100.00 plus inspection fee.
5. Frame Damage rules still apply.

Optional Frontline Guarantee (FLG) – Applies Only if Announced by Seller as Frontline Guarantee

Seller Responsibility

1. Seller must guarantee (in addition to title, odometer, VIN, frame and PTG items listed above) the following, if announced as frontline:
 - a) Smog and Safety items.
 - b) All mechanical components.
2. If sale is cancelled and vehicle is returned, the seller will be charged seller and buyer fees, any reasonable transportation costs and any inspection fees, as determined by ABS Auto Auctions.

Buyer Responsibility

1. Cosmetic items are non-arbitratable, unless purchased using the Inspection Guarantee Program.
2. See PTG vehicle buyer responsibilities above.

Bidding Procedures

1. All bids must be submitted through one of the following methods:
 - a) Online at www.absautoauctions.com, until 6:00 p.m. the last day of the sale.
 - b) Faxing bid sheet directly to main office at 888-510-2400, no later than 5:00 p.m. the last day of the sale.
 - c) Turning in bid sheet at sale branch location, by 5 p.m. the last day of the sale.
2. Changes, additions, deletions, and increases or decreases in bid amounts will not be allowed after 6pm the last day of the sale..
3. Bid mistakes, such as transposing numbers or bidding on the wrong line or car, will not release the buyer from the responsibility of honoring the submitted bid.
4. All bids submitted must be a minimum of \$75.00.
5. Tie bids will be awarded to first bid submitted. ABS Auto Auctions strongly encourages bidding online at www.absautoauctions.com, to avoid any fax/data entry delay or failure.



Payment

Buyer Responsibility

1. All vehicles must be paid for **before** leaving the sale location.
2. All checks, cashier's checks or ACH Authorizations must follow the guidelines below:
 - a) Made payable to **ABS Auto Auctions**.
 - b) Include buy fee with purchase price of vehicle.
 - c) One check, cashier's check or ACH Authorization per vehicle transaction.
 - d) Business checks must match the purchasing Buyer's name.
 - e) Inspection Guarantee fee, BuyerShield fee, and/or transportation fee must be included if applicable.
3. The phrase "Do not deposit-will replace with cashier's check" (or similar) may not be written on checks.
4. Any returned check or failed ACH transaction must be replaced with a cashier's check within 2 business days and will be charged a \$100.00 fee. If three checks/ACH transactions are returned/failed within one year's time, ABS Auto Auctions will review, and may exercise the option to change payment status to certified funds only.
5. Any stop payment placed on a check for any reason, including vehicles in arbitration, will be charged a \$100.00 fee, and ABS Auto Auctions may exercise the option to change payment status to certified funds only.

Auction Responsibility

1. ABS Auto Auctions will hold check or ACH Authorization until title and registration documents are available.
2. ABS Auto Auctions will give the buyer notice that their check or ACH transaction will be negotiated the nextday.

Title delivery

One of the following options needs to be chosen by buyer to obtain titles:

- a) Pick-up at Corona corporate office.
- b) Pick-up at the ABS Auto Auctions sale location where vehicle was purchased.
- c) Pick up all at a specific branch location, regardless of where the vehicle was purchased.
- d) Overnight at buyer's expense. Buyer must provide an overnight company and account number.
- e) Regular mail. Please note: ABS Auto Auctions is **not** responsible for lost titles processed through U.S. Postal regular mail.

Transportation

1. ABS Auto Auctions provides lot to lot transportation using outside third party transportation companies.
2. Buyers are responsible for submitting transportation request the day the car is sold to avoid late fees.
3. Buyer has the option of being set up on automatic transport. Request for automatic transport must be submitted in writing.
4. If the vehicle is transported by ABS, late fees will apply 2 business days after date of delivery.

Condition Report/Inspection Guarantee

Condition Report

1. ABS will inspect each vehicle and generate a Condition Report, which bidders can access online.
2. ABS groups all vehicles, in an "A", "B", or "C" Inspection *category* based upon vehicle year, miles and/or KBB Value. (see chart below)
3. Given the age and excessive miles of some vehicles in each category, ABS is streamlining the inspection process giving you the cleanest Condition Report possible. Therefore, some items will no longer be arbitrable in specific *categories*.
4. The Condition Report is free of charge on every vehicle, but **NOT** guaranteed unless inspection guarantee is purchased. If the guarantee is purchased, there will be a \$75 charge.
5. A "toggle switch" icon will appear immediately upon accessing the report.
6. The switch defaults to the "ON" position meaning the report is GUARANTEED and a \$75 fee will be charged if you are the winner of the vehicle.
7. If the toggle is moved to the "OFF" position, no fee will be assessed and the condition report is NOT GUARANTEED.
8. Buyer has the option to change the status of the toggle from "on" or "off" at any time before 3:30pm on the final sale day or before the end of the vehicle's run on the OpenTrade live auction system.



Condition Report (cont.)

NOTE: In many instances, if minor cosmetic damage is visible in the photos it will not be arbitrable.

NOTE: We recommend that you view the available inventory on Wednesdays after 1 pm. This will ensure that all inventory for the Wed./Thurs. sale has been inspected and entered, and will give you time to bid before the Tues./Wed. sale closes.

It is highly recommended that all online bidders purchase the inspection guarantee.

Vehicle Inspection Grade System

A Inspection	Year	Miles	Book
	13,14,15,16,17	Up To 79,999	\$12,000 and Above
	5 Model Years		
B Inspection	Year	Miles	Book
	05,06,07,08 09,10,11,12	80,000 to 174,999	\$11,999 to \$3,000
	8 Model Years		
C Inspection	Year	Miles	Book
	04 and Older	175,000 and above	Up to \$2,999

Vehicle Category is determined by meeting at least 2 of the above criteria.

Inspection Guarantee Arbitration
(Applies to All Vehicles with Ratings of 1.5 or Higher)

1. All items inspected in each *Category* of car are guaranteed to be in good condition, *unless otherwise noted*. The Condition report will only indicate items in need of repair and if the damage/issues are EXCESSIVE for that particular age and mileage of vehicle.
2. ABS will not disclose issues/damages that are deemed NOT excessive for the age and mileage of vehicle and/or do not require immediate repair and does not significantly impact the value of the vehicle. If the damage/issue is considered normal (determined by ABS) for the age and mileage, vehicle will not be arbitrated.
3. Emission systems are not covered and will not be arbitrated.
4. Front or rear independent differential cannot be arbitrated if operable.
5. If the vehicle has power to all 4 wheels, whether it is operating perfectly or not, it is not arbitrable for the 4x4 system.
6. Clutch components cannot be arbitrated if operable.
7. If a vehicle is announced with aftermarket intake, the vehicle cannot be arbitrated for tuned or chipped engine.
8. Manual transmission cannot be arbitrated for manual clutches or components unless completely inoperable.
9. Motor/transmission arbitration will be limited to "internally lubricated" parts only.
10. The following will not be arbitrated unless the items require immediate replacement:
 - a. Lifters
 - b. Insignificant transmission and drive train shift shock, noise or backlash.
11. Vehicles over 8 years old and 100,000 miles will not have a frame/structural frame, unibody or paint meter report.
12. Condition Reports and Booksheets are guaranteed to be accurate (i.e. year, make, model, VIN, mileage, equipment).



13. Condition Report and website pictures may be used to disclose damages and/or issues.
14. All Inspection Guarantee vehicles carry a \$300.00 deductible for arbitration.
15. Buyer must open arbitration claim before leaving the sale lot for any and all mechanical, cosmetic damages, equipment removed from vehicle (ex. Radio), and inop odometer, not to exceed 3 days from notification of sale. It is the Buyer's responsibility to make sure the inspection level matches the car rating. There will be no exceptions. You may take a test drive with our inspector to verify mechanical items.
16. If a vehicle is delivered directly to a Buyer's location following a purchase and ABS transportation is used, Buyer has 24 hours from arrival to open arbitration. If sale is cancelled, Buyer will be responsible for transportation expenses to and from the original sale location.
17. Pay for and remove vehicles from sale location within 3 business days from first designated pick-up day.
18. All late pick-ups or stored vehicles will be charged a \$25.00 fee per day. Arbitration window is limited to 3 days from notification of sale, regardless of pick-up status, excluding frame – see frame arbitration guidelines.
19. Buyer may arbitrate for miss books after leaving the lot. Buyer has 24 hours to report any and all miss-books.
20. If an error was made by ABS on the Condition Report in excess of \$300, the buyer has two options:
 - a. Cancel the sale. If sale is cancelled, there will be no expense reimbursement.
 - b. Request an adjustment that is agreed-upon by ABS. If an agreement cannot be reached, the sale will be cancelled.
21. It is strongly recommended that a copy of the Condition Report be used by the person/company picking up the vehicle, in order to verify damage. Frame will be arbitrated within ABS current regular policies.
22. A fee of \$100 will be assessed to the Buyer for invalid arbitration on a specific matter. Inspection is limited to the issue being arbitrated only. There is no charge if the issue is validated or the vehicle is unwound. CarFax, Autocheck and Kelly Blue Book reports may be considered on a case-by-case basis at the discretion of the auction. The Auctions decision is final.
23. Catalytic Converters will only be arbitrated if they are "Missing" and not announced on the Condition Report. Vehicles with OBD 2 codes pertaining to Catalytic Convertors on the Condition Report cannot be arbitrated. Functionality of Catalytic Convertors will not be arbitrated. If the vehicles exhaust system could not be inspected for Catalytic Convertors for any reason i.e. lowered vehicles, factory spec low vehicles, under body covers/shields, running boards, added equipment, under body damage, etc. will be announced as "Catalytic Converter-Not Inspected" and will not be arbitrated.
24. ABS scans vehicle computers for active OBD-II codes. ABS will announce all active codes and/or if drive monitors are not ready at the time of inspection. If monitors are announced "not ready" all subsequent codes that may appear will not be subject to arbitration. Pending codes are also not subject to arbitration.

CONDITION REPORT RATING SCALE

Grade 4.5 to 5.0, Extra Clean- Vehicle is in excellent condition, with only minor defects in panel surfaces as noted in the condition report. The body panels require no conventional body or paint work. There are no missing, broken, or damaged parts that require replacement. The interior compartment has no cuts, tears, or burns that require repair and does not show signs of wear. Vehicle is mechanically sound and all accessories are operable except for as noted in the detailed portion of the condition report. The overall grade score is an average of several different areas of the vehicle's condition and not to be used to determine the condition of any one area.

Grade 3.5 to 4.4, Clean- This vehicle will be better than average unit with minor chips or scratches in panel surfaces as noted in the condition report. This vehicle may require minor conventional body and paint work or removal of small dents that have not broken the paint using Paintless Dent Repair. The body of the vehicle may have had high quality conventional repairs. A minor missing or broken part may require replacement as noted. The interior is clean and will show minimal wear. The vehicle may have sustained cosmetic or light collision damage and been repaired to collision industry standards. Vehicle is mechanically sound and most accessories are operable. The overall grade score is an average of several different areas of the vehicle's condition and not to be used to determine the condition of any one area.

Grade 2.5 to 3.4, Average- The average vehicle will have normal wear and tear (for example, parking lot dings, small scratches, chips and/or minor broken parts). It may require some conventional body and paint work or replacement or parts as noted in the condition report. The interior shows signs of normal wear and usage, requiring repair or replacement of parts as noted. Prior repairs may have been performed on this vehicle at an acceptable quality level. The vehicle may have sustained cosmetic or light collision damage and been repaired to collision industry standards. Vehicle is mechanically sound, but may require maintenance or minor repair. The overall grade score is an average of several different areas of the vehicles condition and not to be used to determine the condition of any one area.

Grade 1.5 to 2.4, Below Average- Vehicle shows signs of abnormal wear and tear. The body has dents, scratches, and body panels that may require replacement as noted in the condition report. Broken and missing parts are to be expected. The interior shows signs of excess wear with burns, cuts or tears, and non-removable stains as noted. This vehicle may have multiple prior repairs performed at substandard levels, which may include repaired or unrepaired collision. Vehicle may have mechanical damage that prohibits vehicle from operating properly. Repairs can be made, but engine and/or transmission may be in poor condition. Operation of accessories is questionable. The overall grade score is an average of several different areas of the vehicles condition and not to be used to determine the condition of any one area.

Grade 0.0 to 1.4, Rough- This vehicle has been severely abused or has sustained major collision damage, but may be drivable. It is cost prohibitive to extensively recondition this vehicle by automotive industry standards. Although, operable, this vehicle is near the end of its useful life. Operation of accessories is doubtful. The overall grade score is an average of several different areas of the vehicles condition and not to be used to determine the condition of any one area.



These are general guidelines for defining appropriate rating of vehicles. The vehicles have to be judged on their total condition, and not strictly whether they meet every line of the definition exactly. It is intended only to reflect the overall condition of the unit. This rating system takes into account the year and mileage of the vehicle.

Vehicles are rated by our Vehicle Condition Rating Scale

The numerical rating of a vehicle indicates the overall condition of the car
 (example: 2 representing a car in poor condition and 5 representing a car in very good con

Vehicle Condition	5 Very Clean	4 Clean	3 Average	2 Below Average	1 Rough	0 Very Rough
Engine	No Issues Found Less Than 100,000 Miles (Ok)	No Issues Found Over 100,000 Miles (Ok)	Minor Repairs Needed	Moderate Repairs Needed	Major Repairs Needed	Inoperable
Transmission	No Issues Found Less Than 100,000 Miles (Ok)	No Issues Found Over 100,000 Miles (Ok)	Minor Repairs Needed	Moderate Repairs Needed	Major Repairs Needed	Inoperable
PowerTrain	No Issues Found Less Than 100,000 Miles (Ok)	No Issues Found Over 100,000 Miles (Ok)	Minor Repairs Needed	Moderate Repairs Needed	Major Repairs Needed	Inoperable
Exterior	Possible PDR	Slight Defects	Minor Repairs	Moderate Repairs Needed	Major Repairs Damage/Collision	Parts/Scrap
Tires & Wheels	Like New	Good	Average	Fair	Worn	Flat
Interior	No Wear	Slight Wear	Minor Repairs	Moderate Repairs Needed	Major Repairs Needed	Severe Wear



"A" Inspection

Year	Miles	Book
13,14,15,16,17	Up To	\$12,000
5 Model Years	79,999	and Above

All information on the BookSheet is guaranteed to be accurate.

- Year, Make, Model
- Vehicle Identification Number
- Engine Size
- Transmission Type - Auto or Manual
- Mileage
- Optional Equipment

Normal wear and tear due to the vehicle's year, make, model, and miles cannot be arbitrated.

Engine

ABS will disclose ABNORMAL and/or EXCESSIVE damage, wear, noises, missing, broken, altered or aftermarket items:

- Oil in water, water in oil
- Exhaust system
- Major Oil leaks, i.e. dripping onto the ground.
- Belts and hoses
- Intake System
- Smoke
- Battery
- Misfires
- Engine lights

Transmission

ABS will disclose ABNORMAL and/or EXCESSIVE damage, wear, and noises.

- Transmission lights
- Transmission slippage
- Reverse and Overdrive

Powertrain

ABS will disclose ABNORMAL and/or EXCESSIVE noise or damage in following categories:

- Anti-lock brake lights
- Shocks/Struts
- Soft or low brake pedal
- C.V. joints
- Tires will be noted by 32nds of inches. RANGE: 0-4/32 = RED, 5/32-7/32=GREEN, 8/32 -above=BLUE
- Mismatched tires
- Tire pressure monitoring light
- Four-wheel drive systems
- Universal joints
- Front & Rear differentials
- Transfer Case
- Suspension
- Wheels & Tires
- Axle Assemblies
- Wheel Bearings

Exterior

ABS will disclose ABNORMAL and/or EXCESSIVE wear, tear, scratches (excluding those that can be buffed out), dents, dings, rust, cracks, SUBSTANDARD PRIOR REPAIR, mismatched painted panels and broken items in the following categories:

- Exterior body panels
- Glass
- Convertible tops
- Alloy and premium wheels
- Exterior lights
- Side mirrors
- Panels out of alignment



Interior

ABS will disclose ABNORMAL and/or EXCESSIVE wear, tear, damage, stains, missing and inoperative items in the following categories:

- Convertible and top operation
- Seats
- Dash
- Bezels
- Radio/Stereo (excluding CD & DVD's)
- Switches
- Headliner
- Kick Panels
- Door panels
- Air Bag (on vehicles that sell for \$5,000 or more, regardless of year or mileage)
- Air conditioning & Heater
- Moon and Sunroofs
- Gauges
- Indicator lights

NOTE – "EXCESSIVE": ABS Auto Auctions will determine what is considered excessive. It will be based off of the age and mileage of vehicle in question. Wear and use that would be considered normal for the age, mileage and condition of the vehicle will NOT be disclosed therefore cannot be arbitrated.

"B" Inspection

Year	Miles	Book
05,06,07,08	80,000 to	\$11,999.00 to
09,10,11,12	174,999	\$3,000.00
8 Model Years		

All information on the BookSheet is guaranteed to be accurate.

- Year, Make, Model
- Transmission Type - Auto or Manual
- Vehicle Identification Number
- Mileage
- Engine Size
- Optional Equipment

Normal wear and tear due to the vehicle's year, make, model, and miles cannot be arbitrated.

Engine

ABS will disclose ABNORMAL and/or EXCESSIVE damage, wear, noises, missing, broken, altered or specific aftermarket items:

- Oil in water, water in oil
- Overheating
- AFTERMARKET Exhaust/Intake Systems
- Major Oil leaks, i.e. dripping onto the ground.
- Smoke
- Misfires
- Engine lights

Transmission

ABS will disclose ABNORMAL and/or EXCESSIVE damage, wear, and noises.

- Transmission lights
- Transmission slippage
- Reverse and Overdrive

Powertrain



ABS will disclose ABNORMAL and/or EXCESSIVE noise or damage in the following categories:

- Anti-lock brake lights
- Brakes
- C.V. joints
- Tires will be noted by 32nds of inches RANGE: 0-4/32 = RED, 5/32-7/32=GREEN, 8/32 -above=BLUE
- Tire pressure monitoring light
- Four-wheel drive systems
- Universal joints
- Front & Rear differentials
- Transfer Case
- Suspension
- Wheels & Tires
- Axle Assemblies
- Wheel Bearings

Exterior

ABS will disclose ABNORMAL and/or EXCESSIVE wear, tear, scratches (excluding those that can be buffed out), dents, dings, rust, cracks, SUBSTANDARD PRIOR REPAIR, mismatched painted panels and broken items in the following categories:

- Exterior body panels
- Glass
- Convertible tops
- Alloy and premium wheels
- Panels out of alignment

Interior

ABS will disclose ABNORMAL and/or EXCESSIVE wear, tear, damage, stains, missing and inoperative items in the following categories:

- Convertible and top operation
- Seats
- Dash
- Switches
- Headliner
- Door panels
- Air Bag (on vehicles that sell for \$5,000 or more, regardless of year or mileage)
- Air conditioning & Heater
- Moon and Sunroofs
- Indicator lights

"C" Inspection

Year	Miles	Book
04 and Lower	175,000 +	\$2,999.00 & Below

All information on the BookSheet is guaranteed to be accurate.

- Year, Make, Model
- Vehicle Identification Number
- Engine Size
- Transmission Type - Auto or Manual
- Mileage
- Optional Equipment

Normal wear and tear due to the vehicle's year, make, model, and miles cannot be arbitrated.

Engine

ABS WILL MAKE A GENERAL OBSERVATION OF THE RUNNING CONDITION OF THE VEHICLE. We will disclose ABNORMAL and/or EXCESSIVE noises, missing, broken, or SPECIFIC aftermarket items:

- Oil in water, water in oil
- Overheating
- AFTERMARKET EXHAUST/Intake System
- Smoke
- Misfires
- Engine lights

Transmission



Vehicle was driven forward at least 100 yards, shifts normally, and shifts into reverse.

Powertrain

ABS will disclose ABNORMAL and/or EXCESSIVE noise or damage in the following categories:

- Tires will be noted by 32nds of inches **REPORT ONLY IF IN THE RED RANGE (under 4/32)**.
- Four-wheel drive systems engage.
- Front & Rear differentials
- Transfer Case

Exterior

ABS will disclose ABNORMAL and/or EXCESSIVE damage to the exterior of the vehicle including DENTS LARGER THAN 3" WITH PAINT DAMAGE, rust, cracks, and broken items in the following categories:

- Exterior body panels
- Glass
- Panels out of alignment

Interior

ABS will disclose ABNORMAL and/or EXCESSIVE damage and/or missing items in the following categories:

- Seats (Wear and tear, operations not arbitrable)
- Dash
- Headliner
- Air conditioning & Heater
- Moon and Sunroofs
- Excludes mechanical and electrical switches

Book Sheet Sale Policies

Introduction

These policies form the basic agreement between the buyer, seller and ABS Auto Auctions. All buyers, sellers, and their representatives who do business through ABS Auto Auctions are deemed to have read, know, understand, are subject to, and bound by these policies, as they may be amended from time to time. Lack of knowledge concerning these policies will not release dealers or their representatives from their obligations to abide by them. ABS Auto Auctions reserves the right to change or amend these policies as needed, at any time. ABS Auto Auctions also reserves the right to interpret these policies, and to decide all issues of dispute concerning same; ABS Auto Auction's decisions shall be final and binding.

It shall be the responsibility of all dealers and their representatives to review and be aware of these policies and any other rules of the ABS Auto Auctions program, including any revisions thereto, before doing business with ABS Auto Auctions. Dealers and their representatives, who do not comply with these policies and other rules of ABS Auto Auctions, may be barred from doing business with ABS Auto Auctions. These policies shall be the general policies of ABS Auto Auctions for all transactions, unless specific vehicles are subject to special programs, in which case the terms of the special program shall control the extent they are different from or additions to these policies.

ABS AUTO AUCTIONS IS A PRIVATE BUSINESS THAT IS NOT OPEN TO THE GENERAL PUBLIC. ACCESS IS BY INVITATION ONLY. ABS AUTO AUCTIONS RESERVES THE RIGHT TO REFUSE TO DO BUSINESS WITH ANYONE, AND TO REFUSE ACCESS TO ANYONE AT ANY TIME.

Registration

The following documents are required to complete the registration process:

1. Current Dealer's License (must be for the address of the business).
2. Current Seller's Permit (showing sales tax number for address of the business).
3. Completed and signed Resale Card.
4. List of authorized buyers.
5. Provide annually, current copies of dealer's license and bond.

General Auction Guidelines

1. ABS Auto Auctions reserves the right to interpret all policies and to decide all issues of dispute. ABS Auto Auction's decisions shall be binding and final.
2. No person under 18 years of age is allowed an online bidding password.
3. Free copies of ABS Auto Auctions policies and procedures are available online at www.absautoauctions.com, each sale branch location, or call the administrative office to have a current copy mailed to your business.
4. Tampering, vandalism or destructive behavior will not be tolerated.
5. Any issue brought to ABS Auto Auctions after the allowed time frame will not be arbitrated.
NO EXCEPTIONS!
6. Book sheets and announcements are provided as a tool for bidding. This information is to be relied upon as complete and accurate, and is subject to arbitration.
7. All vehicles are sold as frontline ready unless stated otherwise.



8. All vehicles sold carry a 48 hour inspection period from the time of delivery (not including weekends and holidays).
9. All confirmed arbitration will be allowed the following options:
 - a. Agreement of a mutual adjustment between both parties.
 - b. Cancel sale and return vehicle (with allowed expenses outlined in specific areas).

General Seller Responsibility

1. Complete disclosure of vehicle to include the following:
 - a. Provide a "Frontline Ready" safety checked vehicle (this does not guarantee a smog certificate)
 - b. Accurate Booksheet
 - c. Accurate vehicle color
 - d. Current Odometer Reading
 - e. Certified (meets manufacturers' certification requirements)
 - f. Any and All Paintwork (Bumpers excluded)
 - g. Scratches, Dents or Dings that affect the value of said vehicle
 - h. Rental Car
 - i. Out of State Title
2. If sale is cancelled due to arbitration guidelines and vehicle is returned, seller will be charged the round trip transportation charge associated with the sale.
3. If any final sale is cancelled at seller's request because of a retail sale, the seller must notify ABS immediately by phone, and provide ABS with a copy of the report of sale, for documentation to the winning bidder. If the seller does not report a retail sale, they may be charged a \$25 "dry run" transportation charge if applicable.
4. If a vehicle is entered into arbitration, seller will provide ABS with a copy of the repair order and be given the following options:
 - a. Have vehicle inspected.
 - b. Offer an adjustment.
 - c. Unwind the sale and have the vehicle returned (seller will be responsible for transportation both ways)
5. All "IF" bids/offers on vehicles that meet the sellers reserve price by 6pm on the day of the sale will be drafted as a binding sale. After 6pm, seller has the right to refuse the offer or sale amount.

General Buyer Responsibility

1. All sales are final when vehicle has been properly represented by seller.
2. Failure to honor bid(s) may result in termination of conducting future business with ABS Auto Auctions. Buyer will honor all accepted bids/offers/"ifs" approved by the selling dealer that occur on or before 6pm on the day of the sale.
3. Read all announcements/disclosures on the booksheet of the vehicle prior to bidding.
4. Verify the year, make, model, mileage, and represented condition of vehicle within the 48 hour inspection period from the time of delivery.
5. Assume a deductible of \$400 on all cars purchased for any unannounced items necessary to make the vehicle retail ready or certifiable (being able to meet manufacturer's certification requirements).
6. The \$400 deductible does not apply to normal smog and safety related expenses on fresh trades/fleet lease vehicles. The deductible for these vehicles is \$500 for normal smog/safety expenses. Tires/brakes are not covered on Fresh trades/fleet lease vehicles.
7. Any fraudulent expenses reported will result in buyer not being paid, and may result in termination of conducting future business with ABS Auto Auctions.
8. If sale is cancelled, vehicle must be returned to selling dealer within 3 business days following contact and approval by ABS.
9. If sale is cancelled, vehicles must be in like or better condition, miles not to exceed 25 miles (transportation mileage excluded).

General Arbitration Rules/Procedures

Buyers are responsible for submitting vehicle into arbitrations that fail the ABS Auto Auctions guarantee, or any vehicle misrepresented from the booksheet in which the vehicle was purchased. When the buying dealer receives the vehicle, it must be inspected within 48 hours of delivery (excluding weekends/holidays). Upon inspection, if discrepancies occur, the buying dealer is required to fill out an ABS arbitration form (can be obtained on the website @ www.absautoauctions.com or from your sales rep) and fax it to the arbitration department. Phoning in an arbitration to your sales rep does not constitute filing an arbitration with ABS, the arbitration must be submitted to the arbitration department. We at ABS know that all dealers have their own set of standards and it cannot be expected that everyone reconditions their vehicles to the same level of standards. Also, remember that the cars sold through our auction are pre-owned vehicles and cannot be expected to be in brand new condition.

If the selling dealer does not think the arbitration presented from the buying dealer is legitimate, he may request an ABS Auto Auctions representative to view the vehicle, to confirm the complaint. The buying dealer is required to support the complaint with an estimate of repairs for mechanical items.

The selling dealer must pay transportation both ways (to buyer and back to seller) for vehicles returned for arbitration reasons (whether buyer refused vehicle, the two parties could not agree on an arbitration amount or the seller requests their vehicle be returned). Transportation was provided, and fees are due once the vehicle is returned to the selling dealership.

It is standard ABS Auto Auctions procedure to automatically adjust any vehicle "misbooks" misrepresented on a selling dealerships booksheet that



is \$500 or less. In the event of this situation, the vehicle will be re-booked, adjustments will be made and both parties will be faxed a new draft reflecting the revised price. *** All Rental Fleet/Lease vehicles are exempt from this procedure. Once ABS arbitration is notified of the misbook, they will notify the selling dealer, confirm approval of the adjustment and then notify the buying dealership of approval or denial.

Definitions of Equipment Adds

Custom Bumper: A bumper that the manufacturer charges extra for on the MSRP or dealer invoice. A bumper that is installed after the purchase of the vehicle and has more value than the original bumper. In the case of a truck that bumpers are not standard equipment, any bumper added is considered custom. On most SUV's a bumper is included in the base price of the vehicle.

Premium Wheels: A premium wheel is considered to be more valuable than an alloy wheel. A factory alloy that has been chromed is a premium wheel. An aftermarket wheel is not always considered premium. It must be of high quality. A steel wheel that is chrome is not considered premium (example: Ford, Dodge, and Chevrolet trucks have chrome steel wheels that are a less expensive option than an alloy wheel option). These wheels will not get a premium add, but an alloy wheel add is acceptable.

Premium Sound: This add is for a stereo system that the factory charges as an upgraded sound system. For example: Bose, Infiniti, Mach, Harman Karman, Monsoon, or Toyota's Triple Sound System. Aftermarket sound systems must be of "high quality" in order to receive this add.

Wide or Oversized Tires: Tires must be a larger than the standard size offered by the factory. For example: 17" tire and wheel option on a Ford F150 or Expedition. Aftermarket tires that are taller or wider than the factory original equipment must not affect the operation or calibration of the vehicle. In order to receive the equipment add, tires must be at least 4/32's even wear tread depth. Cupping on a tire is unacceptable. Example: Wide tires must be 2 sizes up from factory specs.

Sun and Moon roof: Must be a power slider. A moon roof is clear and a sunroof is solid. ** Aftermarket roofs must be disclosed on the booksheet.

Rental & Out of State Disclosures

The selling dealer is responsible to disclose **previous rental** status. If the discloser is not made, the buying dealer may return the vehicle or arbitrate the selling price and request the standard adjustment of \$200 (Which will be treated as an automatic misbook under \$500). Buying dealer is responsible for checking previous rental status when receiving the vehicle or when they receive their copy of the Carfax/Auto check with their ABS draft and notifying the ABS arbitration department within the 48 hour arbitration period.

Out of State/Country vehicles must be disclosed by the selling dealer. The buying dealer is responsible to check when receiving the vehicle or their copy of the carfax/auto check with their ABS draft and notifying the ABS arbitration department within the 48 hour arbitration period. The buying dealer has the option of keeping the vehicle or returning it to the selling dealer.

Carfax and Autocheck

A Carfax or Autocheck report will be provided to the buying dealer at the time of the draft. The report provided will be what is requested by the buyer and the report the buying dealership uses for their retail customers. Any discrepancies on the report are the responsibility of the buying dealer to confirm and report to the ABS arbitration department within the 48 hour arbitration period. Any future reporting turned into to Carfax or Autocheck after the 48 hour arbitration period are not eligible for arbitration. The only report that ABS will consider binding is the report provided at the time of draft.

THE FOLLOWING ITEMS ARE GUARANTEED BY THE SELLER AND THE \$400 DEDUCTIBLE DOES NOT APPLY.

Accurate BookSheet

Seller Responsibility

1. BookSheets are to be current and complete. Booksheets containing inaccurate information become eligible for immediate arbitration.

Buyer Responsibility

1. Notify ABS within the 48 hour inspection period.

Current Odometer Reading

Seller Responsibility

1. Verify the current miles on the vehicle you are selling.
2. If announced mileage is inaccurate enough to affect the book value, it becomes eligible for arbitration (**transportation mileage excluded**).
3. If announced mileage is inaccurate and makes the vehicle un-certifiable (when announced certifiable), then it becomes eligible for arbitration (**transportation mileage excluded**).

Buyer Responsibility

1. Transportation mileage may affect the book value of a vehicle, be aware of this when bidding. If the transportation miles are what change the book value, it is not eligible for arbitration.
2. If the transportation miles affect the certification requirements, it does not become eligible for arbitration.
3. Notify ABS within the 48 hour inspection period, or upon receipt of proof with documentation.

Paintwork and Body Conditions

Seller Responsibility



1. Announce all paintwork and dents on the front of the booksheet (bumpers are excluded).
2. Bumpers cannot have broken clips or major damage causing replacement. Bumpers excluded from arbitration for paint, scratches and minor dents.

Buyer Responsibility

1. Notify ABS within the 48 hour inspection period.

Certified

Seller Responsibility

1. If announced as being certified (meets manufacturer certified requirements) and it is not, then it becomes eligible for arbitration (transportation mileage excluded).
2. Certified vehicles must have 4 matching tires, 2 keys/remotes, floor mats & owners manual.

Buyer Responsibility

1. Buyer must notify ABS within the 48 hour inspection period.

Vehicle Standards

In order for vehicles to qualify for the BookSheet sale, the following requirements must be met:

Frontline Ready Vehicle - A used vehicle that has been safety checked by a new car dealer, is in good to excellent condition and is ready for retail sale.

1. Engine
 - a. Vehicle must pass California smog requirements. (A smog certificate is not guaranteed by the selling dealer)
 - b. Belts and hoses must be free of visible cracks (Fresh Trades Excluded).
 - c. Aftermarket equipment (such as superchargers, turbo, air induction systems, free flow exhaust and any item that may impede sale or smog of the vehicle) must be noted at time of sale.
 - d. Performance must meet factory standards.
2. Transmission and Centrifugal Velocity Joints (CV)
 - a. Automatics
 1. Automatics must shift properly through all gears (forward, passing and reverse) and be free of excessive universal joint noise.
 2. Overdrive and power modes must shift properly.
 - b. Manual Transmissions
 1. Clutch, pressure plate and throw out bearing may not have slippage or chatter.
 2. Must have ease of shifting throughout the shift pattern, including all forward and reverse gears.
 - c. Four- Wheel Drive
 1. Transfer cases must be in full functioning order according to factory specifications.
 2. Any modifications must be announced on the booksheet and/or details page of the website.
 3. Vehicle must shift from two wheel drive to four wheel drive upon demand.
 - d. CV Joints
 1. Must be in full and functioning order.
 2. Boots may not have cracks or tears (fresh trades excluded).
3. Rear-end noise level may not be excessive according to manufacturer's decibel standards.
4. Braking Systems
 - a. ABS braking systems must be in full operating order. This includes pumps, lines and hoses.
 - b. Brake shoes must be at 50% minimum (Fresh Trades Excluded).
 - c. Brake pads must be at 50% minimum (Fresh Trades Excluded).
 - d. Rotors must be at 50% minimum and able to be turned in the event of brake vibration (Fresh Trades Excluded).
 - e. Parking brake must set and hold vehicle.
 - f. There may not be any excessive pedal or chassis vibration during braking (Fresh Trades Excluded)
5. Steering/Rack and Pinion
 - a. Steering pump must be free of leaks and pressure fissures.
 - b. Rack must be in factory working order and free of sticking and hesitation.
6. Interior Electrical
 - a. Air conditioning unit must be in full working order (Including pump, condenser, high pressure hoses and switches).
 - b. Cruise control operations must work properly.
 - c. All wipers, front and rear, must work properly.



- d. Audio system must work on all bands, including compact disc (if equipped).
- e. Electric windows must operate at all switching points, including master controls.
- f. Sunroof/Moon roof must open and close.
- g. Seats must work in all positions.
- h. Heated seats must be in operating order.
- i. Seat belts must be in good condition and work properly. They must also have full range of extension and retraction as specified by the manufacturer's standards.
- j. Gauges must be in proper working condition.
- k. Seats and carpets must be free of rips, tears or burns.
7. Exterior Electrical
 - a. Headlamps must function at high and low beams.
 - b. Taillights, brake lights and turn signals must operate properly.
 - c. Emergency four-way flashers must be functional.
8. Tires and Wheels
 - a. Tires must have a minimum of 4/32 even tread life.
 - b. All vehicles must have two matching tires per axle. (Certified excluded, must have 4 matching tires)
 - c. Spare tire, tools and jacks must be present in vehicle.
9. Frame
 - a. Must be free of non-factory welds, cracks, excessive bends or tears. (This includes replaced ¼ panels)
 - b. Core support must be free of damage.
 - c. Frame rails must be free of welds, tears or rips (minor jack damage does not constitute frame damage).
 - d. Clamp marks due to a vehicle being put on a frame machine is arbitratable
 - e. Altered suspension must be announced. (Announce alteration type, body/suspension, and total inches) Arbitration pending approval by buying dealers service dept.
10. Body Exterior
 - a. Body must be free of dents requiring body filler.
 - b. Repaint of any panel must be announced (bumpers are excluded).
 - c. Scratches to the metal must be announced (buffable scratches excluded)
 - d. No excessive rust or corrosion under body or in the engine bay.
11. Glass windshields must be free of cracks, non-repairable chips and any damage that may obstruct vision.
12. Keys, Keyless Entry & Security Systems
 - a. Must have at least 1 master key.
 - b. If equipped with factory installed keyless entry/security system, must have at least 1 remote.

ABS Pre-Inspection

An ABS representative will come out and inspect a dealer's booksheets at his request. Those booksheets must be exclusive to ABS until after the auction. And the booksheets must be faxed into ABS by 5pm on Monday to guarantee a representative will be available for inspection.

We have found that 80% of all arbitrations are due to cosmetic issues. ABS will provide you with this **free service**. If any cosmetic issues are missed by our representative causing the vehicle to be arbitrated, the selling dealer has the option to have his vehicle returned to him free of charge (ABS will pay the round trip transport). However, ABS is not liable for the vehicles transaction.

Fresh Trade

1. A used vehicle that has been traded in to a new car dealer that has not been smog and safety checked, but is in good to excellent condition.
2. Any expenses related to normal smog and safety check requirements will not be considered in the buyer's \$500 deductible. The \$500 deductible applies only to visual unannounced repairs.
 - A. Normal smog and safety check requirements are to include, but not limited to:
 - a. Brakes
 - b. Oil Change
 - c. Air Filter
 - d. Tune-Up
 - e. Trans Service
 - f. Coolant
 - g. Small light bulbs
 - h. Batteries
 - i. Belts and Hoses

Seller Responsibility

1. Announce any Major mechanical issues (Engine, transmission, drive train)
2. Announce any cosmetic issues (interior & exterior) over \$500 in repairs.



Buyer Responsibility

1. Notify ABS within the 48 hour arbitration period.

Guarantees/Arbitration

As an accommodation to its customer, ABS provides arbitration services for disputes that may develop between dealers, in connection with undisclosed conditions or breach of guarantees that may exist on vehicles that are sold through the ABS Auction. Such arbitration services shall be performed at the discretion of and pursuant to the arbitration policies of ABS, providing the amounts in question exceed the \$400 deductible for frontline vehicles & \$500 deductible for fresh trades as described in the buyer's general responsibility. In order to enter into arbitration, the buyer must give ABS notice of the undisclosed condition or breach of guarantees within 48 hour time specified herein, depending upon the type of condition or breach of guarantee. If the buyer **fails** to give notice within the specified time frame, ABS shall have no duty or obligation to provide arbitration service, and the **sale will be final.**

Title

Seller Responsibility

1. Provide a KSR or current registration, along with title and corresponding paperwork. If KSR or current registration is not provided, ABS Auto Auctions will charge a \$10.00 fee.
2. Provide a title that is marketable and free and clear of all liens and encumbrances at the time vehicle is sold through ABS Auto Auctions.
3. Title documents from all 50 states are acceptable, providing non California titles are announced in the details page.
4. All penalties and fees associated with expired registration must be paid. This does not include current year's registration. (Excluding vehicles in dealer inventory at the time the penalties became due)
5. All repossession fees are the responsibility of the selling dealer. The buying dealer will be reimbursed.
6. Provide title to ABS Auto Auctions within 30 days of sale date. All titles over 30 days are subject to sale being cancelled.
7. If sale is cancelled by ABS Auto Auctions for late title, seller will be charged for expenses up to \$750.00.
8. If sale is cancelled, seller responsible for round trip transportation charges.

Buyer Responsibility

1. Any and all unannounced title issues must be reported within **5 business days** of receipt of title. (Excludes those that were reported on the carfax/autocheck at the time of the draft. Those should have been reported during the 48 hour arbitration period)

Auction Responsibility

1. ABS Auto Auctions will examine all titles. If correct, title will be processed. If incorrect, title will be returned to seller for completion.
2. ABS Auto Auctions may, at its discretion, cancel the sale or take the necessary steps to secure title, if seller is unable to produce title within the allowed 30 day time frame. All expense in obtaining the title will be charged to seller.

Payment

Buyer Responsibility

1. Payment is required by 10:30 am one day after a copy of the title has been presented, and after the 48 hour arbitration period is complete.
2. All checks must follow the guidelines below:
 - a.) Made payable to ABS Auto Auctions.
 - b.) Include buy fee and with purchase price of vehicle.
 - c.) One check per vehicle transaction.
 - d.) Any returned check must be replaced within 2 business days and will be charged a \$100.00 fee.

Seller Responsibility

1. Overnight title and reg. documents to ABS Auto Auctions, after the 48 hour arbitration period is complete.

Auction Responsibility

1. ABS will overnight payment no later than 48 hours after title is received and the 48 hour arbitration period has expired.

The following items are unacceptable and will not be allowed. If any of these items are found to be true, and a vehicle does sell, the arbitration period does not apply, and the selling dealer is responsible for any and all charges incurred to the buying dealer, plus round-trip transportation charges. The selling dealer will also pay ABS any additional expenses incurred in verifying the buyer's claim.

Odometer

1. **EXCEEDS MECHANICAL LIMITS (EML):** Vehicles with mileage in excess of the mechanical limits of the odometer should not be assumed to have any specific mileage.



2. **NOT ACTUAL MILEAGE (NAM):** Vehicles with actual mileage that is different from what is shown on the odometer, or true miles are unknown.
3. **BROKEN or INOPERABLE ODOMETER (INOP):** Broken, inoperable or replaced odometers must be announced, regardless of other announcements. NAM will be marked on the odometer disclosure statement.

VIN Plates

1. Any missing, altered, replaced or reassigned vehicle identification numbers on dash or bodypanels.

Frame Flood, Fire, Engine Changes, Fuel Conversions & Inop Air Bag

Frame/unibody damage will be defined by ABS Auto Auctions with reference to the NAAA standards. Scrapes, scratches, jack/lift marks, clamp marks, minor corner tie-down marks not resulting from an accident, core support damage, damage in front shock towers on unitized bodies not affecting integrity and if vehicle measures to NAAA standards are non-arbitratable. Bumper and trailer hitches welded to frame are not considered frame damage. Vehicles with altered suspension are not subject to frame arbitration if damage is from alteration.

Title

The following documents are not acceptable

1. Duplicate title applications.
2. Junk or Salvage Bill of Sale.
3. Lien documents and government sale documents.
4. Gray Market vehicles, including Canadian vehicles, or vehicles that do not meet USA standards.
5. Out of state titles that are not announced.
6. Paperless title certificates or transfers.
7. Theft recovery or branded titles (example: salvage, police, taxi, rental, kit car, lemon law and factory buy backs).