



Terms and Conditions

This is a “Dealer Only” Auto Auction operated by AAAG Lone Star LLC dba El Paso Independent Auto Auction, a Texas Corporation hereinafter be referred to as EPI. All properly state licensed auto dealers must have a completed EPI approved registration forms. All agents must have written authorization from the owner on file with EPI. Registered dealers are responsible for all actions of their agents.

EPI is a member of the National Auto Auction Association (NAAA) and operates under the arbitration policy and rules of the NAAA in conjunction with the terms and conditions below.

EPI’s role in the sale is to promote fair and ethical treatment to both the buyer and the seller. All responsibility and guarantees lie between the buyer and the seller. EPI, auctioneers, and clerks do not act as agents for, or represent the buyer or the seller. Each auction is recorded on video and audio and will be utilized to settle all disputes regarding statements made concerning the vehicles offered for sale. Both the buyer and the seller agree that EPI may cancel the sale at its sole discretion and is the final decision maker in all disputes or arbitrations.

Pick up and Deliveries – EPI does provide a transportation service to move cars to and from the auction. EPI hires professional drivers to move these vehicles. EPI performs only minor precautionary measures such as a visual walk around and check fluids adding if needed before starting the transportation process. EPI does not do a full mechanical check on vehicles before delivery or pick up therefore cannot be held responsible for mechanical issues that develop during the transportation process. Buyers will have 1 week to remove their purchases from the property. After 1 week a charge of \$7 per calendar day will be applied to the Buyers A/R account and a gate pass will not be given until the storage charges are paid in full.

All vehicles consigned at EPI must have a visible unaltered VIN plate attached to the vehicle by the manufacturer or state inspector. State issued VIN plates must follow the NAAA seller disclosure/announcement requirements. Vehicles belonging to the seller left at the auction will be consigned in every sale. To avoid a no sale fee the vehicle should be removed from the auction premises.

Vehicles will be consigned to the sale up until 9:45am on Wednesdays. Vehicles brought in after this time will only be placed in inventory and will run the following week.

No Show fees can be avoided if a dealer cancels their reserved numbers before 3:00pm the day before the sale. A no show fee of \$10 will be applied to the dealers account.

EPI views excessive mileage on a returned vehicle to be anything over 100 miles per 7 calendar days. Anything above the stated miles per time frame a charge of \$1.00 per mile for each additional mile may be charged to the buyer and may disqualify the vehicle from being eligible for arbitration.

EPI's title policy is after 18 calendar days from the day of sale (sale day is day 1) the buyer can notify the auction of their 72hr notice for their intent to return the vehicle. EPI will contact the seller to notify them of the possibility for arbitration. The seller will then have 72 hours to produce a transferrable title to the auction. If no title is produced by the 21st calendar day (18days + 72hr notice) the buyer may return the vehicle, the sale will be reversed and reasonable transportation costs will be reimbursed to the buyer. The auction will determine what is considered reasonable transportation costs and may only provide partial reimbursement even with proof of payment. The seller will be liable for transportation cost to and from EPI. The address of the purchasing dealership will be used for calculating the transportation costs. EPI will charge a no title arbitration fee of \$100 to the seller. The vehicle must be returned in the same or better condition. An excess mileage charge may be charged applied.

IF's and Offers - EPI reserves the right to sell any vehicle within \$100 of the floor price. Vehicles \$2000 or more back of the floor price or the current market value

of the vehicle it is possible no offer will be accepted in lane. The seller has until 17:00:00 (5:00:00pm MST) the day of the sale to accept an offer. The buyer is responsible for contacting EPI to see if a bid was accepted. The buyer cannot refuse a car sold on call or turn down car due to not being notified by auction if the bill of sale is created on or before 17:00:00 (5:00:00pm MST) day of sale.

Payments- Buyer payments are due no later than Friday the week of the sale by 12:00:00. If payment is not received by this dead line a late payment fee of \$100 will be applied to the vehicle. Unpaid vehicles past this deadline will be ran through the auction 1 time only and sold. Any losses from this sale will be charged to the dealers account and their buying and selling privileges at EPI will be revoked until payment in full is made. Any profit made from selling the vehicle will be kept by the auction. Vehicles that are purchased using a floor plan company a \$25 floor plan fee will be added to the vehicle by the auction. A/R payments that are paid using a credit card will be issued a transaction fee that is 5% of the amount due.

Seller will be held responsible for the accuracy and completeness of all representations or descriptions. This includes handouts, catalogues, vehicle markings, condition information or vehicle listings and verbal or written statements made by Seller, Auction, Auctioneer or Selling Representative at the time of sale. The Seller understands that the sale light/video display is a binding arbitration representation of vehicle condition, and is therefore responsible for ensuring that their vehicles sell under the correct light in the lane. A condition report, in its current state, is a visual representation of the physical condition of a vehicle as well as an overall description of the vehicle. It is not a complete mechanical, electrical or structural inspection and is not to be treated as such.

EPI's Amendment to the NAAA Arbitration Rules- The Auction will allow sellers to run vehicles under the RED/YELLOW light. Buyers understand that vehicles running under this light code are eligible for arbitration for the following reasons only:

1. Not Actual Miles/ Inoperative Odometer
2. Total Loss/ Salvage

3. Theft Recovery
4. Bonded, Insurance and or Salvage Title
5. Lemon Law
6. Grey Market
7. Bill of Sale Only
8. Biohazard Vehicles
9. Government Title
10. Disclosure Required by Law

The buyer and seller both understand that buy default vehicles selling for under \$3000 by default will become AS/IS No Arbitration (RED/YELLOW Light.) regardless of the light at the time of sale.

The following is collected as part of the Generic Condition Report:

Year, Make, Model, Trim

Odometer

Visible Exterior Damage

Visible Interior Damage

Visible Prior Repairs

Visible Flood Damage

Interior and Exterior Options installed

Obvious structural damage, repairs, replacements, and/or alterations that can be seen without being underneath the vehicle

Vehicle Images

The following is not collected as part of a Generic Condition Report and will not be disputed nor arbitrated based on the information disclosed (or not disclosed) on the CR:

Electrical issues (interior and exterior)

Mechanical issues with the engine, transmission, drivetrain, etc.

Non-visible Structural issues

Vehicle History (Title, accidents, flood, salvage, theft, taxi, warranty, etc.)

Open Safety Recalls

Prior repairs not obvious to visual inspection

OEM provided option information

EPI's Pre-Sale Inspection is a mechanical and structural inspection of a vehicle. It is intended to help the seller make the most accurate representation of the vehicle at the time of sale to help avoid arbitration. This does not guarantee that the vehicle will not get arbitrated in the BPP (Post Sale) inspection process and be returned to the seller. Failure of a BPP on a presale inspected vehicle can be due many uncontrollable factors that will cause a problem to surface that was not present in the pre-sale inspection process therefore the auction does not take all liability of the inspected vehicle. Buyers need to understand that without the purchase of a buyer protection plan (BPP) they have no warranty coverage once the vehicle leaves EPI's property or after 17:00:00 (5:00pm MST) day of sale whichever comes first. EPI will not inspect vehicles that are 20 years old or that have over 125k miles on the odometer.

EPI's "Buyer Protection Plan" (BPP) Post Sale Inspection is a tool that we provide to make your bidding and buying time more productive. Fundamentally, all the representations made during the time of sale at EPI are made by and are the responsibility of the seller. The responsibility for confirming those representations in timely manner (see the "General Policies"-Arbitration) falls with the buyer.

The "BPP" allows you, the buyer to hire us to carry out those confirmation responsibilities and if necessary, to begin the process of arbitration in the event of a discrepancy. The "BPP" additionally provides you with the assurance that, in the event of problem that is not detected in the inspection of the vehicle, you will have our support and participation in resolving that problem.

When the Vehicle arrives at your dealership, perform a standard safety & service inspection; If a single defect listed on Appendix I of the NAAA arbitration rules

that surfaces within the required BPP time (either 7 or 14 days) we will reimburse you or repair the vehicle up to a maximum amount of \$1,000 for 7-day coverage and \$1,500 for 14-day coverage. The condition of the part used to repair the vehicle will be at the sole discretion of the auction. Not all parts for repairs will be new. The parts used will have the same or less miles than the vehicle being repaired and be of the same or newer model year.

Only “Green Light” or “Yellow Light” vehicles with less than 125k miles on the odometer and that are less than 20 years old are eligible. EPI must receive notice of any problems by the close of business either 7 or 14 business days following the sale, depending upon the program option purchased. Sale Day is Day #1. The vehicle must be delivered at the buyer’s expense to EPI for repairs; Verification of diagnosis and repair estimates will be provided by EPI, or at a shop selected by EPI. The Auction, at its discretion, will cancel the sale or repair the vehicle; Vehicles that have been damaged or misused after leaving the auction premises or have 100 or more additional miles on the odometer from the time of purchase are disqualified from Buyer Protection Plan eligibility; EPI is limited to a maximum of \$1,000 for 7-day coverage or \$1,500 for 14-day coverage in U.S. dollars for repair per vehicle; Any compensation, price adjustment or repairs made under the Buyer Protection Plan are subject to EPI’s General Policies and may change from time to time without notice; Buyer Protection Plan Coverage applies to initial wholesale auction vehicle purchase and is not transferable to any other wholesale or retail transactions; Online buyers who purchase an eligible vehicle and cannot be reached by EPI staff on Sale Day will receive and be charged for a 7-day Frame & Drive BPP on said vehicle.

Arbitration Policy- Vehicles with more than 100 miles per 7 calendar days will not be arbitrated by EPI. It is the buyer’s responsibility to return the vehicle to the auction for the arbitration process to begin. The buyer will return the vehicle to the check in gate and at that time an arbitration form will be filled out. The reason listed on the form is the only area the arbitrator will inspect. Each buyer only has 1 attempt at arbitration if the auction determines an unsuccessful arbitration the vehicle becomes “AS-IS, No Arbitration” property of the buyer and not subject to

any further arbitration. Vehicles sold under “Bill of Sale” are sold “As-Is No Arbitration” property of the buyer.

Safety – No persons under the age of 18 are allowed on auction premises. All attending the sale do so at their own risk. Buyers/ sellers/ drivers and guests are cautioned to be careful while on the premises and particularly during the auction process. Neither EPI nor any other person connected with this sale assumes any liability, legal or otherwise for the safety of the building or premises or the perils involved with the operation of any vehicle. The speed limit on the property is 10 mph and the test driving of vehicle above this posted speed limit is prohibited. To protect the safety of everyone all EPI employees’ have the duty of monitoring any unsafe acts and each employee has the authority to enforce EPI’s safety policies to the fullest.

Guest Policy – All guests must be 18 years of age or older and provide a valid ID. A guest may not be a potential retail customer. Each dealer or authorized representative is personally responsible for any guest registered. No guest is authorized to bid on any vehicle or conduct any business on the auction property. There is a \$20 charge for each guest.

EPI reserves the right- to amend and/or update this information and policy as deemed necessary. EPI will provide an updated copy at the customer’s request and/or it is available on EPI’s website and is posted in the lobby. EPI reserves the right to refuse service to anyone. Anyone caught on auction premises after banning will be considered trespassing.

