

## **Policies and Procedures**

All Licensed Dealers are welcomed to participate in the buy, selling, and consignment of automobiles. The following procedures will assist all parties in understanding the expectations of conducting business in a fair and ethical manner.

#### Registration

- · Alliance will require Dealers to complete all registration information and any additional information, if requested, prior to buying, selling, or consigning units.
- · Please submit all changes to registration information to the Alliance business office in writing.
- · All Dealers must obtain a Bidders Badge before entering the sales area to conduct business
- · Bidders may not use a Bidders Badge that is not their own.
- · Alliance reserves the right to access credit reporting agencies to obtain and verify credit history.

#### **Business Policies**

- · All persons on the Alliance property agree to abide by all Federal, State, County, and Municipal ordinances and laws.
- · All persons on the Alliance property agree to abide by all policies, procedures, and decisions of Alliance.
- · All vehicles consigned with Alliance are subject to government inspection, with or without prior notice, by the FBI, State Police, National Auto Theft Bureau, Local Police Authorities, any other governmental agency, or quasi-governmental agency.
- · Alliance reserves the right to refuse anyone the use of its services.
- · Alliance makes no representations or guarantees on any vehicle sold or offered for sale.
- · All transactions are subject to final approval through Alliance Management.
- · Alliances reserves the right to search any package or vehicle entering or exiting the property.
- · Alliance makes no guarantees regarding the mileage of vehicles.
- · Any dealer or agent causing damage to a vehicle or the premises will be liable for the cost to repair all damages.

#### **Liability**

- Alliance assumes no liability for physical damage to a vehicle, theft of contents or the vehicle, or any general liability while vehicles are being bought, sold, or on consignment.
- · All persons who are Buyers, Sellers, or Consignors, their agents and guests, agree to indemnify and hold harmless Alliance Auto Auction, L.L.C., Waco Auction, Inc., Alliance Auto Auction of Dallas, Inc., and West Texas Auction Inc., and any of its agents for any liability or claim.

## Sale Procedures

- · Bidder Badges and Guest/Driver Badges need to be displayed in a visible manner while conducting business
- The auctioneer reserves the right to not acknowledge or accept bids from those without a visible Alliance Bidders Badge.
- · Alliance is not responsible for any statements or representations made by a seller, third party, or consignor.
- Only announcements made publicly by the auctioneer, on behalf of the Seller, will be deemed valid.

## **Payments**

- · Payment is expected on the day of sale.
- The sales price and all fees can be paid by draft, cash, floor plan, or company check.
- · Customers wishing to pay by draft or floor plan, please contact the Alliance business office for assistance.
- · Occasionally there will be additional fees for a unit added to the Dealership account. These fees are to be paid within 7 days of receiving the Accounts Receivable Statement. Failure to pay on time may result in a disruption to your membership privileges at Alliance Auto Auctions.

## Seller Responsibilities

- To ascertain and represent that the vehicle is in a condition safe for driving on public streets. If the vehicle is not safe to be driven on public streets, the Seller must disclose the relevant facts before the vehicle can be sold.
- Per NAAA Guidelines, if a clear and marketable title is not delivered to the auction within 21 business days after the vehicle is sold, the buyer may return the vehicle to the auction upon a 24 hour notification. Upon notification, the seller will have until the close of business the following business day to get a title to Alliance. If a title isn't provided within the timeframe, the seller is responsible for fees related to the returned vehicle because the title is not clear and marketable.

- Titles received after 21 business days of the date of sale will be charged a Late Title Fee.
- To assist Alliance in obtaining a duplicate title.
- Agrees to pay Alliance their fees for all vehicles returned and arbitration fees against the seller.
- The seller agrees to pay all reasonable transportation charges.
- Please refer to NAAA Guidelines for additional Seller Responsibilities.

#### **Seller Declarations**

- The correct description, mileage and condition, including any relevant information regarding the vehicle.
- Deployed or missing air bags
- · Frame damage and/or repaired frames.
- · Police cars, taxi cabs, rebuilt units and theft recovery vehicles.
- · Any vehicle listed as "Major Damage Loss"
- · Reassigned Vehicle Identification Numbers
- · Vehicle missing or altered factory emission equipment
- The true correct odometer reading
- · If the vehicle is not safe to be driven on public streets, the seller must disclose the relevant facts before the vehicle can be sold.
- · Salvage title
- Any known arbitratable defect exceeding \$500 to repair (wholesale/auction costs)
- · Please refer to NAAA Guidelines for additional Seller Declarations

## Buyer's Responsibility

- Inspect vehicles before the sale begins
- It is the buyer's responsibility to ensure that the miles and year of the vehicle printed are correct
- · To make their bids known to the ringman or auctioneer
- To be aware of any announcements regarding vehicles made by the Alliance auctioneer
- · Acknowledge your acceptance of being the winning bidder and sign the block ticket for the vehicle.
- To inspect all vehicles purchased before the close of business on sale day.
- Pay the sale price and all fees by draft, cash, floor plan, or company check on the day of the sale before leaving the Alliance premises.
- · Remove purchased vehicles from the Alliance premises within seven (7) calendar days from the date of purchase. Vehicles left on the premises after seven days will be assessed a storage fee.
- Any vehicles purchased and left on the premises over 90 calendar days will be disposed of by Alliance. Alliance will hold storage fees out of the proceeds.
- Please refer to NAAA Guidelines for additional Buyer Responsibilities

## Titles

- Per NAAA Guidelines, if a clear and marketable title is not delivered to the auction within 21 business days after the vehicle is sold, the buyer may return the vehicle to the auction upon a 24 hour notification. Upon notification, the seller will have until the close of business the following business day to get a title to Alliance. If a title isn't provided within the timeframe, the seller is responsible for fees related to the returned vehicle because the title is not clear and marketable.
- Titles received after 21 business days of the date of sale will be charged a Late Title Fee.
- The buyer is responsible for any improvements made to a vehicle before the title is provided. If a buyer chooses to perform any repairs or improvements before a title is provided, they will not be eligible for reimbursement of any of those said costs. The only reimbursement that a buyer is guaranteed upon returning a vehicle is the purchase price of the vehicle and the transportation back to Alliance.
- If a clear title cannot be provided to the buyer and the vehicle is returned by the buyer, it must be returned in the same condition as when it left the auction.
- If the seller represents the vehicle to have a clear and marketable title and it comes in salvage, insurance dated, etc...the buyer has the right to return the vehicle. Transportation costs will be reimbursed to the buyer and Alliance will add the fee to be paid by the seller.
- Please refer to NAAA Guidelines for additional Title Policies.

### "IF" Bids

As a courtesy to our customers, Alliance will make every effort to contact buyers on the status of their "IF" Bids. This communication is not guaranteed or required by the auction. Per NAAA, it is the buyer's responsibility to contact the auction for

the status of their "IF" Bids. If a length of time has passed and you have not heard from Alliance regarding the status of your "IF" Bid, please contact us and we will be happy to provide you with any information that we have at that time.

- When the seller accepts the "IF" bid, the vehicle is considered sold and the buyer must pay for the vehicle according to the Alliance payment policy.
- · If you wish to make an arbitration claim for any "IF" bid, please do so before the close of business on the day of sale.

#### Vehicles Leaving the Premises

- · No vehicle will leave the premises without a current Alliance gate pass or receipt of payment
- · No Test Driving allowed on Alliance property

## **Arbitration Guidelines**

All Alliance Auto Auctions adhere to NAAA Arbitration Guidelines. Please refer to NAAA for any additional statements not mentioned here.

### **Light System**

· Please refer to the NAAA light system

#### **As-Is Statement**

- Units with the following classifications will be listed As-Is unless represented by the Seller differently on the sale block:
  - o The unit has an odometer reading of 125,000 miles or more
  - o The unit is more than 10 years old
  - O The vehicle's sale price is less than \$2,000
  - O The seller designates the unit As-Is

## **Procedures**

- · All arbitration claims must be presented before the close of business on the day of sale. In addition to said time frame, all claims must be in compliance with the Alliance location's Test Drive Policy which takes precedence once unit has exited the Alliance gate.
- The expense for consultation and/or arbitration will be the responsibility of the party who is declared incorrect.

## Test Drive Policy

- Longview & Waco
  - 20/20 Policy: On the day of sale, Buyers have 20 minutes or 20 miles (whichever comes first) from the time a unit exits the gate to perform a test drive and file any arbitration complaint. Any complaints must be made in person or by phone within the 20/20 timeframe
  - \*Note: This does not apply to units that have received a PSI as the timelines of that particular PSI prevail.
- Dallas
  - 120/20 Policy: On the day of sale, Buyers have 2 hours (120 minutes) or 20 miles (whichever comes first from the time a unit exits the gate to perform a test drive and file any arbitration complaint. Any complaints must be made in person or by phone within the 120/20 timeframe.
  - \*Note: This does not apply to units that have received a PSI as the timelines of that particular PSI prevail.
- · Abilene
  - Units purchased at the Alliance Abilene location are not eligible for the 20/20 or 120/20 policy as there is a test track designated for customers to complete their test drive.

## **Specialty Units**

- Specialty Units defined as anything that is not a vehicle all watercraft, RV, motorcycle, ATV's, farm or commercial operating equipment, etc.
- These units will be sold absolute AS IS. No Guarantee. These units are not eligible for any Post Sale Inspection or Arbitration, even related to title and/or bill of sale issues.
- · Units are treated as a "cash only" sale. Payment is expected on day of sale and no seller check will be cut until the purchase is fully funded from the buyer. If the purchase is not fully funded within 48hrs the sale will be voided.
- It is the dealer's responsibility to ensure his/her license meets state mandates.

## <u>PSI</u>

- For your convenience Alliance offers Frame Checks, Informational, 3, 7, and 14 day Post Sale Inspections (PSI) to be purchased on the day of sale. Please refer to our website for the most current pricing of these services.
- · Please note the buyer is responsible for the PSI fee regardless if the unit passes or fails PSI.
- · Alliance reserves the right to make repairs to any identified PSI issue and has the final say as to whether a unit is cancelled or repaired.
- · Units sold As-Is or Red Light are only eligible for a Frame Check or an Informational PSI

## **Arbitration Criteria and Extensions**

· Please refer to NAAA Guidelines



# Acknowledgment of Policies and Procedures

In becoming a member of Alliance Auto Auction, you agree to the Policies and Procedures listed. You agree that you and all registrants for said business agree to abide by all rules and regulations of Alliance Auto Auctions. By signing below, you acknowledge that you are bound by these Policies and Procedures and all terms listed by Alliance Auto Auction.

Company Name:		
Printed Name of Registrant:		
Registrant Signature:		
This agreement is executed on the	day of	, 20

This Application is subject to change without notice by Alliance Auto Auctions