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# \*\*Auction Every Thursday at 8:45 A.M.\*\*

# Auction Policies May 2023

The following policies are in place for both your benefit and protection. These policies may be adjusted to comply with our ever-changing industry, state, and federal guidelines and laws.

#### **General Policies**

- This is a dealer-only wholesale auto auction for both Buyers and Sellers.
- No retail customers are allowed on the property. Any dealer found with one may have their auction privileges revoked.
- Due to our insurance and the safety of our customers, NO CHILDREN ARE ALLOWED IN THE AUCTION LANES.
- The decision of the America's Auto Auction Harrisburg (AAAH) management shall be final on all disputes.
- AAAH reserves the right to cancel any purchase due to unforeseen circumstances.
- If the auction determines that the transaction is not fair and/or ethical to either party, the Seller and Buyer agree that AAAH may cancel the sale at AAAH's sole discretion.
- No weapons are allowed on our properties. There are no exceptions.
- Dealers and Representatives must be registered at AAAH through Auction Access and must be currently licensed by their state before doing business at AAAH. Auction Access charges a yearly subscription fee. AAAH cannot take payment for this fee.
- Dealers are responsible for all business transacted by representatives under their company name at AAAH unless terminated in writing.
- Only authorized representatives through Auction Access may purchase vehicles under their assigned dealership.
- All changes of ownership, authorized representatives, banking information, addresses, or telephone numbers must be reported to the AAAH Main Office at the time of change.
- You must have a current and visible bidder badge when bidding. Auction Access ID cards or the digital card on the Auction Access Phone App are required to receive your bidder badge.
- All vehicles must be registered before they can cross the auction block. Only AAAH personnel may drive vehicles through the auction barn.
- All vehicles bought or sold on the premises must be processed through AAAH. Outside-the-gate sales are not permitted.
- All purchased vehicles must be test driven (not on the lot), post-sale inspected, or arbitrated within the posted time frames.
- All buyers are required to have a completed ACH form or Floorplan to get a bidder badge. Please see management for details.
- Only company checks in the business name will be accepted. All checks will be deposited immediately.

- Returned checks will not be redeposited. Certified checks or money orders are required to settle these returned checks. There is a service fee on all returned checks.
- All accounts receivable is due within thirty (30) days of the charge (Net 30). A service fee will be applied to all Floorplan transactions.
- Any person found tampering with, stealing, or vandalizing any vehicle will be arrested and prosecuted, to the fullest extent of the law. Our security personnel reserve the right to search and inspect any vehicle and its contents leaving the premises.
- AAAH accepts no responsibility for items stolen from vehicles (examples: radio faceplates, key fobs, shift knobs, etc.).
- All cars registered are subject to inspection by the State Police or the National Auto Theft Bureau.
- AAAH solely honors AutoCheck due to data-based accuracy. AutoCheck is used for title and VIN verification. We do not rely on CarFax reporting.
- Vehicles will not be registered for sale without a VIN plate under the windshield.
- AAAH has reasonable time to make final determination on arbitration and/or disputes arising from a sale. No check or title will be released until a final resolution is reached.

# <u>Sellers</u>

Vehicles must be accurately and fairly represented. It is the Seller's responsibility to verify all mileage, lights, information, and announcements before the vehicle is sold. All verbal announcements and announcements written on windows will be valid announcements and the Seller is responsible for these. AAAH is not responsible for missed announcements on the block.

Sellers are strongly encouraged to add announcements inside the office before the car is on the block. Changing announcements on the block could remove Internet Proxy Bids and result in missed online bidding.

AAAH markings and stickers are a guide only. It is the Seller's responsibility to verify the accuracy of these markings.

The Seller guarantees all items subject to arbitration on vehicles sold for \$3,501 or more.

It is the Seller's responsibility to make sure each unit has an adequate fuel supply. Vehicles without an adequate fuel supply will be charged a service fee if fuel is needed.

Sellers will be charged an online sale fee if the vehicle is sold to an online buyer.

#### **Buyers**

The Buyer must verify the price and Seller's representations (including VIN, year, model, mileage, odometer operations, announcements, etc.) and notify AAAH of any discrepancies within the allowed time frame. It is the Buyer's responsibility to know and understand the announcements as a condition of the sale. All vehicles must be settled prior to 5PM; failure to do so may result in the assessment of late settlement fees.

## **Cancellation of Numbers**

Numbers cancelled prior to sale day could be subject to a cancellation fee for each number requested. Reserved numbers with no vehicle on them on sale day are considered "no shows" and will be charged a fee.

# Light System

#### Green Light -- "Sound"

The Seller attests that the vehicle is subject to all arbitration policies. Any misrepresentation of this policy may result in transportation reimbursement as well as other expenses.

#### Red Light -- "AS-IS"

"AS-IS" vehicles are sold with no arbitration, including frame damage and frame rust. They are sold unconditionally for both physical and mechanical defects. All vehicles sold for *\$3,500* or less automatically become an "AS-IS" unit regardless of the light the unit is sold under.

All vehicles represented by Seller as green light and become "AS-IS" because of a sale price (*\$3,500* or less) will continue to be "AS-IS" with the following exception: Vehicle must start, drive in forward and reverse, and be able to leave the secure auction area under its own power on sale day only. After the vehicle has left the secure auction area, the vehicle is fully AS-IS and cannot be returned for any of the items listed in the previous sentence.

AAAH does not guarantee the year of any house trailer, motor home, boat, boat motor, antique car, dune buggy, motorcycle, or golf cart. This information should be verified before bidding. AAAH will not become involved in a dispute on these vehicles, which will be sold "AS-IS."

Inoperable vehicles are completely sold AS-IS, WHERE-IS. No announcements are required to designate if keys are present. Buyer assumes that there are no keys. Any announcement made is just a reference point for an issue, it is not a full diagnosis.

#### Yellow Light -- "Listen Announcement" (used in addition to Green or Red Light)

The Seller must announce all items he wishes to be exempt from arbitration. Also, non-standard motor, transmission, and major exceptions to original production specifications (items added or deleted) must be announced. This light is also used for any positive announcements on a vehicle. The lane will show a yellow light on any announcement, regardless of whether it is a positive or negative announcement. The yellow is designated to show something else is announced and that you should look to see what it is.

#### Blue Light -- "Title Attached" (used in addition to Green or Red Light)

There is a fee on all units sold "Title Attached" (when the Seller does not have the title to the vehicle being sold). AAAH must receive the title from the Seller within ten (10) business days or two work weeks (excluding weekends and holidays). Vehicles are considered "Title Attached" if a negotiable title is not produced by 5:00PM on Sale Day.

# The Buyer is cautioned not to excessively drive, repair, or sell any title attached vehicle until the auction receives the title. Buyers who, in the opinion of management, put excessive mileage on title attached vehicles may forfeit their right to return the vehicle in question.

If AAAH does not receive the title within the ten (10) business day period, the Buyer has the option to return the vehicle. Buyer has seven (7) days to return vehicle after notifying the office with the intent to return. If title comes in during those seven (7) days, vehicle is still a valid return.

If Title Attached is not announced on a vehicle, the Buyer can return the vehicle at any point if the title is not present in the auction office. The Buyer will have seven (7) days to return the vehicle after notifying the office with the intent to return.

#### **Required Announcements**

All required announcements must be on the invoice. It is the Seller's responsibility to ensure the invoice is correct.

#### **Below are Required Announcements:**

Anything that is over a \$800 fix or anything in the Arbitration Sections of this Policy Guide Red Light (AS-IS) Designation Title Attached (see Title Attached section) Salvage – (Regardless of Light Sold Under) (Salvage vehicles are assumed to have Frame Damage) Flood – (Green Light Units Only) Water Damage – (Green Light Units Only) Lemon Law – (Regardless of Light Sold Under) Previously Abandoned – Printed on Title – (Regardless of Light Sold Under) Reissued VIN Plates – (Regardless of Light Sold Under) MSO (Manufacturer's Statement of Origin) - (Regardless of Light Sold Under) CO (Certificate of Origin) - (Regardless of Light Sold Under) Altered Suspension – (Green Light Units Only) Catalytic Converter Missing – (Green Light Units Only) Altered Emissions – (Green Light Units Only) Major Damage History Brands on AutoCheck – (Regardless of Light Sold Under) Gray Market Vehicles – (Regardless of Light Sold Under) Canadian Vehicles – (Regardless of Light Sold Under) Vehicle/Title in Kilometers (some units cannot be sold if the odometer cluster has not been correctly changed - see management) – (Regardless of Light Sold Under)

#### All Title Brands - including but not limited to:

Exempt Branded Titles – (Regardless of Light Sold Under) Former Salvage Branded Titles – (Regardless of Light Sold Under) Reconstructed Branded Titles – (Regardless of Light Sold Under) Antique Vehicle – Title Brand – (Regardless of Light Sold Under) Classic Vehicle – Title Brand – (Regardless of Light Sold Under) Collectible Vehicle – Title Brand – (Regardless of Light Sold Under) Out of Country – Title Brand – (Regardless of Light Sold Under) Originally Mfg. For Non-U.S. Distribution – Title Brand – (Regardless of Light Sold Under) Agricultural Vehicle – Title Brand – (Regardless of Light Sold Under) Logging Vehicle – Title Brand – (Regardless of Light Sold Under) Police Vehicle – Title Brand – (Regardless of Light Sold Under) Street Rod – Title Brand – (Regardless of Light Sold Under) Recovered Theft Vehicle – Title Brand – (Regardless of Light Sold Under) Vehicle Contains Reissued Vin – Title Brand – (Regardless of Light Sold Under) Flood Vehicle – Title Brand – (Regardless of Light Sold Under) Taxi/Livery – Title Brand – (Regardless of Light Sold Under)

PA Salvage Certificate (must be sold AS-IS) PA Salvage Title (must be sold AS-IS) PA Junk Title (must be sold AS-IS) Odometer Discrepancies – (Regardless of Light Sold Under) Odometer Rollovers – (Regardless of Light Sold Under) TMU Units – (Regardless of Light Sold Under) Logo/Decal Misrepresentation – (Regardless of Light Sold Under) Replaced Odometer Clusters – (Regardless of Light Sold Under) All Non-Conventional Fuel Types Must be Announced – This includes, but is not limited to:

- Fully Electric
- Natural Gas
- Propane
- Etc.

# \*\*No Announcements Required for 2WD or 4WD designation – Buyer Beware\*\*

#### **Title Clarifications**

Titles submitted by the Seller must be in the Seller's company name.

A clean, transferable title must be turned in to the Settlement office by 5:00PM on Sale Day or announced and sold as "Title Attached". When "Title Attached" is not announced on the block, the Buyer has the right to reject the vehicle if not turned in by 5:00PM.

We will not sell any vehicles with repossession paperwork.

Mileage Exempt Law: Ten-year and older vehicles are exempt from Federal Odometer Disclosure. Exempt must be announced if it is branded on the title. However, Exempt does not cover a TMU vehicle. All mileage discrepancies must be announced as TMU (Replaced odometer cluster must be announced on all vehicles and branded TMU). If Exempt and TMU are present, both must be announced.

The Seller must announce if an odometer is broken, replaced, or altered. It is the Seller's responsibility to ensure the invoice mileage matches the vehicle odometer mileage. An odometer statement is included on all bill of sales. Seller and Buyer agree that the auction is not responsible for vehicle odometer mileage errors.

Please note: Out of state "R" titles must have an enhanced PA salvage inspection before applying for PA title.

No motorized vehicle can be sold without a title nor be sold "no title ever." Specialty units can be sold under "Bill of Sale Only" with prior management approval (examples: Golf Carts, Lawn Mowers, etc.).

Please note: If you do not have a boat license you may be liable for unpaid sales tax on your purchase.

Junk, Reconstructed, or Salvage Title vehicles must be sold "AS-IS." Salvage and/or reconstructed history is NOT the same as Junk or Salvage title and therefore is not required to be sold "AS-IS."

Defaced titles will not be accepted. Please see management before running any vehicle with a title that could be considered defaced.

On title problems created by AAAH clerical error, AAAH shall be given reasonable time to correct the error.

# **PSI Policy**

The buyer will be charged for an inspection regardless of a "Pass" or "Fail" outcome, due to the services provided as requested. After a unit is sold to a retail customer or another dealer – the AAAH PSI is voided and cannot be transferred.

# PSI Mileage Rule – Any vehicle over 135,000 miles is not eligible for PSI. You will still have your sale day Arbitration time period to check your car.

We no longer warrant Land Rover vehicles under our Post Sale Return/Repair Policy. Also, management reserves the right to limit coverage on vehicles that management deems as "Specialty Vehicles" (Ferrari, Lamborghini, Maserati, etc.). If there are any questions as to coverage, please ask before you make your purchase.

## **Diesel Policy**

All Post Sale Inspected units and units arbitrated for any motor-related complaints that are identified by AAAH to be diesel will be held at the auction in a pending status until noon of the following day to be properly inspected.

#### **Airbag Policy**

Any vehicle arbitrated for "Airbag Light" will be subject to further review by a repair facility. During this review, the Buyer will be obligated to the purchase until determination as to the cost and/or repair of the defect is complete (arbitration requires more than a \$800 repair). A final decision on this arbitration issue will be made by 5:00PM on Monday following the respective sale day. There will be no check or title issued on the deal until the arbitration review is finalized.

#### **Frame Disclosure Standards**

AAAH uses the industry accepted "NAAA Structural Damage Policy" as its standard. Copies are available upon request.

# HANDICAP/LIMO UNITS THAT HAVE BEEN CONVERTED BY A LICENSED DEALERSHIP CANNOT BE RETURNED OR ARBITRATED FOR FRAME DAMAGE

#### Subject to Arbitration

Vehicles are sold as mechanically sound unless otherwise announced. AAAH does not guarantee reconditioning cost for non-visible wear and tear. This includes brakes, exhaust, or maintenance items required by some manufacturers to pass used car certification programs, or those which may be required by the Buyer's state vehicle inspection guidelines.

Any price adjustment eliminates further arbitration for any defects. After any adjustment is accepted, the unit becomes "AS-IS" and is not subject to further arbitration.

#### Please remember, our arbitrators will only check your complaint(s). Please be specific.

Any item that can be repaired for \$800 or less (This is for drivability issues only) cannot be arbitrated unless the auction declares the vehicle unsafe to drive.

The following conditions are subject to arbitration (unless announced):

- Paint work on the current model year with less than 10,000 miles must be announced
- Total re-paint of vehicle

- Full Vehicle Wrap on a Vehicle
- Air conditioning must be operational on current model year units only. Units with no air conditioning must be announced when sold under the green light
- Cracked or welded blocks must be reported by the Buyer within 48 hours of purchase. Seller will be held responsible
- Missing catalytic converter or altered gas tank filler (sale day only)
- Defective brakes or steering (if declared unsafe to drive)
- Excessive valve train noise guidelines vary, due to make and model tendencies
- Manual transmission clutch operation is limited to "slipping". Vibration and roughness in clutch operation must be excessive
- Fully electric vehicles with defective/reduced capacity batteries will be handled on a case by case basis see Management

All arbitration complaints on dealer sold units must be registered within two (2) hours of the time of sale.

All arbitration complaints on lease sold units must be registered within two (2) hours of the time of sale.

#### All vehicles that are arbitrated must be back before arbitration closes on sale day.

Any vehicle misrepresented by advertisement, logo, or decal is arbitrable on sale day only. Logo and/or decal misrepresentation must be announced with the yellow light.

#### Not Subject to Arbitration

Any unit sold for \$3,500 or less is sold "AS-IS" and is not subject to arbitration. "AS-IS" transactions are NOT subject to arbitration for physical and/or mechanical defects including unibody, frame damage, and rust regardless of condition reports.

The following conditions are not subject to arbitration:

- Any item/items that can be repaired for \$800 or less (This is for drivability issues only)
- One year and older windshield and windows, body and paint work
- Warning lights and gauges except for temperature, oil and airbag
- Check engine lights are NOT subject to arbitration unit must experience drivability issues
- Cam phaser and timing chain codes are not arbitrable
- Upholstery, headliners, mats, and convertible tops
- Inoperable, jumpy, or erratic speedometer needle
- Jeep or Chevrolet Astro van driveline noise
- Ford Cam-Phaser noise on 5.4L motors
- Oil leaks (unless deemed excessive by our mechanics)
- Visible defects (Worn tires, inoperable windows, inoperable sunroofs, holes in upholstery, etc.)
- Cold start motor noise (unless deemed excessive by our mechanics)
- Inoperable suspension; including air-ride suspension (unless deemed unsafe)

All vehicles twenty (20) years of age and older are considered by the auction as antique, classic, and/or special interest. These vehicles are sold "AS-IS" and are not subject to Arbitration.

"R" branded title, or vehicle history, cannot be arbitrated for frame, unibody or structural damage. Buyer assumes it may have frame, unibody or structural damage.

"AS-IS" vehicles cannot be arbitrated for not having factory-installed air conditioning.

The decision of the arbitration manager is final in all disputes. Management reserves the right to reject any arbitration complaint if the unit in question appears to be tampered with. Any dealer caught tampering with vehicles will be subject to suspension of arbitration and/or auction privileges.

#### **Time Limits for Auction Involvement**

Catalytic converter - Sale Day only Odometer operation - Sale Day only Missing or deployed airbags - Sale Day only Frame damage – seven (7) days Unannounced previous police or taxi use – seven (7) days Flood cars – seven (7) days Documented mileage discrepancy – fourteen (14) days Title brands – fourteen (14) days Salvage history – fourteen (14) days Lemon Law – fourteen (14) days Non-conventional fuel types – seven (7) days Vehicles returned for the above reasons may be subject to transportation reimbursement as well as other expenses.

#### **Program Cars**

Program cars are vehicles that have 3-, 7- or 14-day drives with them. The length of time is essentially a Post Sale Inspection for that period of days. For example, 3-Day is a 3-Day PSI. It can be returned for anything that can be returned for a PSI in those 3 days.

If a vehicle is purchased with a 3-Day, 7-Day, or any other program; the auction has the right to send the vehicle out to try to be fixed. The auction will then determine if the vehicle will be repaired or returned.

## **Returned Vehicle Guidelines**

Any returned vehicle must be in the same or better condition as when it was sold. All return vehicles must have a 24hour notification to the main office. AAAH's liability under our policy shall never exceed the auction sale price of the vehicle. Per Auction Insurance Agency guidelines, Seller shall be solely responsible for re-purchase of any vehicle sold through the auction found to be stolen. Maximum cap on transportation is \$650.00. Reimbursement will be issued, one or both ways, depending upon reason for return and up to \$0.90 per mile, only when proper documentation is provided. Seller is responsible for transportation on returned vehicles. The Buyer has seven (7) days from the date of the vehicle(s) being authorized for return to submit transportation receipts to AAAH for reimbursement.

Buyers who, in the opinion of management, put excessive mileage on a potential return vehicle, may forfeit their right to return the vehicle in question.

#### Off the Block Sales & "IF" Sales

Off-the-Block sales are strictly between the Seller and the Buyer and are not binding on either until the sale is finalized. Please settle all Off-the-Block sales within the hour. The auction will not become involved in any arbitration complaints or be responsible for any defects on these vehicles. These vehicles are subject to arbitration on mileage

and title brands only. All Off-the-Block sales must be requested and designated on the sales invoice. Any transaction sold Off the Block is considered an "AS-IS" transaction and cannot be arbitrated.

IF bids are no longer limited to a time frame. We will contact you as soon as possible to resolve the IF bids. Sellers will not be allowed to take their vehicle until the Buyer is contacted. Buyers will not be able to back out of the deal until we get a response from the Seller. Exceptions will be made by management if it is taking an excessive time to get an answer from either party. Please see management with any questions or concerns.

## **Abandoned Vehicles**

Vehicles that are not re-registered or removed from the sale lot by the Tuesday following the sale will be removed from the sale lot. Dealer assumes full responsibility for vehicles parked outside of the sale lot. After fourteen (14) days, vehicles will be towed, and charges will be assessed. Vehicles not removed after thirty (30) days will be considered abandoned and disposed of as such. Storage and towing fees will be assessed on these vehicles. It is the dealer's responsibility to pay all fees associated with these abandoned vehicles.

# **Online Policies**

AAAH seeks to maintain the highest standards for the representation and sale of used vehicles online. To provide the easiest transaction for our Buyers and Sellers, the following procedures are in place, in addition to the regular in-lane policies.

All vehicles sold online will be charged an additional fee to the buyer and seller.

## **Online Sale Process and Vehicle Pickup**

Upon notification of a winning bid by an online Buyer, AAAH will send, by fax or email, a bill of sale to the buying dealership. The Buyer is required to specify the method of payment or Floorplan information as well as the name of the transportation company authorized to pick up the vehicle(s).

Upon receipt of confirmed funding, AAAH will release the vehicle. The Buyer's payment must be received prior to the vehicle(s) being released for transportation.

The Buyer must advise the transportation company to contact the AAAH internet office, between the hours of 8:30 AM and 4:30 PM Monday through Friday, to check the status prior to the arrival of a carrier, transport truck, or company drivers. The auction cannot be held responsible for transport delays due to failure to confirm vehicle(s) ready-to-release status.

**IMPORTANT:** The transporter/driver, prior to the removal of the vehicle from the internet lot, must inspect the vehicle(s) for damage and/or missing items. Previously existing tie down damage must be noticed prior to loading a vehicle onto the carrier. A condition report will be available for use in this process. A representative of AAAH will acknowledge any noted damage by the transporter and a signed copy will be placed on file at the Auction. Damage not noted at time of pickup will be considered as occurring after release from the Auction and will not be arbitrable.

## **Online Arbitration Policies**

AAAH standard sale day arbitration policies will be recognized for all online sale units. Due to the nature of online purchasing, these additional policies apply and may supersede our standard Arbitration policies.

Any vehicle bought online without a FULL CONDITION REPORT is sold AS-IS, WHERE-IS unless a post-sale inspection is purchased. Pictures only or a photo-only condition report does constitute as a FULL CONDITION REPORT. A FULL CONDITION REPORT is a condition report with specific line-item damages and announced conditions on the report.

It is the Buyer's responsibility to review all announcements, vehicle representations in the condition report, and condition lights under which the vehicle is sold. No arbitration complaint will be accepted if the proper representation was made at the time of sale.

#### **Online Return Policies**

All arbitration claims must be confirmed and documented by AAAH within the specified time allocation. Any claims presented to AAAH after the time limit will not be honored even if the Buyer's claim is valid. \*\*\*NO EXCEPTIONS\*\*\*

The Online Buyer must notify the AAAH internet office of any arbitration issues within seven (7) days of purchase of vehicle. Notification includes any mechanical defects, additional damage complaints, and title brands/mileage issues. The seven (7) days are from the date the vehicle is purchased, not when a transporter picks up or drops the vehicle off at the lot. AAAH will not be responsible for late arbitration claims due to slow pickup time.

Any vehicle authorized for return must be transported to AAAH within seven (7) days of the authorization to return.

The Buyer is responsible for the return of an authorized vehicle, its negotiable title, and all applicable receipts. All must be received by AAAH prior to reimbursement of purchase price to Buyer.

If AAAH finds it necessary, the Buyer will provide documentation, estimates, and/or third-party inspections as required by AAAH to satisfy a complaint. If any adjustment is made by AAAH, the vehicle automatically becomes an AS-IS deal with no further arbitration.