

# Salvage Auction Policies

## General Policies

\*Bel Air Auto Auction policies will override certain NAAA guidelines

This Policy Guide outlines the broad guidelines and policies for dealers conducting business at Bel Air Auto Auction. Dealers should read and understand our rules, policies and the manner in which we operate this dealer vehicle exchange before transacting business at this auction. Fairness must prevail in these business transactions between buyers and sellers, and dealers who register agree to abide by the policies and procedures of this auction.

All dealers must register with this Auction before buying and selling.

Bel Air Auto Auction is an Auction Access member. First time attending dealers must call ahead or visit our dealer registration counter to activate their Auction Access number with us.

The Auction reserves the right to accept or reject applicants. Use of our buyer's card is a privilege and is non-transferable. Bel Air Auto Auction may revoke the dealer's privileges when deemed necessary and the holder must return the card upon demand.

Dealer Registration files must be kept current. Changes in information such as ownership, authorized buyers, banks, bonding companies, etc. must be reported to the Auction in writing.

Dealers are responsible for their representatives. If a representative breaks any auction rules, the Principal will be held accountable.

Dealer and/or dealer's representative using a card agrees to abide by all the policies of this Auction in which the dealer and/or representative may be involved.

Safety practices prohibit children on the Auction premises.

Dealers entering the Auction may be asked to show proper Auction Identification.

Auction reserves the right to limit the number of "Drivers" accompanying an attending dealer and drivers must show a valid driver's license.

Retail customers are not allowed during dealer only auction scheduled times (See Lane Schedule).

All transactions (buying or selling of vehicles) taking place anywhere at this Auction's facility must be processed through the auction office. Any act or effort to circumvent this policy will be grounds for revoking the privileges of both the buyer and seller involved in the unauthorized transaction.

Buyers and sellers understand and recognize that this Auction acts solely as a Dealer Only vehicle exchange to facilitate the transaction between buyer and seller with title passing from seller to buyer. All transactions are strictly between the seller and buyer. The Auction is not

involved in chain of title, although the Auction provides specific title warranties as stated in the terms stated on the Vehicle Agreement of Sale (Block Ticket), which both seller and buyer sign.

Auction makes no representations or guarantees as to the description, logos, trim level, equipment, warranties, service policy, title status/accuracy, or odometer on any vehicle sold or offered for sale.

Auction is not a party to the contract of the sale. The sales contract is between the Seller and Buyer only. The Seller is required to give the Federal Odometer Mileage Statement in connection with any auction sale as required by the Motor Vehicle Information and Cost Savings Act of 1972 or any other applicable laws. Auction is not responsible for the accuracy of odometer readings, odometer statements, or damage disclosure statements.

Any sale in which the Auctioneer does not state the selling price of the vehicle or "sell under the hammer" is considered a "Lot Sale". All "Lot Sales" are conditional until the buyer signs the block ticket or appropriate document for the vehicle, signifying they have inspected and accepted the vehicle. Until the appropriate document is signed, the sale is not binding to either party. Buyers are cautioned to inspect "Lot Sale" vehicles very carefully before purchasing because vehicles are sold "AS IS" with no arbitration.

All vehicles consigned must have a public Vehicle Identification Number (VIN) plate attached to the vehicle. Those vehicles having a reassigned VIN plate by the State in place of the original VIN plate must be announced or will be subject to sale cancellation or Buyer return. Auction reserves the right to refuse the sale of any vehicle in which the VIN plate appears to be altered in any way.

Auction reserves the right to review any audio/video documentation to verify the accuracy of a sale.

The Auction always attempts to administer and rule on matters involving transactions in an impartial and equitable manner. The Auction retains total discretion to make final judgments and to rule on all matters involving auction policies. Any effort to circumvent Auction policies or guidelines will not be tolerated. The Auction management will make all final decisions involving dealer disputes.

The Auction reserves the right to refuse the registration or consignment of any vehicle in which, in its discretion, it determines is unacceptable.

If vehicle is sold to an incorrect bidder, buyer must notify the auction on sale day, or that vehicle will become the responsibility of the buyer to which it was assigned.

The Auction may adopt new policies as required from time-to-time, and changes will be posted.

This Member Auction adheres to the general philosophy, mission statements and the Code of Ethics of the National Auto Auction Association.

# Hours & Locations

**Sale Every THURSDAY – Lanes Starting @ 8:00 AM**

**Bel Air Auto Auction – Clayton Station Facility –**

**Edgewood, Maryland**

**Sale Hours for Thursday**

8:00 am – Lane 15 Donations Run & Drive

8:30 am – Lane 52 Rentals, Lease and Dealers Run & Drive

10:00 am – Lane 51 Rentals, Lease and Dealers In-op

11:00 am – Lane 14 Donations In-op

**Sale Hours for 2<sup>nd</sup> Tuesday of the month – Truck & Equipment and Power Sports Sale**

9:00 am --- Truck & Equipment Sale

11:00 am – Power Sports Sale

**All run through physical lane 12**

# Vehicle Registration

## Registration Hours

Monday, Tuesday, Wednesday, and Friday 8:30 AM to 5:00 PM

Thursday 7:00 AM to 5:00 PM

## Registration Rules

- Early registration of vehicles begins at 2:00 PM on Thursday for the following week's auction date. To qualify for early registration, the vehicle must be physically present on the auction lot. Once registered, the vehicle must remain on the auction lot until it crosses the block on auction day.
- Phone-in number reservations begin at 8:00 AM on the Friday preceding the next week's auction.
- Reserved numbers are not transferable to another dealer.
- Absolutely no cancellations. Once numbers are reserved, you are responsible for fees.
- Numbers may be changed from one lane to another without extra charge prior to sale time.
- Late arriving vehicles may be run at the end of the Lane. No exceptions.
- Vehicles not removed from grounds by noontime Monday following each sale will automatically be re-registered for the current week's auction.
- Contact phone number- 410-893-5200

# Gate Release

- Any vehicle leaving the auction yard must have a stamped and bar-coded gate pass.
- Security guards are not authorized to issue gate passes.
- Vehicles can be picked up Monday, Wednesday, and Friday from 7am to 7pm, Thursday from 6am to 7pm, and Saturday from 8am to 4pm.
- Any damage claims need to be written on the gate pass and verified by security before the vehicle leaves the premises.

# Sale Light System

The auction has a light system which permits Sellers to describe the condition and/or announcements related to the vehicle being sold. Sellers are responsible for ensuring that their vehicles sell under the correct light.

Buyers are responsible for listening to announcements made by the auctioneer prior to the start of the sale for each vehicle. The Buyer is also responsible to observe and understand what the various lights mean.

**GREEN LIGHT** – Signals that the vehicle is covered by the auction’s rules for arbitration. Regardless of light, any vehicle selling for \$3,000 or less is automatically AS- IS and cannot be arbitrated for any reason except odometer or title discrepancy.

**YELLOW LIGHT** – Indicates the announcements have qualified the condition and limits arbitration of this vehicle.

**RED LIGHT** – “AS-IS” – Signals that the vehicle is not covered by the auction rules for arbitration. Vehicles sold under the Red Light cannot be arbitrated for any reason except frame, odometer, flood, or title discrepancy. Vehicles sold for \$3,000 and under are automatically AS-IS regardless of light and cannot be arbitrated for any reason except odometer or title discrepancy.

**BLUE LIGHT** – “CTA-Title Delay” – Identifies that the title is not present at the time of sale. See TITLE INFORMATION Section for CTA – Title Delay policies.

# Arbitration

All arbitration must be handled through the Auction Arbitration Department.

Unless otherwise noted, arbitration claims must be brought to Auction Arbitration within one hour after the lane in which it was purchased closes.

Visible Defects are not grounds for arbitration.

The Auction will not be involved in arbitration, adjustment or settlement of any defect or claim on units sold outside of auction block. Such sales are considered AS-IS and cannot be arbitrated for any reason except for units \$3,000 and under which can only be arbitrated for odometer and title discrepancies.

All guarantees as stated by the Seller are those of the Seller only. The Auction makes no representations or guarantees as to the description, equipment, history, warranties, service policy, 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.

Audio visual electronic equipment is not subject to arbitration. Missing Navigation disks are not covered by Arbitration.

No Arbitration on vehicles over 20 years old – AS-IS

The Auction does not guarantee the information listed in Electronic Vehicle Data Histories and may not accept arbitration claims based solely on EDVH data.

The Auction does not guarantee any warranty books, VIN 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 and/or frame guarantee. The auction does not guarantee titles on watercraft.

Donation Vehicles designated as Lanes 14 and 15 are sold AS-IS and "WHERE-IS". ***There is no arbitration on these vehicles for any reason regardless of faults or conditions of any kind – including frame or flood, with the exception of unannounced title or odometer issues.***

Vehicles sold in Lanes 51 and 52 – Insurance Consignment, Damaged Rentals and Salvage are all sold AS-IS and "WHERE IS". ***There is no arbitration on these vehicles for any reason regardless of faults or conditions of any kind- including frame or flood, with the exception of unannounced title or odometer issues.***

The Auction Arbitrator will inspect only the defect which is on the arbitration form. Each vehicle is allowed one chance at mechanical arbitration. If price adjustment is made and accepted, vehicle becomes AS-IS property of Buyer and is not subject to any further arbitration for mechanical defects or adjustments.

Seller will not be paid for vehicles in arbitration unless or until arbitration is settled and vehicles are sold.

The decision of the Auction Arbitration Department is final and binding on both the Buyer and Seller.

Vehicles with more than 500 miles on odometer then originally sold will not be considered for arbitration.

<b>Seller Disclosure Requirements or Can Be Arbitrated</b>	<b>Green Light</b>	<b>Red Light</b>	<b>Arbitration Period **</b>
<b>HISTORICAL-NON_VISIBLE ISSUES</b>			
Taxis and Police Cars	Yes	Yes	7 Days
Flood Damage	Yes	Yes	7 Days
Fuel Conversion	Yes	Yes	7 Days
Lemon Law/Manufacturers Buyback	Yes	No	7 Days
Not Actual Miles (Previously TMU)	Yes	Yes	7 Days
Canadian	Yes	Yes	Sale Day Only
Salvage or Reconstructed (including History)	Yes	Yes	7 Days
State-Issued VIN Plates (reassigned public VIN's) including kit vehicles	Yes	Yes	7 Days



Gray Market Vehicles	Yes	Yes	7 Days
Insurance and/or Salvage Titles (including History)	Yes	Yes	7 Days
Vehicles being sold with a CO, MSO or Repo Affidavit (if required by state law)	Yes	Yes	7 Days
Vehicles being sold with no title (Bill of Sale only)	Yes	Yes	7 Days After Receipt of Title
<b>NON-ARBITRATABLE ISSUES</b>			
Glass damage	No	No	None
Hail damage	No	No	None
Logo or Decal Misrepresentation	No	No	None
Tire problems	No	No	None
Upholstery Problems	No	No	None
Visible body damage	No	No	None

\* Must announce Defects that are singularly more than \$500 to repair.

\*\* Arbitration Periods apply only if item is arbitrable, and sale day arbitration items are subject to time of day limitations.

# CTA – Title Policy

The seller guarantees the title of vehicles that are sold through the Auction. This guarantee of title warrants that title shall be marketable and free and clear of liens and encumbrances, including any brand (such as Salvage) noted on the current or any prior certificate of title unless such encumbrances were announced at the time the vehicle is sold through the Auction and for a period of 29 calendar days from the date of auction sale.

The Auction will not be responsible for any expenses incurred on vehicles for late title.

Seller and Buyer agree that Auction is neither responsible for the odometer mileage on the consigned vehicle nor information contained in the odometer mileage statement and the damage disclosure statement which Seller as Transferor is required to complete and sign and Buyer as Transferee is required to acknowledge.

In regard to defect in title and any matter relating to odometer mileage, odometer statement, or damage disclosure statement: Seller and Buyer agree to indemnify and hold harmless the Auction from any liability, loss, cost, damage or expense, including attorney fees which may arise either directly or indirectly from the sale and purchase of the consigned vehicle including but not limited to title services provided.

Seller will not be paid for vehicles sold until a transferable title is received.

If title problem is due to a clerical or coding error, or incomplete documentation, the Auction shall be given reasonable time after receiving notice to have the error corrected.

Sellers have 29 calendar days to deliver title to Auction for any vehicle sold CTA. There is a charge for selling or returning a CTA vehicle.

Buyers of CTA vehicles should not spend any money on the vehicles or re-sell them until title is received from Auction. The Auction will not be responsible for transportation or other expenses of a returned vehicle.

Just because a vehicle is returned to the Auction it does not mean the Buyer is out of the deal. The vehicle must be received and checked in by Auction management before the Buyer will be out of the deal. Vehicles approved for return by Auction, must be checked in within 48 hours of notification from Buyer. Any vehicle returned must be in the same or better condition as when sold.

The auction will not be responsible for mailed titles that become misdirected or lost. A lost title is not a valid reason for a vehicle return.

The Buyer's Fee and Title Attached Fee are retained by Auction on vehicle returned. Auction reserves the right to charge fee(s) against buyer and/or seller as relates to origin of problem. (Buyer or Seller is responsible)

Mileage Limitation – Buyer cannot put more than 500 miles on vehicle.

If, after 90 calendar days, Seller has not produced negotiable title and Buyer has not returned the vehicle, this title guarantee shall not apply and Auction shall have no duty to produce the certificate of title to the Buyer and shall have no duty to pay Seller.

# Seller Responsibilities

- Seller will be held responsible for the accuracy of any representations (verbal or written) made by the Seller or Auctioneer at the time of sale.
- Seller must complete a federal/state odometer disclosure statement.
- Seller representative must announce the following when vehicle is offered at auction block before bidding starts-
  - Vehicles under 16,000 GVW with an inoperable odometer or odometer reading which does not represent actual mileage must be announced TMU (true mileage unknown)
  - Frame damage or structurally defective or altered frame – (See Frame Policy Section)
  - Reconstructed vehicle/Salvage History
  - Flood Unit
  - Police or Taxi Unit
  - Branded and irregular titles
  - Reassigned or Replaced VIN Plate (subject to Auction acceptance)
  - Canadian Unit (must be accompanied by certified paperwork – unless 5 years or older)
  - Active theft and theft history
- Seller is responsible for proper representation of "year and model" of vehicle being sold. Auction is not responsible for omissions, incorrect year or model, improper equipment listings, failure to make announcements on auction block, or verbal commitments between buyer and seller.
- The mileage and year printed on the registration sticker on the vehicle is only a guide, and should not be relied upon. It is the Seller's obligation to correct any errors made by the Auction with respect to the vehicle and/or its announcements.
- It is the discretion of the Seller to announce whether a Truck or SUV is four-wheel drive. All trucks and SUV's are assumed to be two-wheel drive unless otherwise announced.
- Seller must pick up Seller's copy of block ticket from clerk on the auction stand and bring it in, along with the title, to office immediately after unit is sold. Dealer Express Units – titles are turned in to office prior to sale, and Auction's clerk will deliver seller's copy of block ticket to office.
- Sellers who do not have title present MUST announce CTA – Title Delay while vehicle is on auction block before bidding starts. Improper CTA announcements are subject to arbitration, CTA fee and not announced fee.
- Seller's title must be in proper order with dealer reassignment properly filled in with dealer number, company name, address and proper signature. There must be a signed odometer statement included.

# Buyer Responsibilities

All bidders must have a current bidder badge visible at all times which must be presented immediately upon completion of purchasing a vehicle. Anyone bidding without a valid auction card will be subject to removal from the Auction and prosecution.

Buyers will watch lights and listen to announced conditions before placing bids. Once the vehicle is sold, Buyer is responsible for checking block ticket to confirm price and announced conditions are correct before legibly signing and printing their name. The Auction will not arbitrate defects visible from the block or announced conditions.

Buyers will follow auctioneer's cadence on price carefully.

Buyers will inspect vehicles prior to and immediately following the sale. Buyers will verify the Seller's representations and notify the Auction immediately of any discrepancies within the time frame as stated in the Arbitration Policy.

Buyers will verify odometer reading and operation before leaving the Auction.

The mileage and year printed on the registration sticker on the car window is only a guide and should not be relied upon. It is the buyer's responsibility to verify the correct badging, the correct trim level, the actual year and odometer reading before bidding.

Buyer purchasing a vehicle Check Title Attached (CTA) should not spend money on the vehicle or re-sell the vehicle until he/she has received the title from the auction. Sellers have 29 calendar days to produce title.

Buyer is responsible for signing block ticket on auction block and taking buyer's copy into office to settle or list with cashier immediately.

# IF Sales

“IF” sales are binding upon acceptance by the seller of the sale price on sale day and “IF” sales are binding upon bidder until the day after the sale.

Buyer does not have to be notified for “if” sale to be binding.

# Other Information

All units must be cleared from grounds by noon Monday following each sale, or vehicles will be automatically registered for the current week's sale.

Vehicles registered at the Auction are subject to inspection by FBI, NATB, FHB and local governing authorities. Any vehicles impounded by the above mentioned agencies would be released only by that agency.

Any returned check or late payment will be assessed a return/late fee charge of \$150.00 or late fee of 3% will apply, whichever is greater.

Any vehicle purchased through the auction and left on auction property for more than one week, will be considered ABANDONED and will be subject for removal and disposal at the owner's expense.

Auction reserves the right to offset any unpaid charges, fees or monies owed against any sale proceeds.

Auction's claim to warranty will be limited to terms provided from the Auction's insurance carrier. Claims made beyond one year from date of sale will not be honored.

The policies are subject to change without notice.

We try to render the best possible service to buyer and seller. Tipping would spoil the spirit of service; therefore it is prohibited.

Thank you for your patronage.

**Raymond C. Nichols – Chairman**

**R. Charles Nichols – President, General Manager**

**Michelle Nichols-Neff – Vice President**

## **Managers:**

**General Manager** – Tommy Rogers – trogers@bscamerica.com  
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**Operations Supervisor** – Nick Wake – nwake@bscamerica.com  
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**Truck & Equipment / Power Sports Sale Admin** – Jonathan Rufenacht --  
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