

## Arbitration Rules

The buyer must submit an arbitration complaint to the arbitrator within one hour from the time listed on the block ticket. In the event of a vehicle being arbitrated, both the buyer and seller must await the decision of the arbitrator before leaving the premises.

The arbitrator will inspect only the defect(s) which are on the arbitration form. Each vehicle is allowed one chance at mechanical arbitration. If a price adjustment is made and accepted, the vehicle becomes "as is", property of the buyer, and is no longer subject to arbitration.

- In matters of interpretation of Auction Policy, the decision of Auction management will be final.

All mechanical arbitration is the day of sale, unless there is a pending Post Sale Inspection (PSI). Tomorrow is to LATE. It is the Auction's responsibility to inform the seller of any pending PSI or arbitration resulting from the sale day.

The buyer should thoroughly check and test drive every vehicle. If there is a problem, a complaint must be filed within the established arbitration time limit. The buyer assumes responsibility for mechanical failure after leaving the auction once the arbitration period is over.

### Not Subject to arbitration

- Clutch, Pressure Plate, Throw out Bearing
- Rack & Pinions
- C.V. Joints
- Bearing and Hub Assemblies
- Brakes and anti-lock brake systems(unless ruled unsafe)
- Air Bag Lights
- Air conditioning
- SRS (supplemental restraint systems) unless missing.
- Check Engine lights
- Lifter & engine noise inherent with certain makes of engines.

The seller understands that the sale lights are a binding representation of vehicle condition, and is therefore responsible for ensuring that their vehicles sell under the correct light in the lane.

## Title Attached Vehicles

When a vehicle is sold title attached the seller has until the end of the sale on the 14<sup>th</sup> day to turn in all correct paperwork.

If this is not done in the appropriate time period the buyer may return the vehicle. The Buyer is not to sell, repair or invest any money in a title attached vehicle. There are no reimbursements made by the CNY Auto Auction or the seller for expenses incurred by the buyer during the title attached period. The vehicle must be in the same condition as it was at the time of purchase. The seller will be responsible for reimbursement to the buyer for transportation costs and the mileage should not exceed reasonable transportation miles. If the vehicle exceeds reasonable miles the buyer is responsible for excess mileage at 10 cents per mile.

The Auction does not guarantee any warranty books, plates, or the year of kit vehicles, trailers, motorcycles, watercraft, recreational vehicles, antique, homemade or modified vehicles. All of these vehicles are sold "AS IS" and have no odometer or frame guarantee. The Auction does not guarantee titles on watercraft. (As recommended by NAAA)

The buyer is responsible for listening to announcements related to the vehicle, made by the auctioneer or selling representative, prior to the start of the sale for each vehicle. The buyer is also responsible to observe and understand the sale lights, which identify various sale conditions for the vehicle. Once the vehicle is sold the buyer should check the block ticket to confirm the vehicle price and announcements are correct before signing their name.

The auction reserves the right to reject any vehicle that management judges to be unsafe.

Arbitration Policies are subject to change without notice. Please contact the arbitration department for any updates.

## Structural Damage Policy (refer to NAAA standards)

Undisclosed Structural Damage or Repair - A vehicle may be arbitrated if it has undisclosed existing or repaired

damage, which should have been disclosed under this policy, even though the vehicle is within the UVMS.

Arbitration Period - Buyer must arbitrate improperly disclosed structural damage within 7 calendar days from date of purchase. The vehicle must be returned to the selling auction, or to an auction or facility designated by the auction within 7 calendar days of arbitration.

#### Lemon Law/ Manufacturer's Buy Back:

If a vehicle is branded lemon law or manufacturer's buy back the selling dealer must announce this on the block. If this is unknown when sold the buyer has 90 days to arbitrate from date of sale. At the time of discovery the buyer must return the car to CNY Auto Auction within 48 hours. The buyer must provide valid proof that the vehicle is lemon law/ manufacturer buy back.

#### Canadian History (As recommended by NAAA)

A vehicle that is Calendar Year and up to 4 years old must be announced Previous Canadian (i.e. 2002-2006). Unannounced previous Canadian vehicles within these terms must be reported to CNYAA within (7) days of purchase.

#### Flood Vehicles (As recommended by NAAA)

Flood Damage- This declaration should be made whenever a condition exists indicating existing or repaired water/flood damage requiring disclosure. This vehicle should be sold AS IS. The declaration is required even if the vehicle is sold AS IS.

Any unannounced vehicle with damage resulting from a flood must notify CNYAA and return the vehicle within 3 days of sale. (Refer to NAAA recommended water/flood damage policy)

#### Odometers

TMU (true mileage unknown) must be announced if the odometer is inoperable, replaced or repaired. An inoperable odometer must be arbitrated the day of sale.

In a case where the buyer finds an odometer discrepancy or rollback, it must be validated by the Department of Motor Vehicles of the vehicle's titled state. With valid proof the vehicle may be arbitrated regardless of elapsed time.

At the time of discovery the buyer must return the vehicle within 48 hours. The seller is responsible for reasonable expenses and transportation.

### Air Bags

Air Bags that are deployed, altered or are missing must be announced. If a buyer finds that the air bag(s) have been deployed, altered or are missing he/she must arbitrate the vehicle no later than 1 hour after the sale.

### Yard Deals, Off Block, "IF" Bids

All sales not deemed sold by the auctioneer are considered off block transactions. Off block and "IF" bids are strictly between the buyer and the seller and are not binding until the sale is completed. Yard deals, Off Block, and "IF" bids are classified "AS IS" and are not subject to arbitration for any reason, including frame/body damage. Sellers may guarantee yard deals, but must do so in writing.

### Salvage

Salvage History must be announced. This means that the vehicle was previously owned by an insurance company. This assumes that the vehicle has been inspected by DMV and has been titled. If a vehicle has salvage history and was not announced, the buyer has up to one year to arbitrate the vehicle. You must have valid proof from the following: Auto Check and title/lien history from the DMV.

### Salvage Paperwork

Salvage paperwork means the vehicle does not have a state issued title. Any vehicle that has salvage paperwork requires an inspection by the DMV. This will cost approximately \$125 and can take several weeks to complete. The cost for this inspection will be the responsibility of the buyer. If not announced the buyer has 30 days after date of sale to arbitrate.

### Theft Recovered

Seller must announce a vehicle that has theft or recovered theft history. This must be validated by DMV. The buyer has

30 days to arbitrate and the seller must buy back the vehicle.

### Post Sale Inspections:

Post Sale Inspections (PSI) are available for your convenience and are highly recommended. This is offered to buying dealers who require inspection services for purchased vehicles. These services are provided during each sale day and guarantee the condition of the vehicle for the seven working days following the sale. The seven day guarantee covers auction arbitrate-able items on the engine, transmission and frame only. See the arbitration department for details and pricing.

All customers who register with CNY Auto Auction agree to follow these rules and arbitration policies posted on the auction blocks. Use of the buyer's card or consignment by a seller constitutes acknowledgement and agreement that all transactions are subject to the terms and conditions, guarantees, warranties, and representations as posted upon the Auction's premises and as set forth on the reverse side of the Auction's sales invoice, registration forms, drafts, rules, policies, and fee schedules. The Auto Auction is an auctioneer, not a seller of the vehicles. The Auto Auction receives the vehicles by consignment. We do not become owners or take title to the vehicles. The Auto Auction makes no guarantee or warranty, express or implied, except as specifically set forth herein, and all sales are otherwise "AS IS." All specific guarantees, conditions, representations, and disclaimers are the consignor's, not the Auction's, and are represented as such. The consignor gives full authority to the Auction to arbitrate in their behalf with the buyer, and all decisions are final. Interpretation of these rules is at the sole discretion of the Auction.

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