

OKI Auto Auction

General Policies:

Only licensed Motor Vehicle Dealers or their duly authorized representatives are eligible to buy vehicles at OKI Auto Auction. We are a **Dealer Only** auction. **No retail customers are allowed on the lot or in the selling arena.** Any dealer bringing a retail customer into the auction risks the loss of all Auction privileges.

All sales negotiated and/or consummated on the Auction premises must be processed through the Auction and are subject to full Auction fees.

All "Off the Block" sales are sold **AS IS** and are not subject to arbitration.

NO VEHICLE MAY LEAVE THE PREMISES UNLESS PAID FOR IN FULL

WE RESERVE THE RIGHT TO REFUSE SERVICE TO ANYONE

VEHICLES PURCHASED MUST BE REMOVED WITHIN 10 DAYS OF PURCHASE DATE OR A STORAGE FEE OF \$10 PER DAY WILL BE CHARGED TO YOUR ACCOUNT.

ALL VEHICLES PURCHASED ON WEDNESDAY MUST BE PAID FOR IN FULL BY FRIDAY. ALL FRIDAY PURCHASES MUST BE PAID IN FULL BY THE FOLLOWING TUESDAY.

ANY PAYMENT MADE AFTER THE SPECIFIED PAYMENT DATE WILL RESULT IN A \$50 CHARGE PER EVERY 7 DAYS LATE.

THE AUCTION RESERVES THE RIGHT TO INTERPRET ALL POLICIES AND TO DECIDE ALL ISSUES OF DISPUTE.

Unacceptable Vehicles

The following vehicles cannot be offered for sale:

1. A vehicle with an altered or missing V.I.N. plate
2. A vehicle with a salvage title
3. Grey market vehicles
4. Unsafe vehicles (as determined by the Auction)
5. Vehicles without clear U.S.A. titles

IF Sales

All "IF" sales are binding for **two hour after the auction ends**. Bid price approval after the two hours is binding to the Buyer if the buyer has not declined the sale. It is the Buyer's responsibility to check with the Auction on the status of the "IF" bid. As long as the Seller has approved the "IF" bid within an hour or before the buyer declines the sale, the sale is valid and binding to the Buyer. All "IF Turndowns" must be processed through the arbitration department.

Special Policies

Miscellaneous

Chrysler, Jeep, and Ford products with differential repairs and/or defects are not eligible for arbitration, regardless of seller.

Honda Motor Company LTD products with driveline whines are not eligible for arbitration.

Light system and Arbitration Policies

General Arbitration Policies

The auction has not verified and makes no representations or guarantees as to the description, year, equipment, warranties, title status/accuracy or odometer on any vehicle sold or offered for sale. **The auction does not guarantee or get involved in any factory or dealer warranty coverage issues on vehicles sold or offered for sale at the auction. Please refer to the auction's general policies, and invoice, for further policies.**

All guarantees set forth in this Arbitration Policy are guarantees of the seller, not the Auction. The Buyer assumes the responsibility to verify all of the Seller's representations, warranties and descriptions, and to notify the Auction's Arbitration Department of any discrepancies by the end of the day of sale, or as specified in the guarantees.

Electronic Vehicle History Discrepancy Reports

Vehicles cannot be arbitrated for discrepancies in Electronic Vehicle History reports such as Auto Check and Carfax. These reports are indicators a problem may exist, however arbitration will not be considered valid without further evidence a problem exists.

**** Vehicles must be arbitrated within TWO HOURS after the conclusion of the auction, unless otherwise stated within these rules****

****IF SALES can be arbitrated up to TWO HOURS after the approval of the IF SALE****

NO ARBITRATIONS FOR ANY REASON FOR ALL VEHICLES SOLD FOR \$200 OR LESS.

No Arbitration for oil or coolant leaks.

Third Party Arbitration

Contested mechanical arbitration decisions will be submitted to a third party for evaluation. The third party will be a New Car Dealer for the make of the vehicle being arbitrated. If the third party evaluation is in agreement with the Auction arbitration decision, the expense of the evaluation will be the responsibility of the dealer requesting the additional vehicle inspection.

There will not be any third party arbitrations on vehicles over ten years of age or 130,000 miles.

Seller Notification of Arbitration

The Auction will make every effort to promptly notify the Seller on all arbitrations. The Auction's failure to notify the Seller of a valid arbitration within the time guidelines mentioned in this policy does not invalidate the arbitration.

LIGHT SYSTEM

Green Light- Ride & Drive

Guaranteed by the seller not to have any single mechanical defect (excluding radios) costing more than **\$300.00** to repair at wholesale repair cost.

White Light- Auction Guarantee

Seller guarantees vehicle to have good head gaskets, lower engine block, rods, crank, transmission, transaxle, transfer case, 4x4 and rear end. **CLUTCH, CV JOINTS, AND HUB BEARINGS CAN'T BE ARBITRATED..**

Red Light-As-Is

Seller guarantees nothing except the vehicle cannot be frame damaged or flood damaged and has proper emissions devices and air bags.

Blue Light-Title Attached

Assignable title is not available at the time of the sale. Seller must announce "Title Attached" on the block and deliver the title to the auction within 28 days of the sale. If buyer does not receive a title on or before the 28th day they may give a 24-hour notice to the auction and bring the vehicle back. Buyer shall return the vehicle at their expense. Seller will be charged the normal sale fees.

Yellow Light-Caution, Announced Defects of Condition

Vehicle is sold with pre-announced declarations, which are not subject to arbitration. This light can be used in conjunction with any other light.

Multi-Day Arbitratable Items

Vehicles that have any of the following defects, conditions or discrepancies that were not disclosed or announced at the time of the sale and were sold for over \$200 must be reported to the Auction, within the time listed below, after the vehicle was sold at the Auction, in order to be eligible for arbitration. Vehicles must be returned to the Auction in the same or better condition than when purchased. Expense reimbursements will be at the sole discretion of the auction and will be limited to reasonable and documented expenses and transportation only. Lost profit, commissions, floor-plan expenses, vehicle upgrades, and reconditioning, etc. will not be reimbursed. Sale day is Day 1.

SEVEN-DAY ARBITRATABLE ITEMS

1. **Frame/Unibody Damage** - Defined by the Auction with reference to the NAAA standards.
 - Minor components welded or removed from frame (trailer hitches, bumpers, etc.) are not considered frame damage unless they have compromised the structural integrity of the vehicle.
 - Lowered/Raised vehicles must be announced and are subject to frame damage guarantees if frame is altered.
 - Minor dents in frame/structure that do not affect the structural integrity of the frame will not be considered frame damage.
2. **Flood and Fire Damage** – Defined by the Auction with reference to the NAAA standards.
3. **Fuel/Engine Conversions and Replacements** – five-year-old vehicles or newer
4. **Former taxis, government or municipal vehicles.**

48-HOUR ARBITRATABLE ITEMS

1. Vehicles not conforming to all federal regulations

24-HOUR ARBITRATABLE ITEMS

1. Non-working odometers
2. All titles discrepancies- 24hrs after receipt of title

"AS-IS" Vehicles – Sold under Red Light

Vehicles that meet any one of the following conditions are sold "AS-IS".

1. Any vehicle announced "As-Is"
2. Any vehicle sold for **\$1300** or less
3. Recreational vehicles, boats, buses, motorcycles, dune buggies, trailers, snowmobiles, jet skis, antiques, and kit cars.
4. Push or tow through units
5. All taxis, governmental or municipality vehicles

SELLER MUST ANNOUNCE THE FOLLOWING IF THE VEHICLE IS OFFERED FOR SALE AT THE AUCTION BLOCK

- Odometer discrepancy, odometer exceeds mechanical limits or non-working odometer.
- Frame damage or structurally defective frame as listed in the NAAA Recommended Structural Damage Policy.
- Reconstructed vehicle, or previous salvage title. Cracked engine block.
- Flood damage.
- Police, taxi, municipal, or commercial units.
- Branded or irregular titles.
- Vehicles with missing or deployed air bags.
- Non-4 wheel drive SUV's.
- Vehicles not conforming to all federal and state regulations.
- All Canadian vehicles must be properly announced.

Other Seller Responsibilities

1. As to any vehicle consigned or sold at the auction, the Seller represents to the Buyer the following:

The vehicle is properly offered for sale at the auction and all announcements/vehicle descriptions provided to the Buyer are accurate and complete. It is the Seller's obligation to correct any errors as to announced conditions.

2. Seller will be held responsible for the accuracy of any representations (verbal or written) made by Seller or auctioneer at the time of sale – independent of vehicle "light" designation or guarantee offered.

3. Mileage announcements are not required on vehicles deemed exempt from Federal/State Odometer and Title disclosure laws unless a mileage discrepancy is known or apparent to the Seller. The Seller *may* represent miles on exempt units - any statements made by the Seller and all **known** odometer discrepancies are grounds for arbitration.

4. The Seller has the responsibility to announce any state or local DMV fees, taxes or other fees due on the vehicle.

5. Even if sold "As-Is," Seller warrants to the Buyer and the Auction that any vehicle driven through the sale will be safe to drive, regardless of Seller's disclosures. Some examples of unsafe items include, but are not limited to, fuel leaks, faulty brakes, no steering, etc. Buyer agrees that if he deems the car unsafe after inspecting it as set out below, he will bring that to the Auction's attention before removing the vehicle. The Auction reserves the right to void any such transaction.

Buyer Responsibilities

As to any vehicle purchased at the auction, the Buyer is responsible for the following:

- 1. Buyer will inspect the vehicle prior to and immediately following the sale. The Buyer must verify the Seller's representations and notify the auction immediately of any discrepancies or within the timeframe as stated in this arbitration policy. Buyer will examine the VIN, model year, and verify odometer before leaving.**
- 2. The Buyer will follow Auctioneer's cadence on price – any misunderstanding concerning price must be addressed at the drop of the auctioneer's hammer not following the sale of the vehicle.**
3. The Buyer will inform the Auction immediately of any discrepancies as to Seller's representations, warranties, and descriptions. Please be aware that items written on a vehicle by the Seller are a representation and subject to arbitration. Arbitration will be limited to the specific defects described by the Buyer upon placing the vehicle in arbitration.
4. Buyer guarantees sufficient funds are available and will remain on deposit at dealer's bank to cover all checks and drafts. Until payment and receipt of title, the Buyer shall acquire neither title to the vehicle nor any right to sell or offer for sale.
5. Buyer will pay the bid price plus a Buyer's fee as posted. Floorplan payments must be established on day of sale.
- 6. Buyer agrees to be liable for any and all work done to a vehicle prior receiving a title**

Title Policy

1. Seller has up to **28 calendar** days for title to be received by Auction. (Sale Day is Day 1)
2. If the Buyer fails to receive a title within this time, the vehicle may be returned providing a **24-hour** notice has been given to the Title or Arbitration Departments. Buyer must return the vehicle in like or better condition than when purchased. If a valid negotiable title is presented within the **24-hour** notice period, the transaction will stand.
3. Titles forwarded by the auction to the Buyer and not received (lost in mail) will be replaced by the auction and do not constitute grounds for a "late title" rejection.

Gray Market Vehicles (Canadian Vehicles)

1. Only vehicles made in North America for Canadian use and properly converted to U.S. specifications can be sold. No other Gray Market vehicles are accepted for sale.
2. Sellers must inform the auction that a vehicle is a Canadian vehicle at time of registration and must disclose that to the Buyer in writing as an announced condition on the block ticket.
3. If a vehicle was manufactured in Canada for the U.S. Market, there must be a Manufacturer's Certification Label affixed to the vehicle. This label must clearly state the vehicle was in conformance with federal safety standards on the date of manufacture.
4. If a vehicle was manufactured in Canada for the Canadian Market, the Manufacturer is required to obtain and affix a U.S. Safety Standard Certification Label to the vehicle.

5. All other vehicles imported from Canada, must be imported through a Registered Importer. Registered Importers are required to post a bond with the U.S. Department of Transportation. All vehicles imported through a Registered Importer must have:

- U.S. Safety Standard Certification Label that identifies the Registered Importer
- Safety Defect Recall Insurance Policy issued by the Registered Importer. This insurance policy must be with the vehicle and remain in effect for eight (8) years from the date of issuance by the Registered Importer.
- Valid U.S. Title

6. All Canadian vehicles, whether imported by a Manufacturer or a Registered Importer, must show miles per hour on the speedometer and miles traveled on the odometer. Title 49, United States Code, Chapter 327, Section 32704, allows replacement of odometers without a doorframe sticker if the conversion from kilometers to miles can be done without changing the distance traveled by the vehicle; therefore, replacement of an odometer under these circumstances does not have to be announced by the Seller.