



NAAA ARBITRATION POLICY ADDENDUM DAA of Alaska Local Rules & Clarifications Effective for all vehicles sold after March 1, 2010

Lot Sales/Outside Sales

Section I, 3.a

The following is added to differentiate *Lot Sales/Outside Sales* from *If or On-Call Offers*.

Lot Sales/Outside Sales will be defined as either: 1) a vehicle selling to a buyer who was *not* the high bidder recorded as the vehicle crossed the auction block; or, 2) a vehicle that has sold through the auction, but never crossed the block. *Lot Sales/Outside Sales* are not binding until the buyer has signed the Auction sales receipt.

If or On-Call Offers will be defined as a pending sale in which a high bid was recorded at the auction block, but was subject to the seller's acceptance at a later time. If the high bidder does not desire to have his bid recorded "*On-Call*", the bidder must immediately notify the auctioneer of his request, prior to the auctioneer starting the bidding on the next vehicle. The auction must notify the high bidder that the seller has accepted or rejected the bid by noon the day following the auction. *If the seller accepts the offer recorded at the block, the sale is binding.* If the seller counters the high bidder with a different offer, the high bidder may accept, counter back, or walk away from his original bid.

Sale Light/Video Display System

Section II, 1d

Blue Light- "Title Attached/Title Unavailable/Title Absent"

The "*Blue Light*" announcement is not currently required at DAA of Alaska.

Arbitration Guidelines

Section III

Post Sale Inspections (PSI) - The auction does not offer Post Sale Inspections. Post Sale Inspections are the responsibility of the buyer. A Post Sale Inspection will not change the arbitration time-frame.

Section III, 2.c

Time Period- Arbitration Matrix Table time code change.

i. (A) In-Lane- changed from *sale day only* to: **5pm day after sale.**

Section III, 7.b

Green-Light Vehicles (In-Lane) - Any single mechanical or electrical defect that has a repair cost of \$500 or more is subject to arbitration. Repair estimates will be completed by local area repair shops of Auction's choice. Seller will have the option to repair defects of \$500 or less. Buyer may elect to cancel the sale if the defect costs more than \$500 to repair. **Auction must be notified of a request for mechanical arbitration by 5p.m. the day after sale day.**

Title Arbitration Policy

Section IV, 9.a

Seller has up to a maximum of 21 days to provide title- unless vehicle is announced "Delayed Title" at the time of sale (sale day is Day One).

Section IV, 9.b

If title has not been received by Auction after 21 days, it is the Buyer's option to return the vehicle. A 3-day notice is required. Buyer may give notice of intent to return vehicle on the 18th day.

Section IV, 9.c

Buyers are cautioned not to sell or make repairs to purchased vehicles until title is received. *(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.)*

Section IV, 10.c

Rental/For Hire is not a required disclosure.

Section IV, 14

Mileage announcements are required on all vehicles, regardless of vehicle age or selling price. All titles must reflect the mileage declared at time of sale, or sale may be arbitrated.

Appendix I. Arbitration Matrix Table

* Arbitration Period- (A) In-Lane changed from *Sale Day Only* to: **5pm day after sale.**

* Vehicles being sold with a CO, MSO, or repo affidavit title do not have to be disclosed.

Appendix II. Structural Damage Policy

* *Core support*- Please note that core support damage or poorly repaired core support damage *is not arbitratable* under the National Arbitration Structural Damage Policy; however, *DAA of Alaska will arbitrate core support damage on "Green Light" vehicles only.* Damaged or poorly repaired core supports must be declared on *"Green Light"* vehicles. Request for arbitration on core supports will be granted at Auction's discretion. Damage that is deemed minor or insignificant will not be arbitrated.

Other Clarifications and Auction-Specific Policies

* There is no mechanical or structural arbitration on vehicles selling for less than \$2000.

* *"Green Light"*- A vehicle must be no more than 10 calendar years old and must have less than 100,000 miles to be eligible to run under the *"Green Light"*.

* Sellers may elect to offer a *"Limited 24 Hour Transmission/Transfer Case Guarantee"* on *"Red-Light"* vehicles. (Vehicles sold under this description should have operable transmissions and transfer cases, but may have worn parts or components). Any transmission or transfer case failure or condition that requires immediate repair would be subject to arbitration. Transmission noises (bearings, pumps, "clunks", etc.) or "harsh" engagement/shift conditions are not covered under this limited guaranty. Service Engine/Check Engine lights will not be cause for transmission arbitration under this limited guarantee. Manual transmissions must have a non-slipping clutch to be guaranteed.

* Buyers will not be reimbursed expenses (i.e. transportation, detail, repairs, etc), on sales that are cancelled under the *"24 Hour Mechanical"* guarantee on *"Green Light"* and *"Limited Transmission/Transfer Case"* warranted vehicles.

* Test drives are not allowed due to safety concerns. Dealers may start vehicles but should not move them from their assigned parking space. The arbitration policy is designed to give buyers various levels of protection against mechanical issues, depending on how the vehicle is declared by the seller. Buyers are cautioned to read and to listen to all announcements as a vehicle crosses the auction block, and to be aware that *"Red-Light"* vehicles without a *"Limited Transmission/Transfer Case Guarantee"* will not be arbitrated for mechanical issues.

* Any person found tampering or sabotaging a vehicle will be subject to immediate and permanent expulsion from the Auction. Auction reserves the right to use and review audio/video documentation when investigating vehicle tampering/sabotage, or for use in arbitration decisions.