



General Auction Rules and Arbitration Policy

All dealers must be registered with CNY Auto Auction and have a proper license from the state where their business operates from, prior to any transactions being made.

The auction does not guarantee information listed in Electronic Data Vehicle Histories (i.e. Carfax, AutoCheck, etc.) and will not accept any arbitration solely on EDVH data.

Any changes to the dealer registration form such as ownership, authorizing a buyer, and bank information, etc., must be done immediately and signed by the owner. Dealer registration will request updates on an as needed basis.

All vehicles must be paid for on the day of sale. This excludes IF BIDs not approved on the night of the sale. Approved methods of payment are as follows:

- Cash
- Checks: Company or Certified (with prior approval by the auction management)
- Floor Plan Payment (AFC, Auto Use, DSC, and MAFS are currently available, with pre-approval required)

Any vehicle unpaid on the day of the sale will be charged a \$50 per day vehicle surcharge. Buyer forfeits all arbitration rights if payment is not received on auction night (including frame and odometer discrepancies).

Insufficient Funds: A \$50 dollar fee will be charged for any returned check by the bank. A returned check may result in the loss of check payment privileges (this will be determined by the auction management).

CNY Auto Auction is open to licensed dealers only! Please do not bring children under the age of 16 or retail customers to the auction. This is strictly a business environment. Anyone who has unauthorized individuals with them at the sale could lose their privileges of doing business with CNY Auto Auction.

Upon issue and acceptance of the auction's bidder badge the person, corporation, or firm whose name is present agrees to pay for all purchases. This obligation shall end only after the payment of all purchases.

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The auction reserves the right to deny or rescind admittance into the auction. Admittance is allowed only to those persons with a valid bidder badge.

Any information placed on the vehicle or Seller's invoice, such as mileage, year, make, model, etc. is for convenience and reference purposes only and is not a representation, warranty, or condition of the sale. The buyer should satisfy themselves as to mileage, year, make, model, and equipment, by viewing the actual vehicle prior to bidding. The auction will not arbitrate vehicles based on incorrect information written on a vehicle. The consignor is responsible for the accuracy of the information displayed on either the vehicle or Seller's invoice. The consignor is also responsible for labeling the vehicle with the proper dealership name when it is dropped off for registration.

It is the responsibility of all customers to review the Auction and Arbitration policies, before doing business with CNY Auto Auction. These rules and policies as well as any revisions, will be posted on the premises. Copies of the policies are available at the front counter. Customers that do not comply with CNY Auto Auction rules may be barred from doing business.

CNY Auto Auction is not responsible for titles mailed and not received. Buyer has the choice of alternative delivery methods (i.e. FedEx or Certified Mail) and will pay auction cost. Titles are only mailed on request.

Vehicles left on the property

Vehicles and/or personal property left on the property are done so "at your own risk". The Auction assumes no responsibility for radios, faceplates, car phones, CD players, NAV devices, snowplow controls, and damage to vehicles, etc. Vehicles not running through current sale may not be left on the lot for more than 10 days. Any vehicle left past this time period will be charged a \$10 a day storage fee. Any vehicle left on the premises for more than 30 days is subject to becoming property of CNY Auto Auction and being removed from the property permanently.

All vehicles are subject to inspection by law enforcement agencies.

Do not take keys from vehicles being left on the lot. We may need to move them for lot maintenance, plowing, sale day preparation, etc. In the event that keys are removed from the vehicle, it will be towed to a different location and CNY Auto Auction will assume no responsibility for damage.

THE LOT SPEED LIMIT IS 5 MPH. YOU ARE EXPECTED TO FOLLOW STANDARD TRAFFIC RULES OF THE ROAD ON THE LOT AT ALL TIMES. VIOLATIONS OF THESE RULES MAY RESULT IN PERMANENT REMOVAL FROM CNYAA PREMISE.

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Test drives are not allowed on the property at any time.

The auction reserves the right to review any audio/video documentation for verifying accuracy of the sale.

CNY Auto Auction reserves the right to refuse anyone the use of its services.

ARBITRATION RULES

The Buyer must submit an arbitration complaint to the Head Arbitrator of CNY Auto Auction manager PRIOR TO THE LAST VEHICLE RUNNING THROUGH THE AUCTION LANES. If a vehicle is arbitrated, the buyer must provide a current contract number, cell or office, so that we can provide the results of the arbitration. If no contact number is left with the auction, the buyer is bound to that vehicle if it is not disqualified. Exceptions to this must be approved by CNY Auto Auction Management.

The Head 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. This also excludes frame or unibody damage.

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

All mechanical arbitrations must be presented on the day of the sale. Unless there is a pending Post Sale Inspection (PSI), tomorrow is too late. It is the Auction's responsibility to inform the Seller of any pending PSI or arbitration resulting from Sale Day.

The Buyer should thoroughly check and test drive every vehicle after it is purchased. 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.

Selling Light System

RED LIGHT: Sold "AS IS" and "WHERE IS". These vehicles are not eligible for arbitration. **If the vehicle sells for \$1,500 or less, frame/unibody damage will not be arbitrable.**

YELLOW LIGHT: Sold with an "Announcement", this is also know as a "Listen" light; this will alert the arena that there are conditions that the seller is disclosing. For example, OVER 100,000 miles, TMU (true mileage unknown), frame or unibody damage, salvage history, salvage or rebuilt salvage title, repossession paperwork, 2WD,

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previous Canadian History (4 years old or newer), etc. These announcements would be excluded from arbitration.

GREEN LIGHT: Sold “With Drive” and has 100,000 or less. Vehicle is eligible for full arbitration. Any single mechanical defect (drive train, engine or electronic option), in excess of \$500 wholesale, qualifies for arbitration. **Any vehicle sold for \$1,500 or less cannot be arbitrated for frame or unibody damage.**

DEALER GREEN: Sold with “Dealer Guarantee” and has 100,000 miles or more. The dealer guarantees that the vehicle is mechanically sound and can be eligible for arbitration regardless of mileage or sale price. Any dealer, who sells a vehicle for less than \$2,500 that is voided in arbitration for any reason, can be charged a \$50 arbitration fee. As with a “Green Light” vehicle, this carries full arbitration rights for any mechanical defect found in excess of \$500 wholesale. **If a vehicle is sold for \$1,500 or less, the buyer cannot arbitrate for frame or unibody damage.**

BLUE LIGHT: Sold “Title Attached”, or also known as T/A. This means that there is missing paperwork such as a title, MV-50 (NYS), lien release, etc., that is not available to the buyer on sale day. Seller has 14 days to produce all necessary paperwork to the buyer. The seller will also be charged a \$25 “T/A” fee. Any deal rejected because the paperwork has not been submitted by the 14th day, will result in a \$75 fee charged to the seller. The buyer has the right to also return the vehicle. Buyer should not invest money in the vehicle that is purchased under “T/A”, in case the paperwork is not produced. All monies invested in the vehicle by the buyer are solely the responsibility of the buyer.

NOT SUBJECT TO ARBITRATION:

- Clutches, Pressure Plates and Throw out Bearings
- Rack & Pinions
- C.V. Joints
- Bearing and Hub Assemblies
- Brakes and anti-lock brake systems (unless ruled unsafe)
- Engine Lights
- Air Bag and SRS lights
- Air Conditioning
- Lifter and engine noise inherent with certain makes
- Intake Manifold Gaskets
- Rear end noises in all Jeep models that are not deemed “excessive”
- Cam phaser/phazer noises in all Ford truck engines
- Rear end or rear axle noises in all Pontiac Aztek or Buick Rendezvous SUV’s not deemed “excessive”

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.

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IF BIDS

All IF Bids taken by the Seller or Auctioneer are locked-in for 1 hour. Buyers are bound to the IF bid during this time and if approved by the Seller, will be expected to pay for that vehicle.

TITLE ATTACHED VEHICLES

When a vehicle is sold title attached the seller has until the end of the sale on the 14th calendar 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 attachment 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.

PAPERWORK ERRORS

Paperwork corrections that can be made by the Auction or Seller, within a reasonable time period after the transaction, will be allowed by the Auction.

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.

STRUCTURAL DAMAGE POLICY (refer to NAAA standards)

Frame/unibody All cars sold for \$1,500 or less cannot be arbitrated for frame/unibody damage, regardless of auction light

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.

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

Lemon Law/Manufacturer's Buy Back

If a vehicle is branded lemon law or manufacturers 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 with previous Canadian history must be announced if it is of current model year and up to 4 years old. Unannounced previous Canadian vehicles within these terms must be reported to CNY Auto Auction 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 CNY Auto Auction and return the vehicle within 7 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 title 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.

Odometer discrepancies found by AutoCheck (Experian) must be announced, if they cannot be corrected by the Seller.

Air Bags

Air Bags that are deployed, altered or missing must be announced by the Seller. If a Buyer finds that the air bag(s) has been deployed, altered or is missing he/she must arbitrate the vehicle no later than 1 hour after the sale. **Air bag lights that are “on” or lit-up on the dashboard are not arbitratable.**

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. They are not binding until the sale is completed. Yard deals, or Off Block sales, are deemed “AS IS” and are not subject to arbitration for any reason, including frame/unibody damage. Sellers may guarantee yard deals, but must do so in writing.

Previous (Daily) Rental Vehicles

Any vehicle with a previous rental history, including livery, must be announced if it is of current model year and up to 3 years old.

Salvage Vehicles

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 has been branded a previous total loss or rebuilt salvage. It does not have a clear title. Any vehicle that has salvage paperwork would require an inspection by the DMV to rule it safe to drive and to be registered. This will cost approximately \$225 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 the date of the 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 (PSIs), mechanical only are available for your convenience and are highly recommended. This is offered to Buyers who require inspection services for purchased vehicles. These services are provided during each sale day and guarantee the

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condition of the vehicle for the seven days following the sale. The seven-day guarantee covers arbitrable items involving engine, transmission and drive train. See the Arbitration Department for details and pricing.

Any vehicle that has 100,000 miles or more **cannot** be post-sale inspected, even if it is offered under a Dealer Guarantee or Green Light. As such, the Buyer must test-drive it to determine if there is an arbitrable issue.

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 bidder badge 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 auctions 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 received 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, are represented as such. The consignor gives full authority to the Auction to arbitrate on their behalf with the Buyer, and all decisions are final. Interpretation of these rules is at the sold discretion of the Auction.